2009

KOREA COMMUNICATIONS COMMISSION

Annual Report

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This annual report is a summary of the main activities and achievements of the Korea Communications Commission during the past year, pursuant to Article 16 of the Act on the Establishment and Operation of the Korea Communications Commission.

Message From The Chairman

The Korea Communications Commission is now into the third year of its mission to accelerate broadcasting and telecommunications in Korea, in line with the larger trend of digital convergence.

As I look back on the two past years, I am deeply impressed by the many changes the broadcasting-telecom industry of Korea has undergone. The long-obsolete boundary separating broadcasting from the rest of the media industry is now history, and IPTV, whose commercial launch seemed like a daunting and elusive task at first, has a subscriber base of over two million just one year after the start of service. Digital broadcasting, meanwhile, is set to move on to its next phase of technology and service evolution, digital 3D broadcasting, barely ten years after its initial introduction. What we witnessed over these past two years is nothing less than the so-called “media big bang.”

The tides of change are also sweeping into the telecom and internet fields as well. The meteoric rise of smartphones has made technologies like traditional telephony, cell phones and fixed broadband internet seem utterly outdated. Meanwhile, with vast arrays of new digital services and content, such as WiBro and App Store, hitting the market everyday, it is becoming increasingly challenging to keep abreast of the latest developments in communications media.

There is certainly no guarantee that technological changes and innovation necessarily lead us or our society to change for the better. History, however, tells us that mankind was able to make big strides forward thanks to the kinds of people who seek changes and pursue innovation, and that opportunities are with those who lead and embrace changes and innovation.

The accelerating pace of technological evolution is keeping people, companies and governments all around the world busy trying to stay up-to-date and remain competitive through rapidly changing times. This is particularly the case with broadcasting and telecom, at the leading edge of the technology and service revolution taking over today's world.

At this critical and exciting juncture of the digital revolution, the last thing we as a nation want to do is sit back and watch. Koreans have not forgotten how, with no history of telecom to speak of, our nation pulled off major IT feats thanks to breakthrough achievements like TDX, CDMA and broadband, and provided the world, in the process, with a memorable IT success story. Keeping this miracle alive is precisely our mission at the Korea Communications Commission.

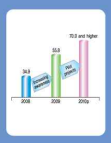
The annual report published every year by the Korea Communications Commission is much like its diary. Through it, we looked back on events past and draw lessons for the future from them. As we learn from our past mistakes, we are in a better position to take new and solid steps toward reaching the goal of making Korea a top broadcasting-telecom nation.

We look forward to your continued interest and support for our activities at the Korea Communications Commission.

Thank you.

March 2010

See Joong Choi
Chairman of the Korea Communications Commission



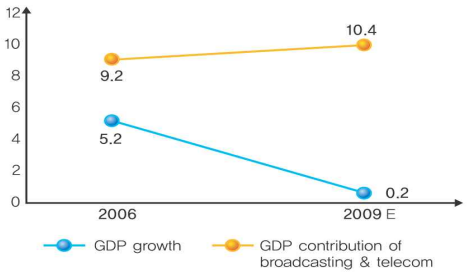
Broadcasting-Telecom Policy Accomplishments at a Glance

□ The contributions of the broadcasting and telecom industries to the national economy of Korea remain as vital as ever.

o Led by converged media solutions such as WiBro, DMB, and media content, exports in the broadcasting and telecom sectors are on a continuous upswing, with the GDP contribution of the two sectors also rising, from 9.2% in 2006 to 10.4% in 2009.

GDP Contribution of Broadcasting and Telecom

(Unit : %)



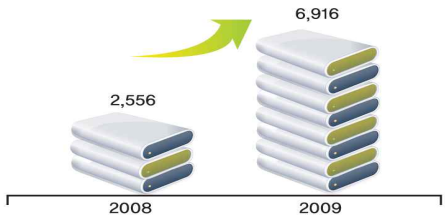
Broadcasting and Telecom Exports

(Unit : $ billion)

※ P : Preliminary

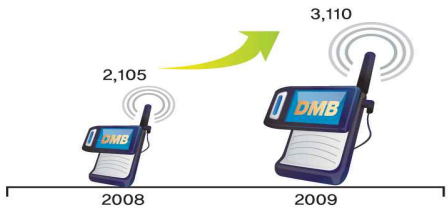
WiBro Device and Equipment Exports

(Unit : ₩100 million)



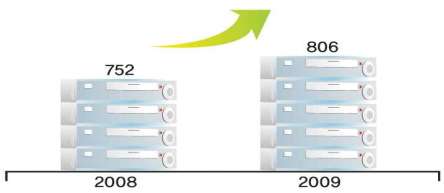
DMB Receiving Device Exports (excluding mobile handsets)

(Unit : ₩100 million)



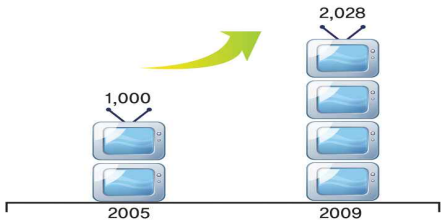
IPTV Set-top Box Exports

(Unit : ₩100 million)



Broadcast content exports

(Unit : ₩100 million)

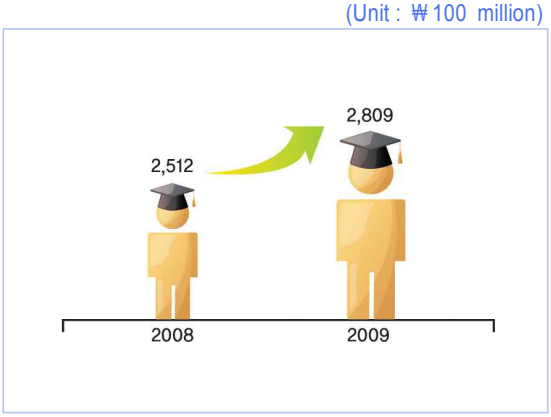


□ We invested in the future of broadcasting and telecom by actively supporting R&D and content development.

o In 2009, a budget of 280.9 billion won was allocated to R&D in broadcasting and telecom fields, a 12% increase from the previous year. Meanwhile, a total funding of 26.5 billion won was provided during the same year to finance content development projects, in the form of both grants and loans.

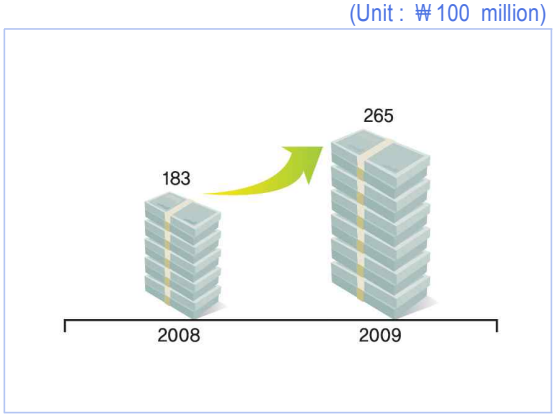
R&D Funding

(Unit : ₩100 million)



Financing Support for Broadcasting and Telecom Content Development Projects

(Unit : ₩100 million)

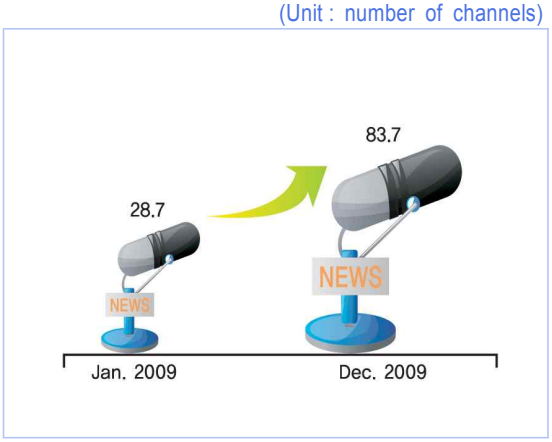


□ We helped broaden the application of IPTV to include many non-entertainment areas.

o We ensured that a wide range of diversified content was produced for IPTV, by supporting converged media content projects, and conducted pilot service programs in various fields, including live educational TV shows, defense, agriculture and fisheries, public health and tourism.

Number of Real-time Channels

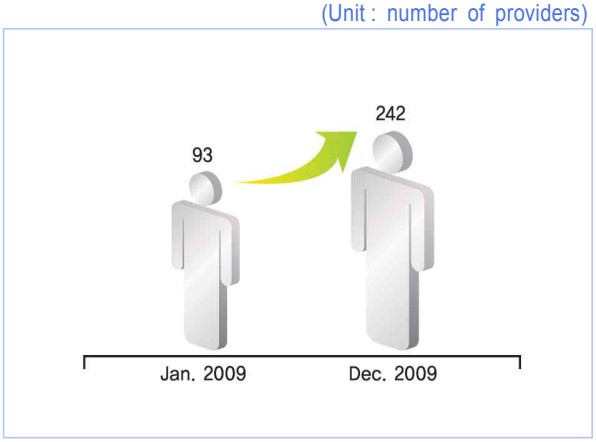
(Unit : number of channels)



Note: The number of channels listed above is the combined total of channels broadcasted by the three IPTV operators, in average during the period.

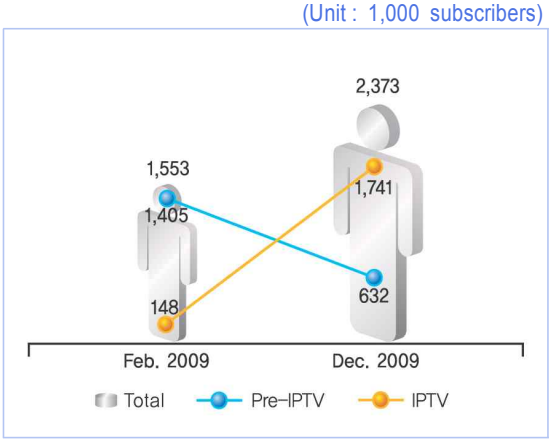
Number of Content Providers

(Unit : number of providers)



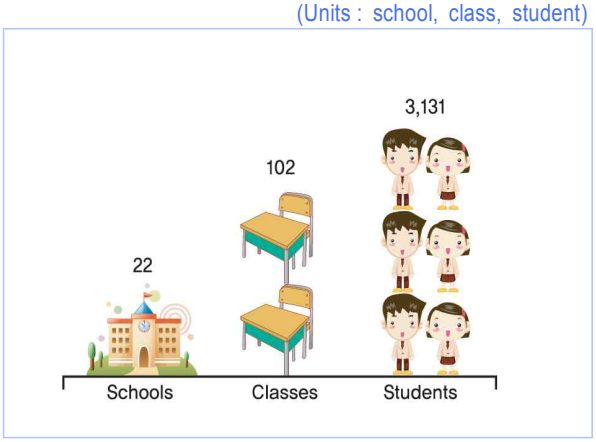
Number of IPTV Subscribers

(Unit : 1,000 subscribers)



Live IPTV Educational Program Pilot Project

(Units : school, class, student)



□ The amendments to the Broadcasting Act brought about a regulatory environment conducive to greater competitiveness of broadcasting.

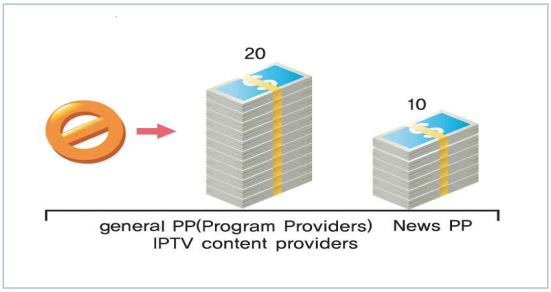
o Ownership restrictions in the broadcasting industry have been eased across the board, and new regulatory mechanisms are now in place to guarantee the diversity of public opinion.

o New types of advertising such as virtual advertising and indirect advertising are now authorized, and the pre-screening scheme for TV ads has been abolished.

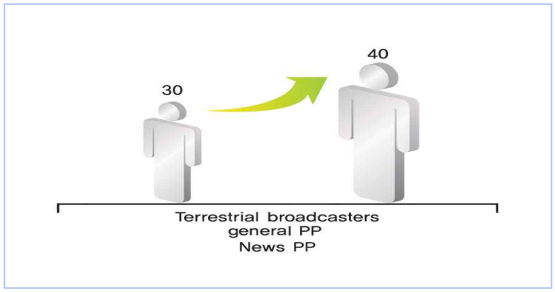
Equity Holding Limits

(Unit : %)

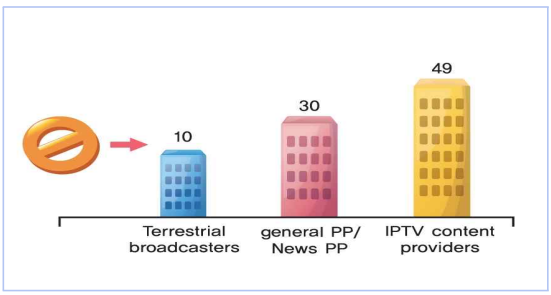
(foreign capital)



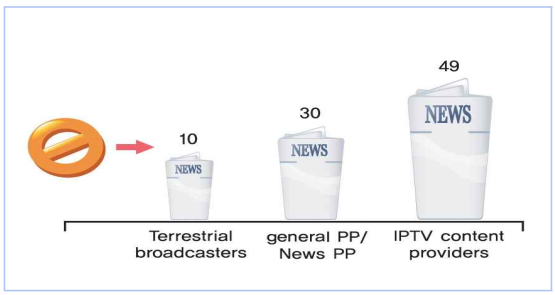
(per person)



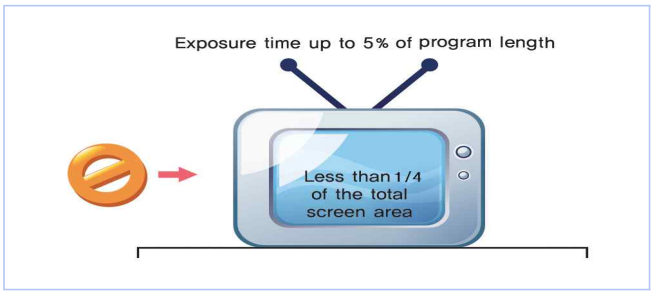
(Large companies with total assets of 10 trillion won or more)



(Daily news papers, news agencies)



Introduction of Indirect/ Virtual Advertising

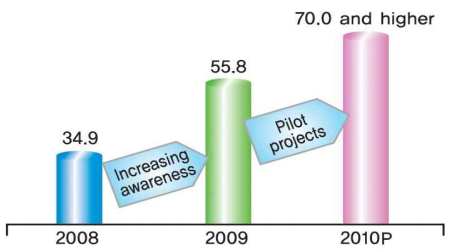


□ We completed major preparatory steps toward a successful digital broadcasting transition.

o We completed an action plan for accelerating the process of DTV transition, stepped up our public information campaigns and began pilot projects to test the transition strategy and reduce errors.

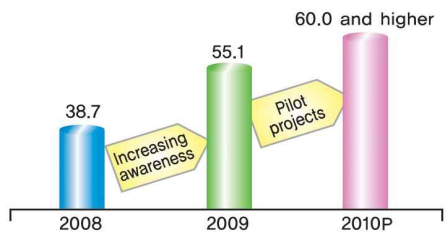
Rate of DTV Transition Awareness

(Unit : %)



Digital Penetration

(Unit : %)

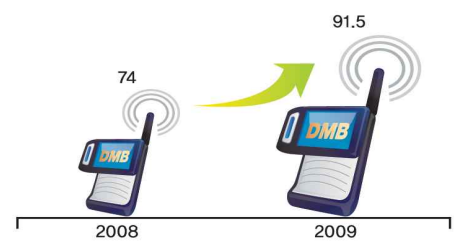


□ We improved the broadcasting reception environment, widening service coverage.

o Through the easing of related regulations and development of new technologies, we were able to raise the coverage of DMB services to 91.5%, and allocated more frequency bands to English-language FM broadcast, increasing the number of reception areas nationwide to six.

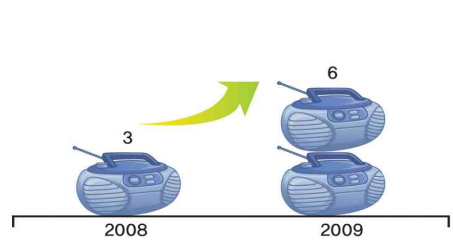
Terrestrial DMB coverage in the capital area

(Unit : %)



English-language FM broadcast coverage

(Unit : number of reception areas)



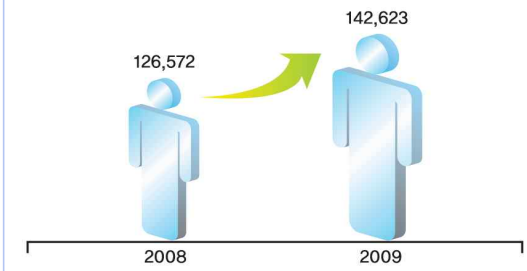
□ We broadened access to broadcasting for socioeconomically-disadvantaged populations, increasing the welfare of Korean viewers and listeners.

o We successfully widened the use of community media centers nationwide and stepped up our support for media education for disadvantaged populations, raising the level of understanding of the media among Korean viewers and listeners.

o We provided support toward television closed-captioning for hearing-impaired viewers and SAP (Secondary Audio Program) programming for visually-impaired viewers, and further increased the number of TV and radio sets distributed to disadvantaged populations under our policy geared to providing universal broadcasting access.

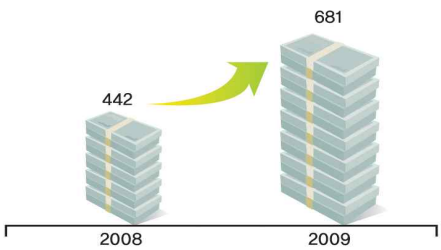
Number of community media center users

(Unit : number of users)



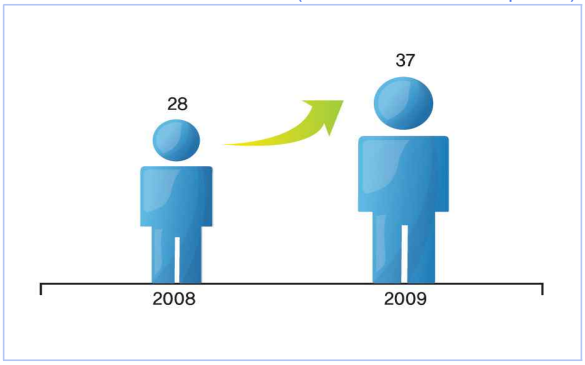
Funding support for media education

(Unit : million won)



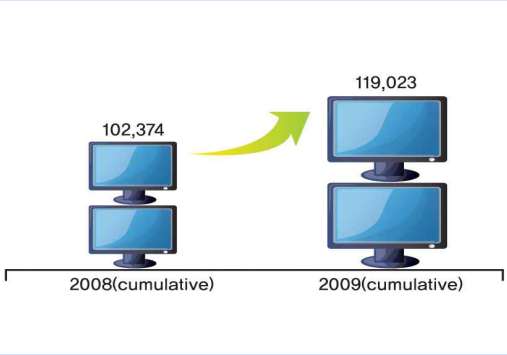
Number of production companies offering closed-captioned and SAP programming for sight and hearing-impaired viewers

(Unit : number of companies)



TV sets distributed to disadvantaged populations

(Unit : number of TV sets)



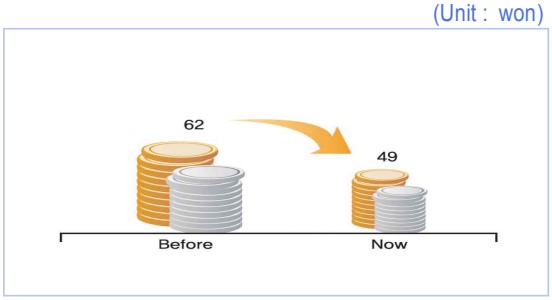
□ We further lowered telecom tariffs, cutting communications expenditures for Korean households.

o Mobile subscription fees and prepaid calling rates were lowered, and the pricing structure simplified as part of our continuing efforts to make telecom services more affordable for Koreans.

o Eligibility for the low income discount program was expanded to cover all recipients of government assistance and some of low-income earners qualifying as working poor.

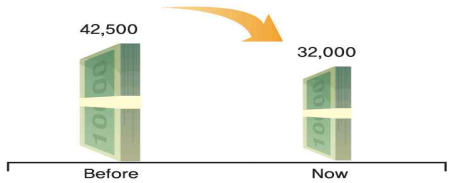
Prepaid calling rates lowered

(Unit : won)



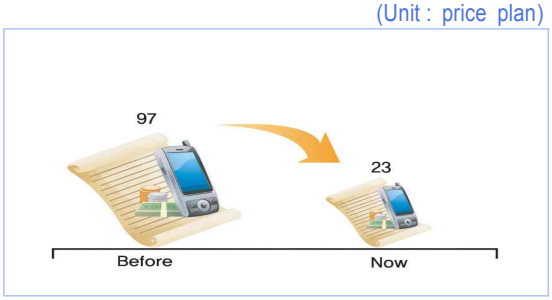
Subscription fees lowered

(Unit : won)



Simplified Pricing Structure

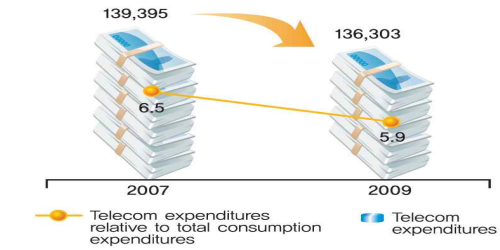
(Unit : price plan)



Note: The combined total number of price plans offered by top three telecom operators (SKT, KT and LGT).

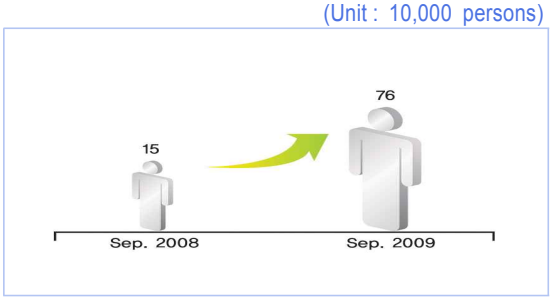
Household Telecom Spending Falls

(Units : won, %)



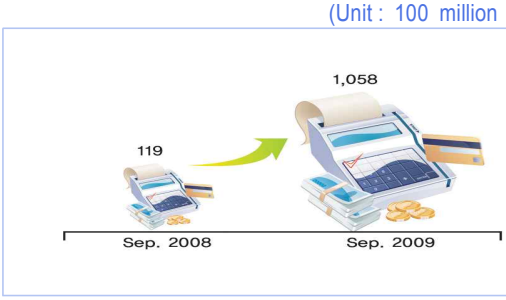
Number of low-income tariff discount beneficiaries

(Unit : 10,000 persons)



Total amount of low-income tariff discounts

(Unit : 100 million won)



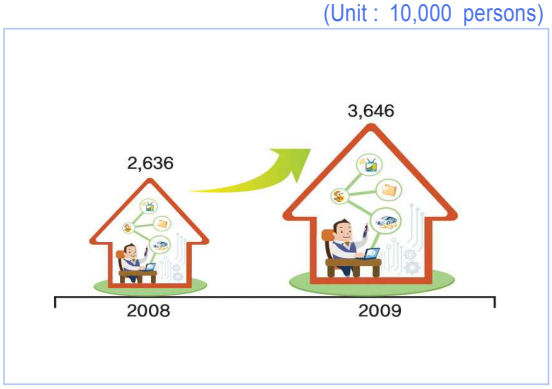
□ Under an ongoing effort to make the broadcasting and communications networks of Korea bigger, faster and more reliable, we lifted the rate of BcN penetration and helped improve the quality of internet connection.

o The number of BcN subscribers jumped 38.3% from the level in 2008 to 36.46 million (11.62 million households subscribed to fixed BcN, 24.84 million wireless BcN subscribers; as of Nov. 2009).

o ISPs were provided information on the quality of their broadband services to encourage and guide efforts for improvement of service quality.

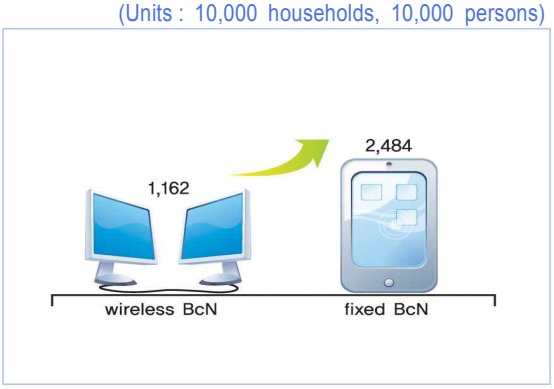
BcN Subscriber Statistics

(Unit : 10,000 persons)



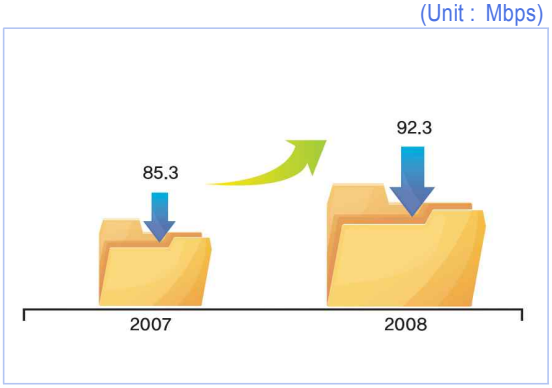
Fixed and Wireless BcN Subscribers

(Units : 10,000 households, 10,000 persons)



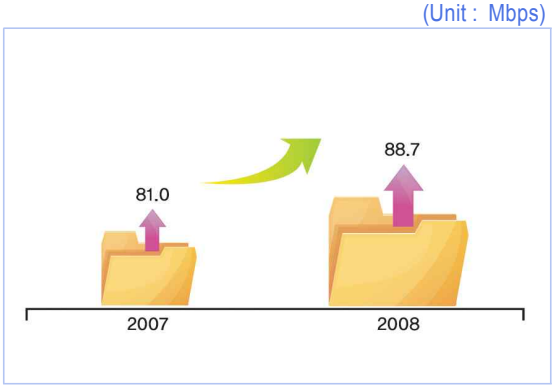
Average internet download speed at 100Mbps

(Unit : Mbps)



Average internet upload speed at100Mbps

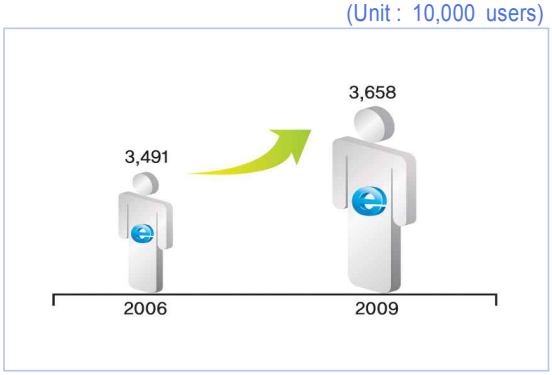
(Unit : Mbps)



□ By promoting e-business and encouraging the registration of Korean national domains, we are increasing the use of the internet.

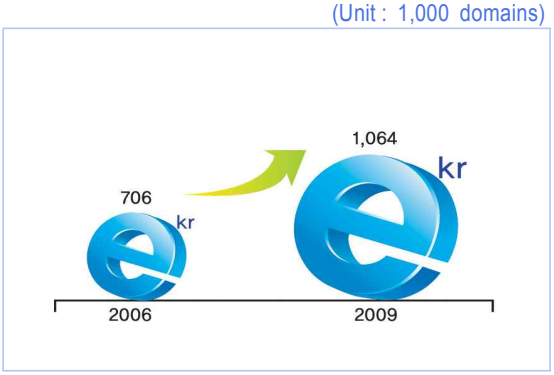
Number of internet users

(Unit : 10,000 users)



Number of .kr domains

(Unit : 1,000 domains)



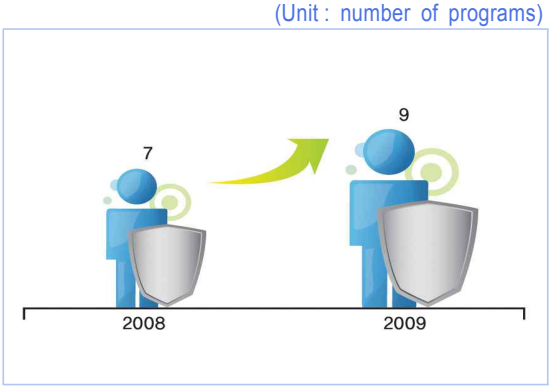
Source : Korea Internet & Security Agency (KISA)

□ We made active efforts to protect consumers from various personal and financial risks related to the use of broadcasting and telecom services and resolve complaints in a timely and fair manner.

o Efforts such as issuing consumer alerts (twice) and guidelines for broadcasters and telecom operators (seven times) helped reduce broadcasting and telecom-related consumer complaints significantly.

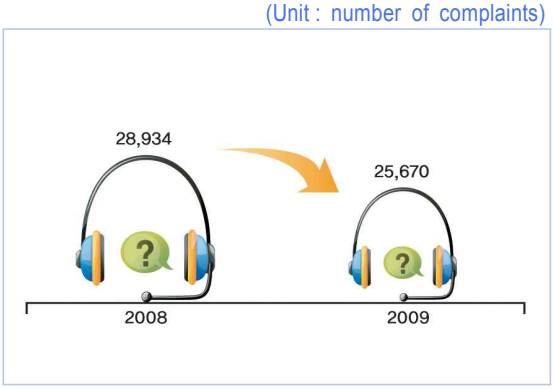
Preventive Efforts for Consumer Protection

(Unit : number of programs)



Telecom Consumer Complaint Statistics

(Unit : number of complaints)



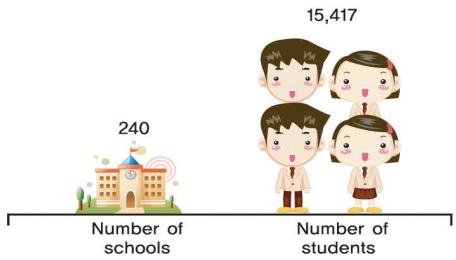
□ We made the telecom environment in Korea safer and more wholesome.

o We offered internet media and ethics classes to raise the public awareness of internet ethics and extended the scope of the authentication requirement to apply it to a broader range of internet activities.

o Thanks to the improvement of internet ethics-related regulations and regular crackdowns on online offenses, we were able to successfully reduce spam.

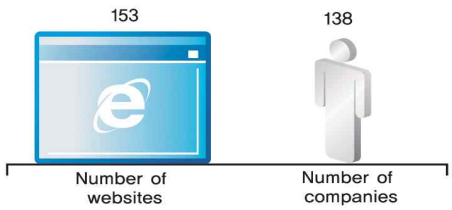
Internet Media Academy Statistics

(Units : number of schools. Number of students)



Websites using ID-based user authentication

(Units : number of websites, number of companies)

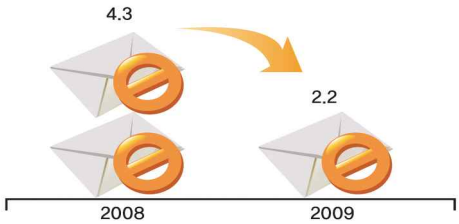


Number of mobile spam messages received (daily average per person)

(Unit : number of messages)

Number of spam emails received (daily average per person)

(Unit : number of spam emails)

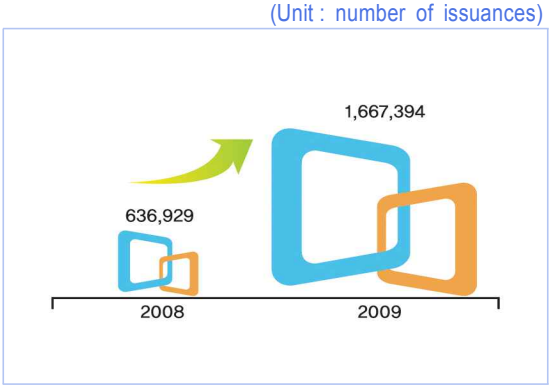


□ By accelerating the dissemination of security technology and expanding the reach of intrusion prevention services, we made meaningful progress toward a safer internet for all Koreans.

o This period saw a significant increase in issuance of i-PIN, the online ID replacing the national ID (resident registration number) in the internet environment and a wider dissemination of SEED, a home-grown encryption technology of Korea. Meanwhile, to alert users about the latest security risks, information on internet intrusion incidents and their types was made available to broad segments of internet populations, and a greater variety of security scan services were offered on a more frequent basis.

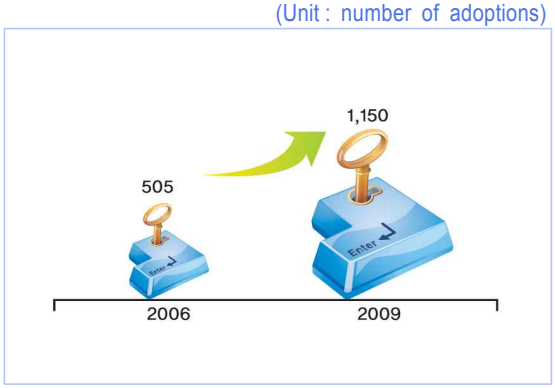
Cumulative i-PIN Issuance Statistics

(Unit : number of issuances)



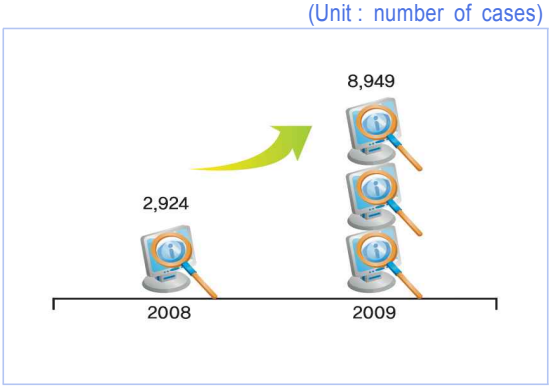
SEED Dissemination Statistics

(Unit : number of adoptions)



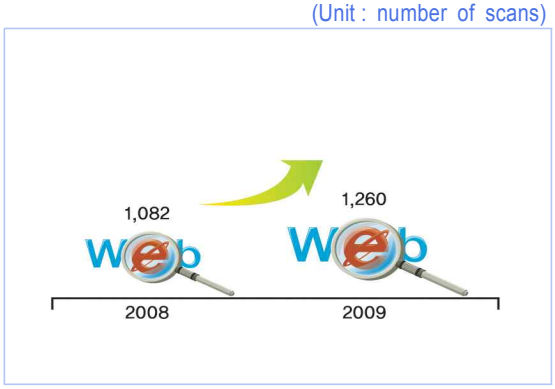
Internet Intrusion Hotline and Remote PC Scan

(Unit : number of cases)



Online System Vulnerability Scan

(Unit : number of scans)



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I The Broadcasting-telecom Policy Environment

1. The Economic Crisis and the Broadcasting and Telecom Markets
2. The Broadcasting-Telecom Policy Environment of Korea

Ⅰ. Broadcasting-Telecom Policy Environment

1. The Economic Crisis and the Broadcasting and Telecom Markets

A. Global Macroeconomic Trends

o In early 2009, amid the global economic slowdown and in the aftermath of the financial crisis originating in the US, economic conditions deteriorated also in emerging market countries such as China and India.

- The OECD predicted, in an interim report published in March 2009, that GDP across OECD countries would plummet 4.3% on average during 2009.

o Starting from late 2009, the global economy showed early signs of recovery thanks to aggressive stimulus measures by governments of emerging market countries and thawing financial markets in developed countries.

- As a result, the OECD revised its economic growth forecast for 2009, from 4.3% to 1.7%.

o In 2010, the world economy is expected to continue on the recovery path.

- The IMF (2010) forecasted that the world economy will grow about 3.1% during 2010.
- The OECD also adjusted its forecast for the economic growth in the OECD area in 2010 upward to 1.9%.

o According to the IMF, the world economy will grow at a slow average rate of 4% during the five-year period between 2010 and 2014.

- The pace of economic recovery is also predicted to be generally slow according to the OECD, given that household debt restructuring is still on-going in member economies, and that expansionary macroeconomic measures are coming to an end.

<Table Ⅰ-1> Forecasted GDP Growth in Major Countries

(Unit : %)

Major Countries	2008	2009E		2010E	
		IMF	OECD	IMF	OECD
World	2.4	△1.1	△1.7	3.1	1.9
US	1.1	△2.7	△2.5	1.5	2.5
Euro zone	0.5	△4.2	△4.0	0.3	0.9
Japan	△0.7	△5.4	△5.3	1.7	1.8
China	9.0	8.5	8.3	9.0	3.4

E : Estimates.
Sources : IMF World Economic Outlook (Oct. 2009), OECD Economic Outlook (Nov. 2009)

B. Trends in the Global Media Market

o The global media market, valued at US$ 1,354 billion in 2009, is forecasted to grow at an annual average rate of 2.7% to reach US$ 1,613 billion in worth by 2013.[1)]

- Europe and the Middle East, the two largest regional media markets, had a combined worth of US$ 522 billion in 2008.
- The European and Middle-Eastern media markets are expected to account for a 37% share of the global market in 2013 (US$ 596 billion).

o While the amount of overall TV advertising revenue[2)] is expected to decline globally, multichannel TV advertising revenue[3)] is forecasted to continue the current upswing in spite of the economic slowdown.

- According to Informa Telecoms & Media (2009), the global multichannel TV advertising market would grow 1.4% in 2009 to hit US$ 19.2 billion in worth, despite a slow economy.
- The multichannel TV advertising market, while it is expected to shrink 0.9% in North America, is forecasted to grow 0.6% in Western Europe, and a whopping 15.3% in Eastern Europe and the Middle East, little affected by the recession.
- The increase in multichannel TV revenue is explained by a combination of factors including the segmentation of the viewer market, the possibility of targeted advertising and the economic downturn, which had the effect of lifting the demand for TV-based entertainment, rather than lowering it.

<Table I-2> The Size of the Global Media Market

Region	2004	2005	2006	2007	2008E	2009E	2010E	2013E	CAGR ('09-'13)
North America	444	462	486	504	499	463	458	532	1.3%
Europe/ Middle East	421	444	473	508	522	503	503	596	2.7%
Asia-Pacific	234	260	283	310	331	332	342	413	4.5%
Central and South America	35	40	45	51	57	56	57	73	5.1%
Total	1,135	1,207	1,287	1,374	1,409	1,354	1,360	1,613	2.7%

Unit : US$ 1 billion, E : estimates
Sources: PricewaterhouseCoopers LLP, Wilkofsky Gruen Associates (quoting from PricewaterhouseCoopers, 2009)

1) PricewaterhouseCoopers(2009)

2) The value of the TV advertising market is based on the combined total of terrestrial TV and multichannel TV advertising expenditures, and does not include the sales data of mobile advertising and internet advertising.

3) Multichannel TV advertising refers to network advertising via such media as cable TV, satellite TV and digital terrestrial TV.

C. Trends in the Global Telecommunications Market

o Investment in the telecom market, although somewhat dampened by the global economic slump, is slowly picking up the pace, since late 2009.

- With broadband network build-outs continuing briskly worldwide, the global telecom market is likely to embrace new paradigms such as convergence, openness, intelligent devices and ser- vices, and ultra-broadband, which may guide investment trends in coming years.

o The OECD telecom market, currently worth US$ 1.2 trillion, has been growing at a steady rate (6%), since 1990.

- Mobile communications service sales jumped 5% in 2009 to reach an estimated US$ 896 billion.
- Between 2009 and 2014, OECD mobile sales are expected to expand 19% to hit US$ 1.067 trillion.
- Mobile revenue accounts for an almost 41% of the total telecom revenue in the OECD area.
- Broadband internet subscriber lines have increased at an annual average rate of 31% ever since 2003.
- Although the fixed-line segment still represents a larger share of total telecom revenue, its share is likely to continue to shrink amid the economic recession.

o In 2010, the global telecom market is forecasted to grow 2-3% on the back of the recovering economy.

- In developed country markets, the IP and data segments are expected to lead growth.
- Meanwhile, in emerging market countries, the strongest growth is likely to be seen in the mobile segment.

<Table Ⅰ-3> Mobile Service Revenues in 2006-2009 by World Region

(Unit : US$ 1 billion)

Region	2006	2007	2008	2009E
Western Europe	207.8	212.3	213.7	213.7
Central and Eastern Europe	49.6	61.1	72.2	77.0
North America	148.5	164.6	176.6	179.1
Central and South America	42.9	53.7	63.2	71.7
Asia-Pacific	199.4	222.7	239.5	255.1
Middle East and Africa	55.6	69.8	85.2	99.3
Total	703.9	784.3	850.5	895.9

E : Estimates.
Source : Strategy Analytics, 2009

2. Broadcasting-Telecom Policy Environment of Korea

o The broadcasting-telecom environment in Korea is seeing large technological strides amid the accelerating process of digital convergence. There has been a sharp increase in Web 2.0-based service applications, and trends toward intelligent, embedded and mobile applications are gaining momentum.

- Amidst the changing technological environment, the regulatory infrastructure for broadcasting and telecom has been also largely updated in such a manner to spur innovation and propel growth in these industries. The regulatory bodies for broadcasting and telecom, previously separate, are now consolidated into one, leading to the creation of an IT-based convergence market and the integration of fixed and wireless platforms for greater competitiveness on the global scene.

- In 2009, large changes occurred to the broadcasting-telecom policy environment of Korea included the increasing contribution of broadcasting and telecom industries to the national economy of Korea, intensification of competition in the telecom market due to the introduction of new schemes for complementing facility-based competition, increasing need to improve spectrum resource efficiency through better allocation of spectrum, and the need to ensure greater stability and reliability of the broadcasting and telecom environment.

A. The Economic Contribution of Broadcasting and Telecom on the Rise

o The contribution of broadcasting and telecom industries to the national economy of Korea has been continuously increasing.

- In 2009, the GDP contribution of broadcasting and telecom amounted to 10.4%, with the average contribution since

<Table I-4> Growth Trends in Broadcasting and Telecom

(Unit: %)

Classifications	2004	2005	2006	2007	2008	2009P	Average ('04 ~ '09)
GDP growth	4.6	4.0	5.2	5.1	2.2	0.2	3.6
Growth of broadcasting and telecom industries	17.1	11.7	12.6	8.7	6.8	5.3	10.3
GDP contribution of broadcasting and telecom	8.0	8.6	9.2	9.5	9.9	10.4	9.3

Note: The data related to the broadcasting and telecom industries are based on the data classified by the Bank of Korea as pertaining to the information and communications industry. Therefore, there may be some margin of error due to this difference in classification (P: Preliminary).

Sources: Bank of Korea, Korea Association of Information and Telecommunications (the data were re-edited to reflect the national accounts of each year)

2004 standing at 9.3%.

o The growth of broadcasting and telecom service sales slowed down in 2009, hit by the economic downturn. In 2010, broadcasting and telecom service sales are expected to grow 3.8% from the level a year earlier to 61.4 trillion won.
- The wireless market grew at a brisk annual average rate of 6.5% between 2005 and 2009, playing a sizeable role in economic growth in Korea during the same period.

o Broadcasting and telecom exports, steadily on an upward trajectory, amounted to US$ 131 billion in 2008.
- The amount of exports fell slightly in 2009 to US$ 121 billion.
- The export contribution of broadcasting and telecom increased 2.3% from the level in 2008.
- In 2009, broadcasting and telecom exports accounted for 33.3% of total exports and 19.2% of total imports.

o The balance of broadcasting and telecom trade stood at a surplus of US$ 58 billion, in 2008, while the total trade balance was in the red, and at a surplus of US$ 58 billion in 2009. The broadcasting and telecom sectors' contribution to Korea's trade surplus is, therefore, quite considerable.

B. Telecom Market Competition Intensified by Measures to Complement Facility-based Competition

o Fixed and wireless communications services are the two most essential network services which also require massive facility investment, as geographic coverage is directly dependent on it.
- Due to colossal investment requirements, competition in the telecom market tends to become facility-based. As a result, the entry barrier is high in this market, where natural monopoly or oligarchy

<Table Ⅰ-5> Broadcasting-Telecom Exports and Imports

(Unit : US$ billion, %)

Classification		2005	2006	2007	2008	2009
Total	Export	284	325	371	422	364
	Import	261	309	357	435	323
	trade balance	23	16	15	-13	40
Broadcasting and telecom	Export	108	119	130	131	121
	Import	59	65	70	73	62
	trade balance	49	54	60	58	59
contribution	Export	38.0%	36.6%	35.0%	31.0%	33.3%
	Import	22.6%	21.0%	19.6%	16.8%	19.2%

Sources: Korea Customs Service, Korea Association of Information and Telecommunications

tends to arise in the detriment of effective competition. Hence, in order to improve the welfare of consumers through effective competition, some form of regulation is absolutely necessary in the telecom market.

o In 2009, in order to ensure effective competition in the Korean telecom market, the Korea Communications Commission authorized the market entry of MVNOs, by appropriately amending the Telecommunications Business Act.

- The market participation by MVNOs, by stimulating competition among carriers, can lead to the lowering of telecom tariffs, improvement of service quality as well as broadening consumer choice and giving a much-needed jolt to the wireless internet market.

C. Increased Need for Improving Spectrum Resource Efficiency through Better Allocation of Resources

o The global trend in spectrum resource regulation is to gradually abandon the current government led assignment, allocation and pricing of frequency spectrum in favor of an auction system, to let market mechanism to determine the process, as this has been proved an effective approach for improving efficiency in the use of spectrum resources. Active efforts are underway also in Korea to implement an auction system for spectrum allocation.

- Spectrum auctions, as they assign the right to use spectrum to the most efficient operators, contribute to a more economical use of available spectrum resources, as well as ensure that the resources are used to provide services benefiting greater numbers of users.

D. Threats to the Stability and Reliability of the Broadcasting and Telecom Environment Become More Virulent.

o Slews of new service applications continuously entering the market accelerate the convergence between services, also increasing, in the process, threats to the network environment.

- In 2009, a total of 20,086 hacking incidents were reported, a 26% increase from the level a year earlier.
- Virus and worm attack incidents, tallied at 9,701, jumped 14.5% from the level in 2008 (as of Nov. 2009).

o Active efforts were made by the Korea Communications Commission to improve the level of stability and reliability in the network environment, including safeguarding online information from

hacking, leakage and other various types of threat and protecting users.

E. Green Growth Emerging as the New Growth Paradigm

o To bring Korea's broadcasting and telecom industries in line with global trends and align its strategy with the direction of the larger strategy for national growth, the Korea Communications Commission created the 'Green Broadcasting and Telecom Committee' and unveiled its green growth plan titled "Master Plan for Green Broadcasting and Telecom Growth," devising and implementing also various policy measures toward the goals set under this plan.

- The main goal of this master plan is to cut energy use and reduce the environment impact of production and consumption activities in the broadcasting and telecom fields as well as other related fields, in order to build a more environment-friendly society and promote sustainable industrial growth.

Ⅱ Policy Goals of the Korea Communications Commission

1. Overview
2. Major Accomplishments in 2008
3. Policy Goals in 2009

Ⅱ. Policy Goals of the Korea Communications Commission

1. Overview

o The Korea Communications Commission was established by the Act on the Establishment and Operation of the Korea Communications Commission,' as a collegial body directly reporting to the President of the Republic of Korea.

- Its purpose is to proactively respond to the phenomenon of digital convergence, collapsing the boundaries between broadcasting and telecom, guarantee the freedom of broadcasting and safeguard its public interest orientation, to promote the balanced growth between broadcasting and telecom and thereby, ultimately contribute to strengthening the national competitiveness of Korea.
- The Korea Communications Commission is responsible for formulating and managing the broadcasting and telecom policy, including policy measures related to the convergence of broadcasting and telecom. The Commission also carries out and sponsors technology development projects for accelerating the convergence process, and develops and conducts the frequency spectrum policy, managing also available spectrum resources. Devising and implementing measures for promoting competition in the broadcasting and telecom markets and preventing and curbing undesirable side-effects arising from the rapid progress in network technology, establishing the user protection policy, investigating unfair business practices by broadcasters and telecom operators and mediating disputes between them are also among the major activities conducted by the Korea Communications Commission.
- The Commission is composed of five permanent members and is chaired by a chairman and a vice chairman.
- Two of the five standing commissioners, including the chairman, are directly appointed by the President of Korea.
- The remaining three members are nominated by the National Assembly and appointed by the President of Korea.[4)]

o There are fifteen laws having jurisdiction over activities by the Korea Communications Commission (for further information on laws having jurisdiction over the Commission's activities, refer to the <Appendix> below).

4) One of the three standing commissioners is nominated by a negotiating group of the ruling party of which the President of Korea is a member, or a party of which the President was a member, while the two others are nominated by other negotiating groups.

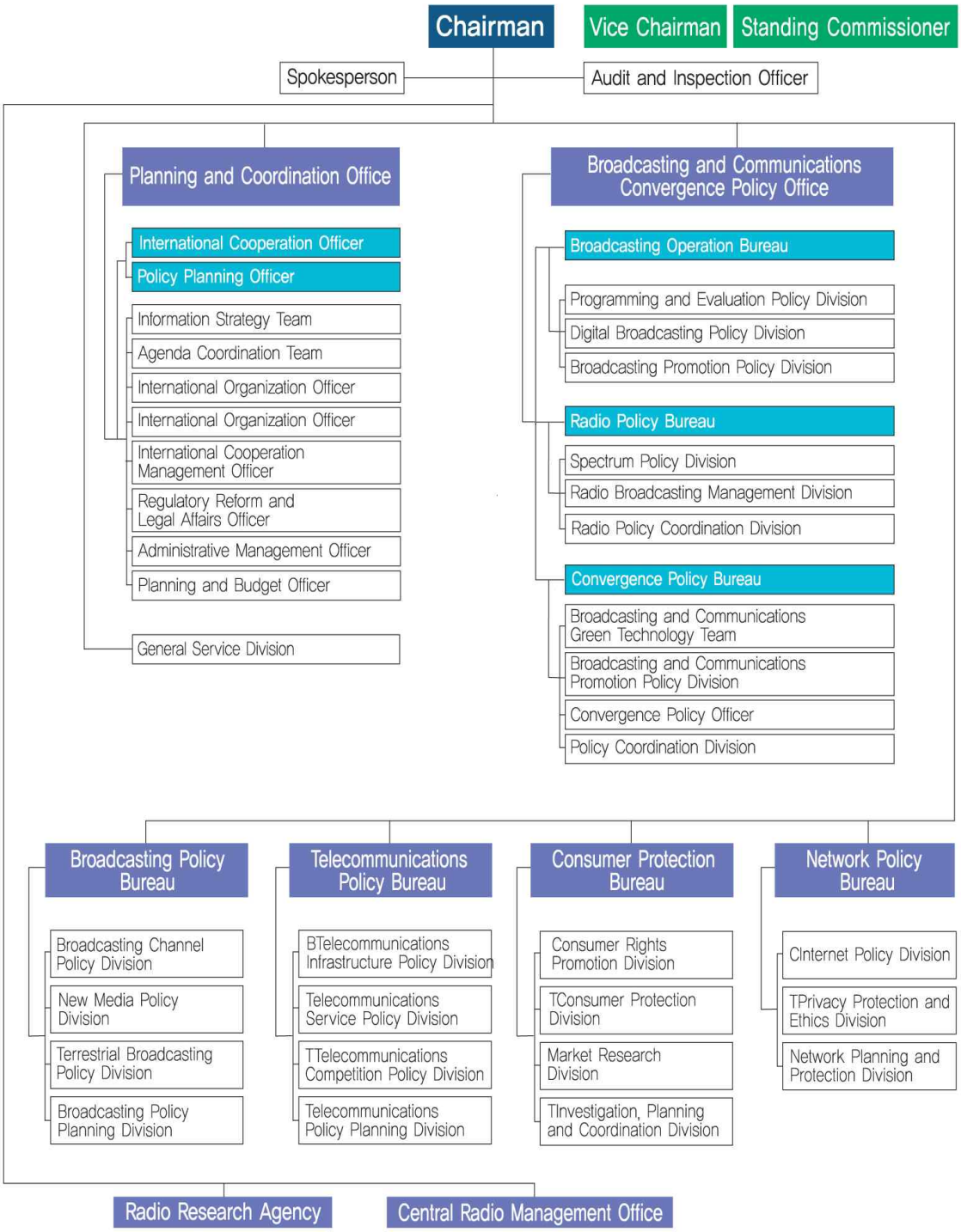
- *Digital convergence:* Two laws including the Act on the Establishment and Operation of the Korea Communications Commission.
- *Broadcasting:* Four laws including the Broadcasting Act and the Educational Broadcasting System Act.
- *Telecom:* Eight laws including the Telecommunications Business Act and the Act on Promotion of Information and Communications Network Utilization and Information Protection.
- *Frequency spectrum:* Radio Waves Act.

o In May 2009, changes were made to the structure of the Commission at the department level, resulting in a greater degree of functional division.

- The re-organization, combining reassignment of some of the staff and downsizing of the staff in some units, was aimed at increasing the organizational efficiency of the Commission and streamlining its processes.
- The role and responsibility of the Contingency Planning Officer were modified to give the Commission a greater capacity to proactively respond to changes in the broadcasting-telecom environment, and the position of 'Policy Planning Officer' was newly created to provide support to the Planning and Finance Officer, Administrative Management Officer, Regulatory Reform and Legal Affairs Officer, Agenda Coordination Team and the Information Strategy Officer.
- The 'Network Policy Officer,' previously under the User Network Bureau, was assigned to a new and independent division titled 'Network Policy Bureau' for a clearer division of jurisdiction and responsibility.
- Meanwhile, as part of an effort to make the titles of offices more closely reflect their actual responsibilities, the 'Broadcasting Operating Officer' was renamed the "Broadcasting Development Planning Officer."
- After the reshuffling and jurisdictional adjustments, the organization of the Commission now consists of two Offices, four Bureaus, six Officers, thirty-two Departments and three Teams, instead of two Offices, three Bureaus, seven Officers, thirty-four departments and eight teams (For further information on the division of responsibility between theses units, see <Appendix> below).

o The appropriation budget of the Korea Communications Commission totaled 611.3 billion won in 2009.

<Figure Ⅱ-1> Organization Chart



<Table Ⅱ-1> 2009 Korea Communications Commission Appropriation Budget

(Unit: 100 million won)

Classifications		2008 Budget	2009 Budget		Amount of Change	% Change
			Main	Supple-mentary		
Total <Budget + Fund Appropriations>		**5,137**	**5,836**	**6,113**	**976**	**16.0%**
By Funding Sources	□ **Budget**	**2,743**	**2,923**	**3,200**	**457**	**14.3%**
	◦ General accounting	2,743	2,912	3,189	446	14.0%
	◦ Innovative City Development special accounting	-	11	11	11	Net increase
	□ **Fund appropriations**	**2,394**	**2,913**	**2,913**	**519**	**17.8%**
	◦ Korea Broadcasting Development Fund	2,394	2,913	2,913	519	17.8%
	ICT Fund (the portion managed by the Korea Communications Commission)*	(2,512)	2,809	(2,809)	297	10.6%
By field	□ **Telecom**	**2,613**	**3,130**	**3,130**	**517**	**16.5%**
	□ **Culture and tourism**	**2,524**	**2,983**	**2,983**	**459**	**15.4%**
By expense category	□ **Wage and compensation**	**839**	**896**	**896**	**57**	**6.4%**
	□ **Basic operating expenses**	**237**	**167**	**167**	**▵70**	**▵41.9%**
	□ **Project costs**	**3,446**	**3,862**	**3,862**	**416**	**10.8%**
	◦ Promotion of broadcasting-telecom convergence and digital transition	635	1,150	1,150	515	44.8%
	◦ Improvement of broadcasting-telecom service quality and promotion of service utilization	976	916	916	▵60	▵6.6%
	◦ Upgrading network infrastructure and strengthening information security	600	589	589	▵11	▵1.9%
	◦ Promotion of users' rights and creation of a fair competition environment	248	257	257	9	3.5%
	◦ Creation of a favorable business environment for the radio and broadcasting industry and support for Korean firms' overseas expansion efforts	774	694	694	▵80	▵11.5%
	◦ Other administrative support	213	256	256	43	16.8%
	□ **Internal transactions** (transfers between accounting systems or funds)	-	**300**	**300**	**300**	Net increase
	□ **Financing** (using the un-earmarked portion of the Korea Broadcasting Development Fund)	**615**	**887**	**887**	**272**	**30.7%**

Note 1. Related to fiscal projects by the Korea Communications Commission which are financed by funds managed by other government agencies.

* The ICT Fund (managed by the Ministry of Knowledge Economy): 296 billion won in 2009⇒315.8 billion won in 2010 (R&D, standardization, etc.).

Note 2. The amounts and percentage rates of change are based on the difference in funding and spending between 2008 and 2009 (after the allocation of the supplementary budget).

- By funding source, this total breaks down to 318.9 billion won under general accounting, 1.1 billion won under special accounting(Innovative City Development special accounting system) and 219.3 billion won from the two funds. By field, the amount breaks down to 298.3 billion won in culture and tourism (broadcasting) and 313 billion won in telecommunications.
- By expense category, 89.6 billion won went toward wage and compensation, 16.7 billion won toward basic operating expenses, 386.2 billion won toward project funding, 30 billion won toward internal transaction and 88.6 billion won toward financing.

o Public institutions under the jurisdiction of the Korea Communications Commission and their roles and responsibilities.

- In accordance with the 2nd plan for upgrading processes in public institutions, drawn up in August 2008, the Commission consolidated the Korea Internet Promotion Agency, Korea Internet & Security Agency and the Korea IT International Cooperation Agency by appropriately amending the Act on Promotion of Information and Communications Network Utilization and Information Protection, to increase the efficiency of related processes(Jul. 23, 2009).

<Table Ⅱ-2> Organizations Affiliated with the Korea Communications Commission

Name of organization	Head of organization	Legal basis for establishment	Mission and Activities
Korea Broadcasting System(KBS)	President In-gyu Kim	Article 43, Paragraph 2 of the Broadcasting Act	To lead the effort to create a fair and wholesome broadcasting environment as a public broadcasting system of Korea, and efficiently manage and coordinate broadcasting programs aired in Korea and overseas.
Educational Broadcasting System(EBS)	President Duk-hoon Kwak	Korea Educational Broadcasting System Act	To supplement school learning and broaden access to lifelong education for Koreans to, thereby, contribute to equal access to education and the advancement of the Korean education system.
Foundation for Broadcasting Culture	President Jae-woo Kim	Foundation for Broadcasting Culture Act	To ensure that broadcasters fulfill their social responsibility and public-interest role, seek the development of a wholesome and vibrant culture of broadcasting and contribute to the welfare of Korean viewers and listeners.

<Table Ⅱ-3> Public Institutions under the Jurisdiction of the Korea Communications Commission

Name of organization	Head of organization	Legal basis for establishment	Mission and Activities
Korea Radio Promotion Agency	President Jae-hong Yu	Article 66 of the Radio Waves Act	To carry out activities aimed at efficient management of spectrum resources and projects commissioned by the government.
Korea Internet and Security Agency	President Hee-jung Kim	Article 52 of the Act on Promotion of Information and Communications Network Utilization and Information Protection	To upgrade information and communications network infrastructure (excluding matters related to constructing, renovating and managing network infrastructure), promote the safe use of networks and support international cooperation in broadcasting and telecom, and overseas expansion efforts by Korean firms.

2. Major Accomplishments in 2008

A. Launch of Converged Media Services and Digital Transition

o By successfully resolving conflicts of interest between broadcasting and telecom regulators and industry leaders, the Korea Communications Commission completed the low-level legislation project for enacting an enforcement decree to the IPTV Act and other related regulations. Meanwhile, a consensus was reached on the details of re-transmission of terrestrial TV programs, allowing licenses to be issued to IPTV operators. After a series of pilot services and the completion of service quality assurance, commercial IPTV services began in November 2008.

o The low-level regulations for the Special Law on DTV Transition were completed, and the 'DTV Promotion Committee' was set up to oversee the preparatory steps toward the transition to digital television broadcasting. Public support was raised for the digital transition process through some 160 TV ads, at the same time as a channel allocation plan for DTV was completed, and the digital transition policy for cable TV formulated and conducted.

o A separate prefix (010) was assigned to telephone numbers issued for WiBro's voice telephony, and support was provided toward the adoption of WiBro as one of the 4G standards. Meanwhile, to assist the Korean effort to export the WiBro service system and devices and equipment, a joint public-private support mission was dispatched to twelve countries including Uzbekistan.

B. Policy Undertakings for Increasing the Welfare of Users

o The eligibility for low-income mobile discounts was expanded to include all recipients of government assistance and some of the working low-income families and individuals (qualifying as 'working poor'), which lifted the number of discount applicants to 435,000, a 489.6% increase from the level a year earlier.

- The pre-screening process for the approval of prices on bundled products was eased (maximum discount rate to receive pre-screening waiver raised from 10% to 20%), and number portability began also between VoIP and traditional telephone systems.

o English-language FM broadcast licenses were issued to three additional areas. Meanwhile, to provide access to broad-

casting to socially and economically-disadvantaged segments of population, 17,116 reception devices were handed out, including devices for closed-captioning and secondary audio programs (SAP) and devices specifically adapted for the hearing impaired elderly. As part of the on-going media education project, support was extended toward the production of listener and viewer-participated programs, and in particular, programs produced with the participation of economically-disadvantaged listeners and viewers.

o To take information security within the network environment to a higher level, the 'Master Plan for Internet Information Protection' was drawn up, and the guaranteed minimum speed of broadband internet was massively raised to improve service quality standards and broaden consumer choice.

o The requirement of a USIM lock and WIPI (Wireless Internet Platform for Interoperability) for mobile handsets was repealed, cutting the burden of having to purchase new handsets when changing carriers.

C. Regulatory Improvements to Create an Effective Competition Environment

o The eligibility criteria for the ownership of a terrestrial broadcasting network or a general or news PP by large companies were eased (maximum allowed size of total assets raised from 3 trillion won to 10 trillion won), as well as the restrictions on the number of areas where SO can operate more than one system (changed from up to the 1/5 of total available areas to up to 1/3 of total available areas). These measures for upgrading broadcasting systems and boosting their competitiveness were coupled also with those aimed at curbing monopolies in TV and radio advertising sales.

o Twelve of a total of twenty-two tasks aimed at reducing the cost of telecommunications services and increasing the convenience of their users were completed – *tasks carried out by the Korea Communications Commission under a larger government-wide regulatory reform project* - including seven tasks related to the regulation of the telecom industry and services, and five related to the regulation of the media industry.

o Funding was provided to broadcasting program producers on quality production projects (13.9 billion won to 121 companies for 177 programs), and

support to Korean-language broadcasters in overseas locations (15 programs to 52 companies and 156 government agencies stationed overseas).

o Services provided by the Korea Communications Commission were improved across the board, from those related to planning, production and distribution of content to business support and manpower development. A concrete plan for constructing a 'Broadcasting Content Cluster,' an industry cluster to support SMEs in the media field, was prepared, and a new condition was added for the renewal of SO license, requiring five SOs to pay PP who are their content suppliers, an amount equivalent to at least 25% of the revenue generated from the content.

D. Support Policy for Broadcasting Exports and Overseas Expansion

o The OECD Ministerial Meeting on the Future of the Internet Economy took place in Seoul, in June 2008.

- In this first OECD ministerial meeting ever held in Asia and attended by 2,300 persons, including cabinet ministers and deputy ministers and other government representatives from forty four countries and NGOs, the 'Seoul Declaration for the Future of the Internet Economy' was adopted.

o Active support for export of cutting-edge broadcasting and telecom service applications and content

- WiBro·IPTV road shows were held in countries including Thailand, Uzbekistan, Brunei, and Korean broadcasting programs were showcased in Vietnam, France and Dubai to assist Korean companies' export bids.
- The Commission provided support toward the construction of a network for piloting T-DMB (terrestrial DMB), Korea's home-grown digital media broadcasting system, in Egypt and Malaysia.

3. Policy Goals in 2009

o As a step toward attaining the overarching goal of building a 'World-class Broadcasting Nation,' the Korea Communications Commission formulated its objective for 2009 as follows: "To increase the efficiency of the Korean economy, promote social cohesion and harmony and improve the quality of life for Korean people by providing all Koreans with broadcasting and telecom services that are safe and seamlessly integrated with their environment." The accompanying vision

formulated for 2009 was to build "An Advanced and Vibrant Communications Nation."

o To proactively respond to the changing policy environment, marked by the growing industrial and economic role of broadcasting and telecom, open competition and improved efficiency in the telecom market and the increased threat to the reliability and safety of networks, the Korea Communications Commission crafted a four-pronged policy strategy to guide its activities.

<Figure Ⅱ-2> Policy Goals in 2009

Ⅲ Performance of the Broadcasting and Telecommunications Policy in 2009

Section 1. Accelerating the Process of Digital Convergence and Broadening its Reach

1. Building Institutional Infrastructure for the Era of Convergence
2. Promotion of IPTV
3. Improvement of the Competitiveness of the Broadcasting and Communications Content Industry
4. Acceleration of Digital Conversion in Broadcasting
5. Support for Broadcasting and Telecommunications Service Export

Section 2. Toward An Advanced Broadcasting System Meeting the Standards of the Global Age

1. A More Competitive Broadcasting Market
2. More Public Responsibilities of Broadcasters
3. Improvement of Self-Management through Deregulation
4. Improvement of Broadcast Quality and Guarantee of People's Access Rights

Section 3. Improvement of User Convenience and Promotion of Competition in the Communications Market

1. Support for Stabilization of People's Lives (Reduction of Household Communication Expenses)
2. Promotion of Competition in the Communications Market and Support for Reorganization
3. Promotion of New and Convergence Services
4. Promotion of the Use of Radio Wave and Establishment of a Basis for the Growth of the Radio Wave Industry

Section 4. Formation of a Safe and Sound Broadcasting and Communications Environment

1. Improvement of Internet Safety and Reliability
2. Enhancement of Networks and Activation of Their Use
3. Fostering Fair Competitive Environment and Strengthening the Protection of Users
4. Improvement of Viewer Services and Expansion of TV Access Opportunities
5. Promotion of Green Broadcasting and Telecommunications for Low Carbon, Green Growth

Ⅲ. Performance of the Broadcasting & Telecommunications Policy in 2009

Section 1. Accelerating the Process of Digital Convergence and Broadening its Reach

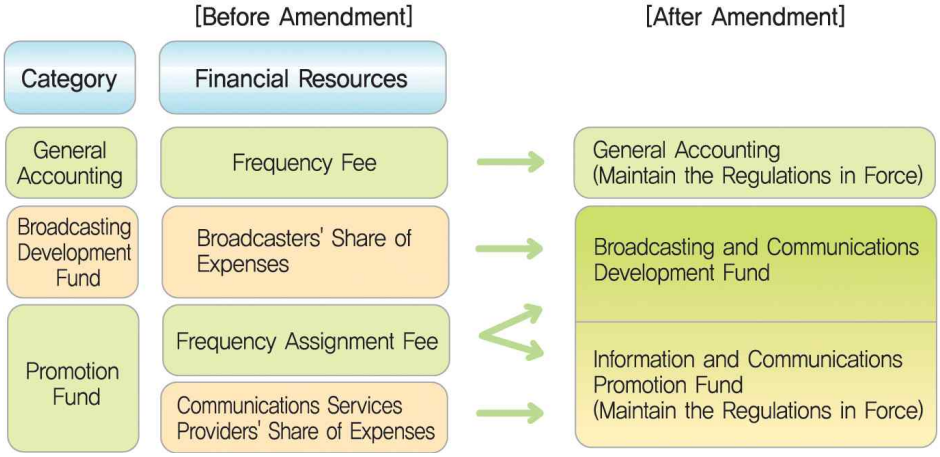
1. Building Institutional Infrastructure for the Era of Convergence

A. Establishment of a basis for Broadcasting and communications Laws and Systems

o Created a General Broadcasting and Telecommunications Law (Proposal) aimed at promoting the growth of broadcasting and telecommunications by developing a new concept on the broadcasting and telecommunications industries, systematically organizing the laws and ordinances on broadcasting and telecommunications in order to cope with environmental changes such as technology development and emergence of new services such as IPTV and WiBro, and establishing a basis on which to promote the convergence of broadcasting and telecommunications.

- This proposal includes measures for coping with a new communications environment by combining issues regarding broadcasting & communications that are scattered across the Broadcasting act, Framework Act on Telecommunications, Framework act on Informatization Promotion.
- The framework act is composed of a total of 8 chapters, 48 articles, and an appendix on general rules, growth of broadcasting and communications, promotion of broadcasting and communications, human resources development,

<Figure Ⅲ-1> Comparison between Before and After Making Changes in the Broadcasting and Telecommunications Development Fund



broadcasting & communications development fund, technical standard, disaster management, and supplementary rules.

o Established a basis for setting up the 'Broadcasting and Communications Development Fund' by adding up the existing funds (Article 24, Bill on Broadcasting and Communications Development).

- Convert the sum of the Broadcasting Development Fund and Frequency Assignment Fees into the 'Broadcasting and Communications Development Fund', and use the Frequency Assignment Fees as a financial resource for both the 'Broadcasting and Communications Development Fund' and 'Information and Communications Promotion Fund'.
- The Broadcasting and Communications Development Fund is to be set up from January 1, 2011 pursuant to the MOU signed between related government offices (December 10, 2008).

B. Establishment of a Technical Basis for Broadcasting and Communications (R&D)

o There was a need for an independent R&D promotion system for the committee in order to plan, management, and evaluate R&D activities in the fields of broadcasting and communications in preparation for creating a new growth engine for the broadcasting and communications industries and setting up the Broadcasting and Communications Development Fund for 2011.

o For the systematic promotion of broadcasting and communications R&D including the establishment of basic mid/long-term R&D plans and action plans for each year:

- Recruited some of the best professional project managers for the management of all the R&D processes in each of the six fields including future internet, mobile service, next-generation broadcasting, convergence technology, radio wave & sat-

<Table Ⅲ-1> R&D Promotion System of the Korea Communications Commission

Category	Main activities
PM (Project Manager) Recruitment	Recruit some of the best professionals in each field (by office and department) for the management of all R&D processes including project planning, selection, evaluation, and commercialization.
Technical Advisory Committee	A committee comprised of professionals from the industries, schools, and research institutes for checking the performance of project managers, performing a meta-evaluation, and providing comprehensive consultation on broadcasting and communications technology policies.

ellite, and information protection.

- Formed an advisory committee of less than 20 professionals from the industries, schools, and research institutes for technical consultation and evaluation of project managers according to general policies on broadcasting and communications.

o The R&D budget allocated to the Korea Communications Commission in 2009 was 280.9 billion won drawn from the Information and Communication Promotion Fund amounting to a total of 759.4 billion won, and the fund includes 98.5 billion won allocated for the Commission's independent projects and 182.4 billion won allocated for project jointly implemented with the Ministry of Knowledge Economy.

- The R&D budget for 2009 was allocated for carrying out proprietary information and communication technology development and establishment of a basis for broadcasting and communications promotion projects.

o There are plans to support R&D of future services by improving broadcasting and communications R&D systems through the establishment of a mission-oriented open R&D system and implementation of advanced planning and assessment systems.

<Table Ⅲ-2> R&D Budget Allocated to the Korea Communications Commission in 2009

(Unit: 100 Million Won)

Program	Unit Project	Project Details	2008 Budget	2009 Budget
Development of Proprietary Information and Communication Technology	Development of Proprietary Industrial Technology for Next-Generation Communication Network	Development of Proprietary Industrial Technology for Next-Generation Communication Network	1,092(1,092)	988(988)
	Development of Proprietary Industrial Technology for Information and Communication Media	Development of Proprietary Technology for Radio Wave Broadcasting Satellite	380	247
		Development of Proprietary Industrial Technology for Information and Communication Media	319(319)	392(392)
	Development of Proprietary Industrial Technology for SW Computing	Development of Proprietary Industrial Technology for SW Computing	140(140)	211(211)
	Total		1,931(1,551)	1,838(1,591)
Promotion of the Information and Communication Industries	Development of Growth Technology for Information and Communication	R&D Support for ETRI	-	437.8(150)
	Improvement of Standard Technology for Information and Communication	Support for the Development of Information and Communication Standards	105.4(78.8)	102.7(83.1)
		Support for the Standardization of Information and Communication	123.84	114
	Total		229.24(78.8)	654.5(233.1)
Establishment of a Basis for Broadcasting and Communication Promotion	Establishment of a Basis for the Promotion of Broadcasting and Communication Services	Promotion of Public Services for Broadcasting & Telecommunications Convergence	30	42.5
		Establishment of a Framework for Next-Generation Network	109.9	93.5
		Research on Broadcasting and Telecommunications Policies	106.86	91.9
		Subtotal	369.14	790.5
	Development and Management of Frequencies	EMC Technical Support	14	15
		Creation of a Safe Electromagnetic Wave Environment	26	-
		Establishment of a Basis for the Redevelopment of Frequencies	12	12
		Subtotal	52	27
	Development of Human Resources for Broadcasting and Communications	Human Resources Development for High-Speed Information and Communication	36	36
		Development of Human Resources for Broadcasting Technology	17	26
		Subtotal	53	62
	Total		351.76	316.9
Grand Total			2,512(1,629.8)	2.809.4(1,824.1)

Note: Parenthesized ( ) projects are jointly carried out by the Korea Communications Commission and Ministry of Knowledge Economy.

C. Expanded Development of Human Resources for Broadcasting and Communications

o Proposal of a 'Mid/Long-Term Human Resources Development for Broadcasting & Communications' aimed at supplementing the shortage of human resources.

- *First,* form a 'Human Resources Development Policy Committee' composed of professionals from the Korea Broadcasters Association, Korea Cable Television & Telecommunications Association, Korean TV & Radio Writers Association, and schools in order to cope better with rapid broadcasting environment changes such as digital conversion and broadcasting & telecommunications convergence.
- *Second,* implement retraining programs for three areas including planning & production, distribution & marketing, and digital broadcasting technology for employees of broadcasting companies in order to retrain current broadcasters.
- *Third,* a research was conducted in order to establish a mid/long-term human resources policy in the area of broadcasting. The research results includeed process analysis, survey on human resources demand in the industry, analysis of effects of important variables such as broadcasting & telecommunications convergence in the supply of human resources, mid/long-term policy direction for human resources development in the area of broadcasting such as retraining of current broadcasters through a research on strategic human resources development, and development of detailed promotional strategies for human resources development for the broadcasting industry.

<Table Ⅲ-3> Retraining Program for Current Broadcasters

Area	Training Details	Number of Program Participants
Planning & Production	Establishment of a broadcasting program plan, program production, format development training, etc..	474
Distribution & Marketing	Content distribution structure, market status, sales strategy, negotiation skill development, etc..	109
Digital Broadcasting Technology	NLE (Non-Linear Editing) training for digital broadcasting, broadcasting automation technology, and DTV transmission technology such as encoding	376
	Total	959

※ These were one-time programs for the recruitment and selection of current service providers and implement of support methods based on selection and focus through professional training on the areas in need of strategic promotion.

D. Maintenance of Infrastructure System for Broadcasting and Telecommunications Promotion

o Unnecessary statistical data were removed after a comprehensive evaluation of statistics on broadcasting & telecommunications compiled from January 2009, and a statistics portal was established by readjusting the scope and areas of statistics on the broadcasting & communications industries through additional development of statistics index for the area of broadcasting.

- Not only the Korea Communications Commission but also the general public, government offices, research centers, and educational institutes related to broadcasting and communications were also able to use high-quality statistics on broadcasting and communications since the statistics portal (www.icti.or.kr) has functions necessary to study and analyze the statistics on the broadcasting and communications industries.
- The Statistics Portal System of the Korea Communications Commission currently provides statistical database and portal services by adding the statistics created and announced by broadcasting and communication statistics service providers.

2. Promotion of IPTV

o Commercial IPTV services took off soon after SK Broadband and LG Telecom launched their commercial services in January 2009 based on the 'Internet Multimedia Broadcasting act' (hereinafter referred to as the 'IPTV act') implemented in 2008.

- Since the services were launched in January 2009, the number of IPTV subscribers was only 470,000 in the middle of June 2009 but began rising rapidly after the middle of June 2009 until reaching 1.74 million and 2.37 million including pre-IPTV subscribers at the end of December 31, 2009.

o The rapid growth of IPTV was largely due to the Korea Communications Commission's development of public services for creating a demand in the early stage,

<Table Ⅲ-4> Total Number of IPTV Subscribers

(Unit: 1,000 People)

Category	2009.2	2009.4	2009.6	2009.8	2009.10	2009.12.31
Pre-IPTV	1,405	1,274	1,219	1,110	876	632
IPTV	148	313	468	740	1,222	1,741
Total	1,553	1,587	1,688	1,850	2,098	2,373

attraction of investments in network and content by assessing the implementation of IPTV project plans that led to the expansion of subscriber basis, and improvement of systems aimed at promoting the industry and encouraging investors.

A. Development of Public Services for Creating a Demand in the Early Stage

o Establishment of a basis for customized education services using IPTV in Feb, 2009.

- The basis is aimed at increasing education opportunities and contributing to the normalization of public education while also promoting IPTV.
- Improved the internet speed by more than five times from 10Mbps and replaced more than 80% of equipment with Korean products at 11,414 schools throughout Korea by investing a total of 45 billion won (30 billion won by the Korea Communications Commission and 15 billion by the Ministry of Education, Science and Technology) for the promotion of education services using IPTV.
- The 'IPTV Live Education Program' by teachers at famous private schools in Korea has been broadcasted and programs aired on national broadcasting, free lectures and live lessons on College Scholastic Ability Test are recorded to be re-ran 15 hours a day since July 20, 2009, while a total of 3,131 students from 102 classes and 22 schools were invited to participate in the pilot program since October 2009.

o Public services were initially provided in the forms of simple VoD and text information in the early stage of the project in the early stage of the project, but a two-way public service was developed in 2009 for the promotion of IPTV in line with technology standardization projects and provision of public services in the form of a pilot project.

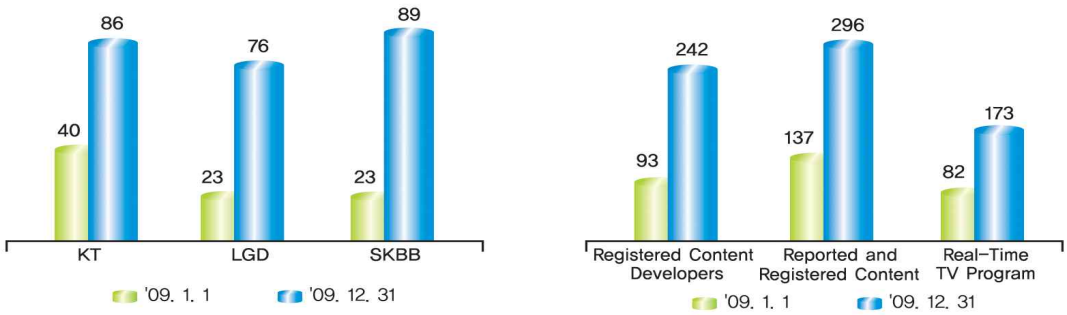
- *First,* an infrastructure was built at eight military bases (over 230 locations) in August 2009 with the cooperation of the Ministry of National Defense in order to encourage Korean soldiers and create a new military culture, self-development programs were provided to the soldiers, and a video visit service was developed by utilizing the Ministry's contents.
- *Second,* IPTV services were provided by utilizing the contents of the Agriculture Forestry Fisheries Information Service in order to offer T-commerce based IPTV home shopping services.

- *Third,* the medical service, hospital information, and healthcare contents of the Health Insurance Review & Assessment Service were modified and processed to be suitable for an IPTV platform in order to provide better quality healthcare information services to people. In particular, a special two-way video health consultation service was provided between professional consultants and the disabled elderly.
- *Fourth,* a travel information service was provided by applying the two-way IPTV technology in the travel information contents of the Korea Tourism Organization.
- *Fifth,* pilot services for public administrative information currently available at (www.egov.go.kr) were provided so that people can request and search for necessary documents such as Resident Registration, Registered Building Data, and Land Register.
- *Sixth,* information provided by the Seoul Metropolitan Government including real-time CCTV video, street search, and traffic conditions/control will be provided through IPTV with the cooperation of the Seoul Metropolitan Government and three IPTV service providers.
- *Finally,* information on kidnapped and missing persons has been provided on electronic signboards, mobile phone, and commercial programs after signing MOUs with the National Police Agency and three IPTV service providers in July 2009 so as to encourage people to report such cases. Also, public safety network service was provided in the form of sending off alarms on IPTV in the case of a disaster.

B. Expansion of Subscriber Basis through Content Development

o Production and support for two-way convergence content aimed at developing quality IPTV contents.

<Figure Ⅲ-2> Transition of Real-Time Channel Transmission and Content Services



- A fund of 9.5 billion won was created in 2009 to support a selected number of businesses (27) including content developers and broadcasters for the promotion of personal customized content, fan club, and various CUG (Closed User Groups) such as local autonomous governments, production of specialized and differentiated contents, provision of English subtitle services for broadcast programs popular among foreigners living in Korea, and production of employee hiring and job searching contents for video interviews in connection with existing job portal DB.

o As for the number of IPTV transmission channels, there are 86 KT, 89 SK Broadband, and 76 LG Dacom channels, and the numbers of content providers, contents, and content services are steadily increasing.

C. Policy Improvement for the Promotion of the Industry and Encouragement of Investors

1) Policy Improvement

o In the past, content developers needed to report to the Korea Communications Commission for an approval in order to supply contents to IPTV providers, but a new clause has been added to the policy allowing content developers that are already registered with the Korea Communications Commission and obtained an approval to provide IPTV contents without having to report or obtain an approval again.

o Increased limit of shares for foreigners in order to attract foreign investments.

- The law that forbid foreigners to have more than 49% of the total shares issued by an IPTV content developer was abolished.
- A reform bill for the IPTV act excluding value-added common carriers that do not provide real-time broadcast programs and recognized by the Telecommunications Business act from the responsibility to set a limit (49%) of total shares for foreigners was submitted to the National Assembly.

2) Standardization in Korea and Overseas

o The 'IPTV Standardization Committee' of 15 experts from the industries, schools, research institutes, and government offices for IPTV standardization in Korea and overseas was formed in February 2009 to prepare a roadmap for IPTV standardization.

- Three IPTV service providers, middleware developers, device manufacturers,

and other related businesses have participated in IPTV standardization with the TTA(Telecommunications Technology Association) playing the central role.

o Details of participating in the standardization were categorized into technology development support, promotion of standardization in Korea, and international standardization.

- IPTV 2.0 technology, IPTV device improvement, and six projects (22 billion won) were implemented to support technology development, resulting in a total of 177 patent applications (59 in Korea and 118 overseas) and 27 technology transfers (25 completed and 2 in progress) including the 'Infrastructure Technology for the Provision of Convergence Services' and 'ACAP-J Application Technology' among the core technologies currently being developed for commercial use.

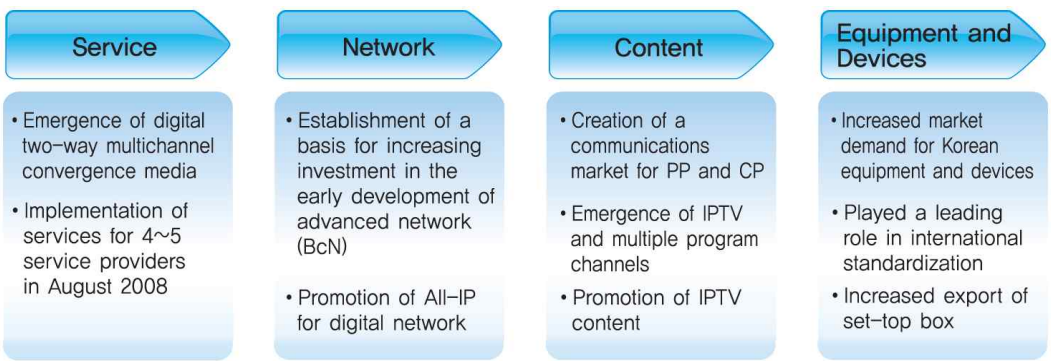
o IPTV standardization in Korea is centered on DCAS (Download CAS) and IPTV middleware, through which to establish compatibility between IPTV devices and contents while also ensuring convenience for both IPTV service providers and users.

o As of March 2010, ETRI and other educational institutes have participated (7 times) in the ITU-T IPTV for international standardization and submitted a total of 122 reports on standardization.

o The expected effects of major performances of IPTV promotion include:

- *First,* users will have more choices and the quality of public welfare will be improved as the provision of broadcasting and telecommunications convertgence services of unprecedented quality standards will enable users to experience a wide range of internet-based

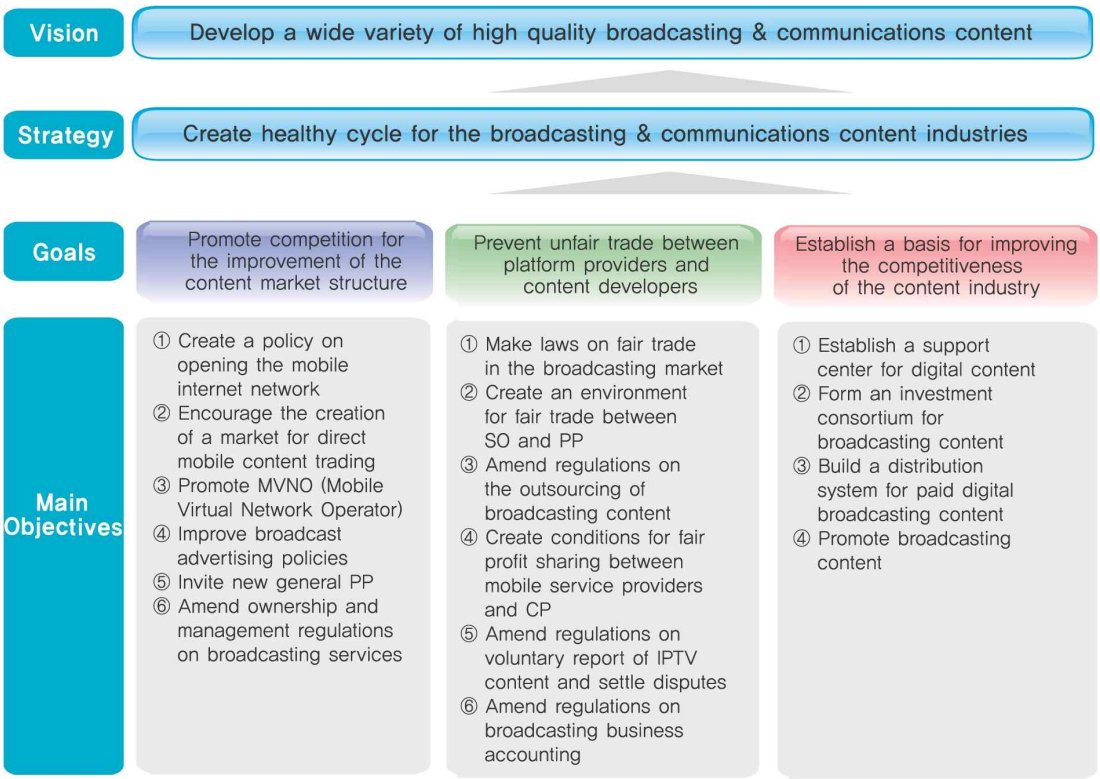
<Figure Ⅲ-3> Convergence Service Value-chain Mechanism



broadcast programs, VoD, two-way services, and personal application services, and this will encourage competition in the paid broadcasting market and lead to lowering costs and improving user satisfaction.

- *Second,* a value chain mechanism for convergence services will be built, contributing to creating a new growth engine by inducing a healthy cycle for the growth of the value chain of 'service→network→content→device/equipment'.
- *Third,* it will create an opportunity for the promotion of the content industry, since a new window will be provided to businesses and internet content developers using existing broadcasting channels as a result of the increasing number of content supply channels.
- *Finally,* it will bring changes in the media market, causing direct and indirect structural changes in the existing markets for terrestrial TV broadcasting and paid TV services.

<Figure Ⅲ-4> A Framework for Improving the Competitiveness of the Broadcasting and Communications Content Industry



3. Improvement of the Competitiveness of the Broadcasting and Communications Content Industry

o Measures to improve the competitiveness of the broadcasting and communications content industry was developed in June 2009 in order to improve the competitiveness of the broadcasting and communications content industry.

- The project is composed of 3 areas and 16 objectives including the promotion of competition for the improvement of the content market structure, improvement of unfair trade, and strengthening of the content industry.

A. Promotion of Competition for the Improvement of the Content Market Structure

o Maintenance of the Policy on Opening the Mobile Internet Network.

- Add the Announcement on Telecommunications Mutual Connection and Policy on Opening the Mobile Internet Network to the Telecommunications Business act to establish a framework for a horizontal competition system between mobile service providers, outside portals/CP, and software developers.

o Encouraged Creation of a Direct Market for Mobile Contents

- Support private developers and CPs in obtaining platforms and production tools necessary for creating a content, and promote the mobile content market by making it easy to buy and utilize a wide range of contents at low prices.

o Promotion of MVNO

- A reform bill for the Telecommunications Business act on the implementation of a resale policy for MVNOs (Mobile Virtual Network Operators) to enter the communications market was submitted to the National Assembly, and it was passed in February 2010.

o Improvement of Broadcasting and Advertisement Policies.

- Implement new types of broadcasting and advertisements and improve the regulations on broadcasting and advertisement for the promotion of the broadcasting and advertisement markets.

o Implementation of a New General PP

- Increase the scale of the overall broadcasting businesses by creating a competitive environment in the paid broadcasting market, and implement a new general PP for increasing the choices available to viewers and improving viewer satisfaction.

o Improvement of Regulations on the Ownership of Broadcasting Businesses and Multiple Business Management

- Modify the Broadcasting act through a debate at the National Assembly in order to improve the regulations on the ownership of broadcasting businesses.

B. Improvement of Unfair Trade between Platform Providers and Content Developers

o Enactment of Regulations for Fair Trade.

- Implement regulations on actions against fair trade through the modification of the Broadcasting act and establish research authority and regulatory basis.

o Creation of a Fair Trade Environment for SO-PP.

- Create an environment for fair supply contracts for program providers and place responsibility for setting the pay rates for the use of programs.

o Improvement of Broadcast Content Outsourcing Policy.

- Modify the Broadcasting act for regulating the actual types outsourcing in order to establish a healthy distribution order in the broadcast content market.

o Creation of an Environment for Fair Profit Distribution between Mobile Service Providers and CP.

- Develop a guideline for profit distribution between mobile service providers and CP in order to prevent mobile service providers to take advantage of their predominant position to turn a CP into their direct subsidiary or gain from unfair distribution of profit from user fees.

o Improvement of the Report System for IPTV Content Providers and Settlement of Disputes

- Requiring content providers that are already registered or licensed to report or obtain approval again is an unreasonable redundancy, so modifications were made to the IPTV act in order to remedy the improper practice.

o Improvement of Accounting Policy for Broadcasters

- Improve the accounting policy to prevent unfair trade in the broadcast content market and create an environment for fair trade.

C. Establishment of a Basis for Strengthening the Content Industry

o Establishment of a Support Center for Digital Broadcast Content

- A total of 199.2 billion won will be

invested over a period of three years (2010~2012) for the construction of a general support center dedicated to planning, production, transmission, distribution, education, and business of broadcast content (HD grade).

o Broadcast Content Investment Consortium

- Provide broadcast content developers with an opportunity to produce programs and support broadcast content investment consortium in order to attract private investors.
- A total of 35 billion won will be invested over a period of 3 years (2010~2012) in order to form a consortium amounting to 100 billion won with the participation of startup investment companies and private organizations to support particularly in the areas of technology/infrastructure and content distribution for the promotion of non-drama broadcast content, convergence content, and broadcast content.

o Establishment of a Distribution System for Paid Digital Broadcast Content

- Built a website (www.dds-on.co.kr) and a basic system featuring functions such as content search, view, read, and partial streaming for the preservation and online distribution of content produced by small broadcast content developers.
- Improved the efficiency of content distribution (upload/download) traffic as well as the quality of payment/DRM systems, content two-way conversion system, and mailing system in 2009.

o Promotion of Broadcast Content

- Support broadcasters with high quality broadcast content, public content, HD global content, two-way creative and practical convergence content, and multi-language subtitle services.
- Offer loans to content developers with not much collateral security to promote the production and distribution of a wide range of broadcast content.
- Provided support programs for obtaining rights to broadcast outstanding Korean content on Korean language broadcasters overseas, financial assist-

<Table Ⅲ-5> Broadcast Content Promotion Fund

(Unit: Million Won)

Category	2008	2009	2010	2011	2012	Total	Remark
Production Support	14,300	22,540	20,100	22,100	22,100	86,840	Broadcasting Development Fund
Loan	2,000	2,000	1,500	1,500	1,500	6,500	
Korean Language Overseas	1,999	2,240	2,218	2,218	2,218	8,894	
Total	18,299	26,549	23,610	25,818	25,818	102,234	

ance for program production, and training for production staff.

4. Acceleration of Digital Conversion in Broadcasting

A. Establishment of an action Plan for Digital Conversion in Broadcasting

1) Establishment of a 'Basic Plan for the Promotion of Digital Conversion'

o Specified the date of the termination of analog broadcasting through the enactment of the Special act on Digital Conversion in March 2008, and established a framework on which to promote digital conversion by forming the Digital Broadcasting Promotion Committee.

o Established of a basic plan for the promotion of digital conversion in June 2009 for the successful digital convertsion following the termination of analog broadcasting.

- Launched a public campaign in order to inform people of the termination of analog TV broadcasting improve the supply rate of receivers, and established a basis for digital conversion by preparing measures to improve reception environment and low-income families.
- In 2010, a pilot project will be launched in order to better inform people, improvement measures will be developed by checking overall promotional status, and detailed action strategies will be supplemented.

o Realize nation-wide digital conversion with the Digital Broadcasting Promotion Committee playing a central role according to the Roadmap for Digital Conversion Promotion.

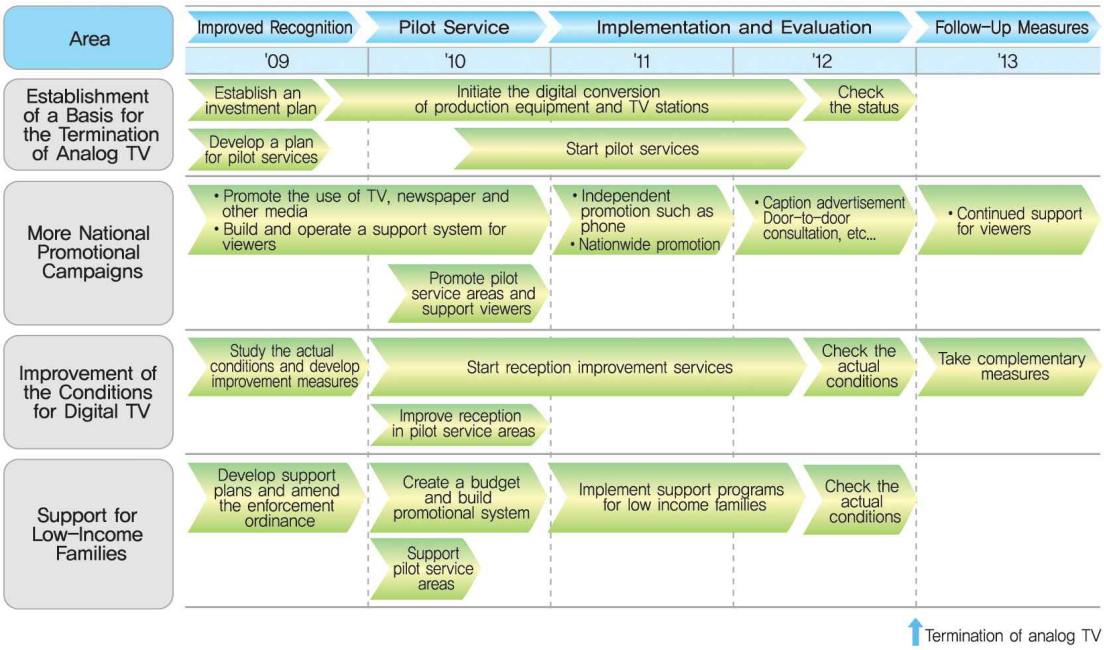
- Establish a 3-year plan to promote digital broadcasting conversion, and confirm the plan after a review by the Promotion Committee.

o An estimated 2.9 trillion won will be spent between 2009 and 2013 in the

<Figure Ⅲ-5> Major Index and Goals by Stage in Digital Conversion

	Improve Recognition	Provide Pilot Service	Launch and Check Services		Follow-Up Measures	
	'08	'09	'10	'11	'12	'13
Recognition Rate(%)	34.9	47	70	87	99	99
Penetration Rate(%)	38.7	49	60	80	98	98
Coverage(%)	86.6	89	93	94	96	96

<Figure Ⅲ-6> Roadmap for the Promotion of Digital Conversion



expansion of digital broadcasting equipment, launching public campaigns, providing support to low-income families, and improving reception environment in order to successfully complete digital conversion.

- As for funding, broadcasting companies will use their own funds, while the government will promote indirect support policies through increasing the amount of loans and improving reception fees and advertisement systems.

2) Establishment of the 'Promotional Plan for Digital Conversion in 2010'

o Achieved 55.8% public recognition of digital conversion, which is 8.8% higher than the goal set for 2009, by launching more public campaigns, and established a basis for enhancing public recognition of digital conversion.

- In the case of terrestrial broadcasters, the conversion rate for production and transmission equipment rose from 48.6% in 2008 to 61.1% in 2009.

o Three gun districts including Uljin (Gyeongsang buk-do), Gangjin (Jeolla nam-do), were Danyang (Chungcheong buk-do) were chosen as pilot areas for digital conversion in 2010 as well as Jejudo Island for pilot testing in 2011, creating an opportunity for full-scale digital conversion.

<Table Ⅲ-6> Detailed Objectives in the action Plan for the Promotion of Digital Conversion in 2010.

❶ Establish a basis for the termination of analog broadcasting	❶-1 Digital conversion of transmission equipment ❶-2 Digital conversion of production and transmission equipment ❶-3 Pilot project for digital conversion ❶-4 Promotion of cable TV and digital broadcasting ❶-5 Promotion of satellite digital broadcasting
❷ Launch more public campaigns and create an environment for increasing the use of digital TV	❷-1 More public campaigns ❷-2 More public campaigns and improved viewer support system ❷-3 Increase the supply of digital TV and digital broadcasting reception devices ❷-4 Increase the rate of HD digital broadcast programs ❷-5 Promote the retrieval and reuse of discarded analog TV and broadcasting equipment
❸ Improve the digital TV reception environment	❸-1 Reduce the number of bad digital TV reception areas ❸-2 Improve the quality of digital TV reception equipment
❹ Provide support for underprivileged people and expand the basis for digital broadcasting	❹-1 Guarantee the rights to watch digital TV programs for underprivileged people ❹-2 Support the promotion of digital broadcast content ❹-3 Provide more R&D support for digital broadcasting ❹-4 Train digital broadcasting experts

o Contributed to improving viewer convenience by increasing the number of HD programs, increasing the volume of digital TV usage, and promoting related industries such as HD content, as well as to improving public welfare by reducing the number of bad digital TV reception areas and supplying more reception devices to underprivileged families.

o Established the action Plan for the Promotion of Digital Conversion in 2010 based on the overall assessment of digital conversion performance and basic promotional plan for digital conversion in 2009.

B. Promotion of Digital Conversion among Broadcasting Companies

o Launch a loan program aimed at ensuring the growth of the broadcasting industry for local broadcasters, system operators, and program providers lacking financial resources in order to encourage early conversion to digital broadcasting and realize the growth the digital broadcasting industry.

- A total of eight local broadcasting companies including T-broad Suwon Broadcasting Corporation have received loans amounting to 14 billion won in 2008.

- The amount of loans was increased in 2009, so that besides Korea Cable TV Nara Broadcasting, a total of eleven system operators including eight cable television service providers and two program providers including Christian Television System and GTV received loans amounting to 17 billion won.

o Provided financial support for digital conversion through tax reduction on imported digital TV equipment for broadcasting companies according to Article 118 (Reduction of Customs Duties) of the 'Restriction of Special Taxation act'.

- All broadcasting companies were subject to the tax reduction, and the tax reduction will remain valid until the sundown on the last day of 2010.
- As of December 2009, there were a total of 127 tax reduction on video processors for 17 broadcasting companies including KBS, and the tax reduction amounted to 567.3 million won.

C. More Public Campaigns

o Made multilateral efforts in launching public campaigns in order to promote digital conversion and make sure that everyone can watch TV after the completion of the digital conversion.

- In the case of terrestrial broadcasters,

<Table Ⅲ-7> Outline of Policy on Pilot Project for Digital Conversion

❶ Choose areas for the pilot project	► Pilot project to be launched in three 'guns (districts)' in 2010 and one 'do (province)' in 2011.
❷ Promotional campaign for local residents	► Promote various types of promotional activities in consideration of regional characteristics with the cooperation of local autonomous governments and broadcasting companies. ► Show a caption with the message saying that analog TV services will be terminated five months prior to the termination.
❸ Maintenance of digital TV reception environment	► Help viewers to keep watching TV programs with their analog TV ► Install digital converter (DtoA) antenna and improve the quality of public reception equipment.
❹ Termination of analog TV broadcasting	► Ensure early implementation of digital TV broadcasting and determine the date for terminating analog TV broadcasting in consideration of the preparation time necessary for residents of pilot service areas to start watching digital TV programs.
❺ Evaluate and analyze the results of the pilot project	► Analyze the problems that were identified during he pilot project, come up with solutions, and apply the solutions in the Plan for the Termination of Analog TV Broadcasting in 2012.

public advertisements titled 'The Vision for Digital Conversion and Termination of Analog Broadcasting (December 2008)' and 'Benefits of Digital Broadcasting (June 2009)' were aired on KBS, MBC, SBS, and EBS for a period of one month, and they were aired nationwide with the cooperation of cable TV companies. A total of 103 electronic signboards were also used in the campaign, a special program on digital conversion was produced and aired all over Korea, and the advertisements were also shown on the internet (May 2009).

- Regular announcements at neighborhood meetings (March 2009~), information on digital conversion through cable TV and phone bills, etc.
- Installed a digital broadcasting promotion booth at the Community Media Center (Busan and Gwangju) (March 2009) as well as at other broadcasting related events (May~June 2009) by using them as channels to communicate with people during the promotional activities.
- A nation-wide campaign will be launched with the cooperation of home appliances companies, distributors, and broadcasting companies. Advertisements on digital conversion will be posted at home appliances stores with the cooperation of home appliances and distribution companies and 'Information on Digital Broadcasting, Termination of Analog' will be added to digital TV manuals, and the message 'Termination of Analog Broadcasting' will appear at the beginning of terrestrial TV broadcasting and end of broadcasting service at midnight.

D. Pilot Project for the Termination of Analog TV

o Recognizing that government support is necessary in the maintenance of digital TV reception environment, the Korea Communications Commission passed a vote in September 2009 to implement the Policy on Pilot Project for Digital Conversion in certain areas in order to check the procedures and methods of government support to be fully available from 2011 and come up with optimal measures.

<Table Ⅲ-8> Dates for the Initiation of Digital TV Broadcasting and Termination of Analog TV Broadcasting by Regions

Pilot Service Areas	Uljin-gun	Danyang-gun	Gangjin-gun
Date	May 2010	June 2010	June 2010
Termination Date	2010. 9. 1 (Wed), 14:00	2010. 11. 3 (Wed), 14:00	2010. 10. 6 (Wed), 14:00

(1) Establishment of a Policy on the Pilot Project for Digital Conversion

o The Korea Communications Commission proposed a policy for the implementation of five projects based on the three policy goals including the maximization of effects of public campaigns, minimization of viewer inconvenience, and initiation of the termination of analog TV broadcasting in order to successfully complete the digital conversion through a pilot project on the termination of analog TV broadcasting (September 2009).

o The selection of pilot service areas for 2010 were made by the 'Promotional Committee for Pilot Digital Conversion Services' composed of experts from broadcasting companies in consideration of geographical characteristics and balance between regions. Among the eight candidate regions, three districts including Danyang-gun, Uljin-gun, and Gangjin-gun were chosen. Regular programs will be temporarily suspended in Jejudo Island, and a caption (virtual reality termination) with the message saying that analog TV broadcasting has been terminated will be shown (14:00~14:10, December 1, 2010).

- In 2011, the pilot project will be launched in Jejudo Island with an independent frequency.

o The 'Pilot Project Promotion Committee' composed of experts from local autonomous governments, broadcasting companies, and subsidiary organizations will be formed for the effective promotion of pilot project for the termination of analog TV broadcasting.

(2) Establishment of a Plan for Pilot Digital Conversion Project

o Established an action plan for the pilot digital conversion project (November 2009) in order to effectively carry out the pilot digital conversion project after selecting pilot service areas, formed a promotional committee for the pilot project in each pilot service area (October 2009) centered on the Preparatory Committee, and built the Digital Broadcasting Viewer Support Center in order to implement the pilot project without any problem.

o The support methods were differentiated by categorizing the direct reception families affected by the termination of analog TV broadcasting into low-income families, technically illiterate group, and ordinary people.

- Measures were developed based on this

to ensure successful digital conversion in 2010 by guaranteeing the minimum amount of rights of local viewers in the pilot service areas, reducing the number of bad digital TV reception areas, and promoting digital conversion.

o Analog TV broadcasting will be terminated in Uljin-gun on September 1, Gangjin-gun on October 6, and Danyang-gun on November 3 at one-month interval between the pilot service areas in consideration of the date for the initiation of digital TV broadcasting and regional events as determined by the 'Promotional Committee for Pilot Project' in each region.

o The Jejudo Promotional Committee for Pilot Digital Conversion Project will be formed in the first half of 2010 to start the virtual termination and set the date for the termination of analog TV broadcasting in 2011.

5. Support for Broadcasting and Telecommunications Service Exports

A. Development of Strategies for Overseas Marketing of Broadcasting and Communications Services

o Developed and implemented strategies for overseas marketing of broadcasting and communications services in 2009 to support the export of broadcasting and communications services. Four strategic products including WiBro, DMB, IPTV, and broadcast content were chosen for their high export potential and a total of 22 target countries were chosen for each of the products. Offered strategic support for increasing the export volume of the four strategic products with the combined efforts of private and government organizations.

- *(WiBro)* Samsung Electronics and SK Telesis are exporting their equipment to 18 countries, while KT invested shares in Uzbekistan and SKT entered the international market by designing network in Jordan.
- WiBro Equipment and device exports rose from 37 billion won in 2006 to 91 billion won in 2007, and continued to rise to 255.6 billion won in 2008, and 691.6 billion won in 2009(estimated).
- *(DMB)* Services and products are being exported to three countries with main broadcasting channels including China (2007), Ghana(2008), and Norway (2009)
- Besides mobile phones, the exports of DMB receivers including PMP rose from 210.5 billion won in 2008 to 311 billion won (estimated) in 2009.
- *(IPTV)* Set-top boxes and solutions are being exported to a total of 10 countries including Asia (4 countries), American continent (2 countries), and Europe (4 countries).
- The total volume of set-top box export decreased from 1.5 trillion won in 2008 to 1.2 trillion won in 2009, but the export of IPTV set-top box rose

<Table Ⅲ-9> Consultation Sessions Between Governments in 2009

Year	Country	Area
Pilot Program	Europe	DMB
	New Zealand	WiBro
Feasibility Study	Vietnam	DMB
	South Africa	WiBro
	Colombia	WiBro
	Vietnam	Digital Broadcasting System
	Laos	Frequency Management System

from 75.2 billion won in 2008 to 80.6 billion won in 2009.

- *(Broadcast Content)* The export has been increasing drastically since 2004 to reach 1000 billion won in 2005 and about 202.8 billion won in 2009.

o CONEX was modified to realize consumer-oriented operation, and in-depth information will be added to the system to offer practical assistance to small and medium companies.

B. Establishment of a Basis for Entering the International Broadcasting Telecommunications Market

1) Support for Overseas Marketing of Strategic Broadcasting and Communications Products

o Promote the overseas marketing of technology and services by hosting road shows and offering government consultation services in target countries in order to establish a basis for the export of Korean broadcasting and communications services.

- Hosted a total of nine road shows on broadcasting and communications services including WiBro, DMB, and IPTV in Peru, Indonesia, Norway, Jordan, and Turkey with the joint cooperation of private and government organizations.

o Conduct an economic feasibility study on local government and businesses that are willing to implement technology for Korean strategic products and services, or host seven consultation sessions between governments providing the pilot test.

o As a result of overseas marketing support programs and all-out efforts of Korean businesses in overseas marketing, WiBro services were launched in Jordan (April) and Kazakhstan (November) while DMB was launched in Norway in May.

2) Provision of Policy, Technology and Market Trend Information on Major Countries

o Operated CONEX (ww.conex.or.kr) that collects and analyzes trend information on broadcasting and communications policies, technology, and markets in foreign countries for major broadcasting and communications services providers.

- Provided in-depth information including policies and business trends on 11 broadcasting and communications services such as mobile WiMax (WiBro) and mobile TV (DMB) in a total of 40 countries including the 22 target countries for exporting broadcasting and

communications services, and modified the system for the convenience of users.

3) Support for Improving the International Competitiveness of Broadcast Content

o Hosted the Broadcast Content Show Case (6 times) in Southeast Asia where hallyu, or Korean wave, is popular as well as in the U.S. and France with advanced broadcast content, and hosted/sponsored the Content 360 on the world's largest content market MIPTV for all over the world in order to improve the international competitiveness of Korean broadcast content.

4) Promotion and Marketing of Broadcasting and Communications Services at International Events

o Set up and managed promotional booths at large-scale international events such as the Olympics in order to advertise the quality of Korean broadcasting and communications services and technology and support Korean businesses to enter foreign markets.

- Opened the broadcasting & communications promotion hall within the Korean Cultural Center in Beijing, China starting with the Beijing Olympics in August 2008.
- Strategic broadcasting and communications products and services such as WiBro, DMB, IPTV, and hallyu content were categorized and displayed at the booths followed by a series of promotional, exchange, and cooperation activities in order to continue to support promotional and business marketing activities after the Olympics.
- Hosted the Convergence Korea for the promotion of broadcasting and communications services during the Korea-Vietnam event (October 18~24), introduced Korean broadcasting and communications technology and services (WiBro, DMB, IPTV, Broadcasting Content, Frequency Broadcasting Management System) to related people of importance from the two countries for four days (October 21~24), and established a basis for improving exchange between the businesses of the two countries for strengthening the cooperative relationship between Korea and Vietnam in the areas of broadcasting and communications.

5) Overseas Marketing of Broadcasting and Communications

o Carried out overseas marketing activities such as production of promotional videos on broadcasting & communications, publication of promotional materials, management of an English promo-

tional website, and publication of promotional materials for small and medium businesses in the broadcasting and communications industries.

- Opened an English promotional site (www.convergencekorea.org) in April 2009 in order to provide information on businesses in Korea, promote technology, and introduce government policies.
- Published a promotional brochure on broadcasting and communications in five different languages, including English, Chinese, French, Spanish, and Arabic and produced the promotional video (Digital Convergence Korea) introducing the four strategic broadcasting and communications technology and services in order to show the quality of Korean broadcasting and communications services to foreign guests at overseas road shows.
- Published and distributed an information map for foreigners to experience firsthand the new broadcasting and telecommunications convergence technology and services in Korea.
- Support the publication of promotional materials aimed at supporting the export of outstanding products and content produced by Korean small and medium businesses in the Korean broadcasting and communications industries and promoting the marketing activities of small and medium businesses.

6) Management of a Committee for Overseas Marketing of Broadcasting and Communications

o The Korea Communications Commission formed the 'Support Committee for the Overseas Marketing of Broadcasting and Communications Services' with the participation of broadcasting and communications services providers, equipment manufacturers, related associations/organizations in order to listen to the problems and comments of broadcasting and communications services providers and immediately reflect them on the policies.

- Formed and ran five special interest groups (WiBro, DMB, IPTV, Broadcast Content, Frequency Broadcasting Management System) within the Support Committee for the Overseas Marketing of Broadcasting and Communications Services for an in-depth discussion on strategic products and acceptance of recommendations and comments on problems and fully reflect them on policies. The committee meeting is held every month.

7) Cope with the Commercial Agreements on Broadcasting and Communications

o Two FTA (Korea-EU and Korea-India) were signed in 2009, and coped with three new agreements (Korea-Peru, Korea-Australia, Korea-New Zealand).
- Established a basis for broadcasting content export by building a foundation for the recognition of jointly produced Korean TV programs in the Korea-India FTA and Korea-EU FTA signed in 2009, and negotiations on joint production of programs are being made in the FTA with Australia, New Zealand, Canada, Mexico, GCC[5], and Peru.
- The foreign investment limit on common carrier services in the Korea-EU FTA was set at the same level as the Korea-US FTA. However, there was grace period of two years after the FTA becomes effective, and KT and SKT with a core common carrier network were excluded from the mitigation of indirect investment.

C. International Conferences and Cooperative activities of International Organizations

1) Hosted the World Information and Communications Summit and Korea Communications Conference

o Hosted the World Information and Communications Summit on June 17, 2009 in order to exchange latest information on broadcasting and communications with global leaders in the era of broadcasting and telecommunications convertgence, propose a vision for the future of the broadcasting and communications industries, and provide Korean broadcasting and communications services providers with an opportunity to enter the international market.
- Ministers and vice-ministers from 15 countries including Kazakhstan, Indonesia, Poland, Paraguay, and Saudi Arabia have participated in the Summit.
- Held a discussion on the role and vision of broadcasting and communications in the midst of an economic crisis under the title 'Broadcasting and Telecommunications Convergence and Future Revolution - A New Opportunity in a Crisis'.

o Improved synergy effects between the events by hosting the Korea Communications Conference, which is the only conference for broadcasting and telecommunications convergence in Korea, and the Korea's largest World IT Show.
- Evaluated the current status of the broadcasting and communications indu-

5) GCC(Gulf Cooperation Council): A local cooperative organization formed in May 1981 to strengthen cooperation between the six Arabian oil countries in the Persian Gulf.

<Table Ⅲ-10> Participating Ministers and Vice-Ministers for Broadcasting and Communications from 15 Countries

Category	Participating Countries	Total
Ministers	Korea, Laos, Paraguay, Saudi Arabia, Thailand	5 Countries
Vice-Ministers	Cambodia, Indonesia, Kazakhstan, Malaysia, Mongolia, Nigeria, Poland, Tadzhikistan, Uzbekistan, Vietnam	10 Countries

stries under the main title 'Media Convertgence and After' as well as three sub-titles, and proposed feasible strategies and visions.

- The conference was composed of a total of three tracks, 12 sessions, keynote speech, and super panel session, and participated by a total of 55 people (including 30 foreign speakers) from 12 countries including the UK, France, Germany, USA, China, and Japan.

2) Participated in the KANZ Broadband Summit

o The 5th KANZ Broadband Summit was held in Oakland, New Zealand between November 4~5, 2009.

- Promoted the export of Korean strategic products such as high-speed internet and WiBro and supported overseas marketing by strengthening the relationship and cooperation with Australia and New Zealand in the areas of broadcasting and communications, holding ICT road shows, and hosting business meetings.
- Hosted a road show on broadcasting and telecommunications convergence for the promotion of strategic products such as WiBro and DMB, business meetings to support Korean businesses in international marketing and professional forums to share information on broadcasting and communications and promote cooperation.

3) Support for the ITU Telecom World

o Set up Korean booth and supported Korean businesses to participate in the ITU Telecom World 2009 held in Geneva, Switzerland in October 2009.

- The Korean booths were comprised of four sections: WiBro, DMB, IPTV, and New Technology, where Korean research institutes and businesses such as ETRI, MPD, and NOWTEL have displayed and promoted their products. During the event, there are a total of 151 consultation sessions where temporary contracts with a total value of over US$2.75 million were signed.
- The Commission was praised for building a reputation for Korea as an advanced country in broadcasting and communications by promoting the quality of broad-

casting and telecommunications convergence and providing related private enterprises with an opportunity for mutual growth, while also contributing to improving the recognition of the Korean broadcasting and communications industries and technology by having important guests from many countries to visit the booths.

4) Attraction of Foreign Investment

o Participated in the Management Committee Meeting for the APT (Asia-Pacific Telecommunity) held in Tehran, Iran from December 14 through 16, 2009 as the representative of the Korean government and made it possible for Korea to host the APT General Assembly 2011.

※ The APT General Assembly is held every three years for decision making among the top ranking members of the APT with the participation of over 300 ministers and vice-ministers of information and communications from 34 regular member countries and 4 associate member countries to establish general APT policies, set budgets, and appoint the secretary-general and vice secretary-general.

D. Exchange and Cooperation between Countries in Broadcasting & Communications

1) Training Program for Broadcasting and Communications Experts from Developing Countries

o Invited broadcasting and communications policymakers and experts from high priority candidate countries for ODA (Official Development Assistance) and major countries for broadcasting and communications cooperation to participate in professional training and on-the-site experience programs aimed at strengthening exchange and cooperation between countries in the areas of broadcasting and communications.

- A total of 339 people from 48 countries have participated in the 23 programs, helping them to make policies on broadcasting and communications for their respective country through edu- cation and training.
- Strengthened the basis for the export of Korean broadcasting and communications services in the future by promoting Korean policies on broadcasting and communications services and technology during the training programs and building a Korea-friendly human network.
- Created an online community of people who have taken the training course by building a comprehensive management system(www.koalp.org) for the training programs, making it possible to systematically manage and update a database of trainees.
- The database will be utilized as a basis

for exchange between governments and overseas marketing for Korean businesses.

2) Workshop on Cooperation between Korea and ASEAN in Broadcasting

o Hosted a workshop on cooperation between Korea and ASEAN in broadcasting in Seoul from June 29 to July 2 by inviting a total of 38 government officials, representatives of broadcasters, and ASEAN administrative officials in charge of broadcasting.

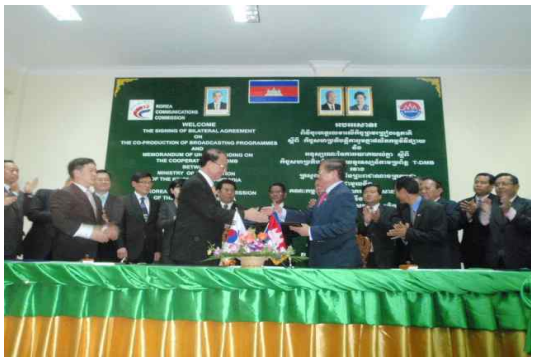
- There were announcements and discussions on the latest broadcasting technology, industry trends, drama strategies, and production techniques of ASEAN member countries Korea.
- The participants were provided with an opportunity to experience Korea's advanced broadcasting technology and culture through a tour of cultural sites as well as film sites of Korean TV programs.

3) Joint Production of TV Programs and Broad- casting Equipment for Least less developed Countries

o Supplied broadcasting equipment to underdeveloped ASEAN member countries in order to strengthen exchange and cooperation between Asian countries in the area of broadcasting.

- Supplied digital equipment, documentary programs, and animation content to Cambodia where advanced broadcasting equipment is almost non-existent, and held a signing ceremony for the donation on October 23 with the participation of the Cambodian Minister of Information and representatives of government-owned broadcasting company.

<Donation of Broadcasting Equipment to Cambodia>



Section 2. Toward An Advanced Broadcasting System Meeting the Standards of the Global Age

1. A More Competitive Broadcasting Market

A. Amendment of the Media act by the National Assembly

o Develop the media industry as a new growth engine by establishing a basis for the creation of more synergy between industries and growth of global media companies.

o Identified the need to enact an act on the support of the growth of the media industry in order to provide high quality content to people through the promotion of competition between service providers.

1) Major Amendments

(1) Major Amendments to the Broadcasting act

- *First,* some of the ownership limitations on broadcasting business have been lifted.
- *Second,* implemented a number of regulatory frameworks to ensure the diversity of public opinion.
- *Third,* allowed virtual and indirect advertisements as a new form of advertisement and abolished the Pre-screening Law on broadcasting and advertisement.

(2) Major Amendments to the IPTV act

o Lifted some of the ownership limitations on IPTV programs and broadcasting content

<Table Ⅲ-11> Comparison Chart on Ownership Limitation

Owner / Property	Individual Share		Daily Newspaper/ News Media		Large companies/ business groups※		Foreign Investment	
	Before	After	Before	After	Before	After	Before	After
Terrestrial Broadcaster	30%	40%	Not allowed	10%	Not allowed	10%	Not allowed	Not allowed
General PP	30%	40%	Not allowed	30%	Not allowed	30%	Not allowed	20%
News PP	30%	40%	Not allowed	30%	Not allowed	30%	Not allowed	10%
CATV Broadcaster	-	-	33%	49%	-	-	49%	49%
Satellite Broadcaster	-	-	33%	49%	49%	Abolished	33%	49%
*IPTV Content Developer (General Program/News)	-	-	Not allowed	49%	Not allowed	49%	Not allowed	20%
Ordinary PP *IPTV Content Developer (Ordinary)	-	-	-	-	-	-	49%	49%

Note: Items marked with an asterisk * are an amendment to the IPTV Act
※ Large companies/business groups (total assets of 10 trillion won and more)

- Up to 49% is allowed for newspaper companies and large companies. Up to 20% for foreign investment.

(3) Major Amendments to the Newspaper act

- *First,* restrictions on mutual management of daily newspaper and news media and regulations on the ownership of stocks and shares of general programs and news channels have been lifted. However, the restriction on large corporations' possession of more than half of the total shares of a daily newspaper is still in effect.
- *Second,* the clause that defines businesses with a nationwide newspaper circulation of over 30% or businesses that have three or less branch offices with a market share of 60% as a Market Dominating Enterpriser has been removed.
- *Third,* the license system is replaced by a registration system in relation to the establishment of a branch office of a foreign newspaper company in Korea.
- *Fourth,* the Minister of Culture, Sports and Tourism is given the authority to conduct a research on the concentration ratio of public opinion on newspapers and news channels. However, such action requires the consent of the Chairman of the Korea Communications Commission.
- *Fifth,* the clause on closing, extending, or cancelling a subscription contract by a newspaper company without the consent of the subscriber as well as provision of free newspaper or gifts and other unfair trade practices is still in effect.

B. Amendment of the Broadcasting act

o Provide details of the materials to be submitted and announced and determine the publication thereof in order to ensure the transparency of the management of daily newspapers aiming to start providing terrestrial broadcasting services, general program, and news channels.

- Develop detailed regulations to supplement the eased restrictions on the ownership limitation and multiple management, such as an allowable limit of 33% for terrestrial broadcasting and general cable TV companies in starting business in each other's areas.
- Extend the valid period of general cable TV license and approval from three to five years.
- Specify details of the extension of broadcasting in order to protect the rights of the viewers when a broadcasting license is cancelled.
- Set standards for the permissible scope

and methods following the newly permitted virtual and indirect advertising.

- Initiate the amendment of the Enforcement Decree of the Broadcasting act in order to determine the details necessary to implement other new acts.

2. More Public Responsibilities of Broadcasters

A. Selection and Management of Public Channels

o Selected public channels in six areas in 2006 since the implementation of the Public Channel Policy for the purpose of improving the public interest of paid channels.

※ cable and satellite broadcasting companies have the responsibility to have at least one channel dedicated to public interest among the public channels chosen by the Korea Communications Commission by broadcasting area pursuant to the Broadcasting Act and Enforcement Decree.

- The previous six areas were categorized into three areas including 'Social Welfare', 'Promotion of Science and Promotion', and 'Educational Support'.
- Formed a review committee comprised of experts in each area in November 2009 in order to select public channels, and the Korea Communications Committee reflected the evaluation results and opinions of the review committee in choosing nine channels for three areas.

B. Management of a Local Broadcasting Promotion Committee

o Formed the Regional Broadcasting Promotion Committee in August 2008 dedicated to providing consultation on the development and implementation of a safe basis for the growth of local broadcasting companies, while also studying policies on local broadcasting and establishing mid and long-term development plans for local broadcasting.

- Held seven conferences in 2008 and nine conferences in 2009 to review a total of 37 bills, while also providing consultation services on local broadcasting policies.
- Submitted the proposals titled 'Improvement of Local Broadcasting Regulations' and 'Measures for Local Broadcasting on Improving the Policy on the Sales of TV Commercials' in order to support the improvement of management efficiency of local broadcasting

<Table Ⅲ-12> Results of Selecting Public Channels by Area for 2010

◦ Social Welfare: Welfare TV, Korea Child Broadcasting, Law Program ◦ Promotion of Science and Culture: Arirang TV, Science TV, Far East Art TV ◦ Educational Support: EBS English, EBS Plus 1 Suneung, EBS Plus 2 Middle School/Career

companies and propose a development direction.

- Launched two research projects in 2009, One on the study of overseas local broadcasting policies and the other on the study of viewers and broadcasters' recognition of local broadcasting.

C. Promotion of Fair Trade in Cable Broadcasting

1) Creation of an Environment for Fair Trade in the Cable TV Market

o Set conditions making program providers to pay more than 25% of TV reception fees for using programs when issuing a license to a system operator.

- The conditions are applied to 74 of 100 companies including five companies in 2008, 36 in March 2009, 21 in July 2009, and 12 in September 2009.

o Demanded the development of reasonable and objective trade standards and procedures in order to improve the conditions of the cable TV market by solving the problem of unfair trade between system operators and program providers.

- Checked to see if system operators are paying 25% to program providers for using their programs, and ordered the operators with poor performance to follow the rule.
- Developed new regulations on combined products in order to remedy the problem of reducing the PP fees by offering too much discount on broadcasting and communications convertgence services.
- Built a database and systematically examined it to make improvements in customary practices such as delayed and non payment of program fees to program providers.
- Made some amendments to research and accounting guidelines for VoD and paid channels that have different distribution methods than other types of channels in paying for program fees.

2) Guideline for the Evaluation of PP and Distribution of Program Fees Aimed at Developing Cable TV Channels

o The Korea Communications Commission proposed the need to create a guideline for the evaluation of PP and distribution of program fees in March 2009.

- The Cable TV Association prepared a guideline(proposal) based on the negotiations between system operators and program providers in July 2009.
- The guideline (proposal) was confirmed in November 2009 after being supplemented by reflecting the opinions of

the businesses in the industries.

o The guideline for the joint implementation of objective and reasonable standards and procedures necessary for trade between system operators and program providers was used to improve the fairness and transparency of the cable TV market.

- The purpose was to improve the quality of the cable TV market by guaranteeing program providers' right to be paid.
- *First,* as for PP assessment standards a special index by system operator was created in terms of 'Study of Audience Rating', 'Diversity of Content', 'Ratio between Production Cost, Investment on HD Program, and Main Program', Investment in Digital Conversion and Service Period of Program Providers', and 'Regional Suitability'.
- *Second,* added a number of new clauses titled 'Program Investment Cost, Channel Popularity and Audience Rating', 'Provision of Special Content on Cable TV, Inclusion of Package Services and HD Rate', and 'Equal Distribution of a Certain Percentage (10~20%) of Program Fees among All Program Providers' as main items of evaluation for the distribution of program fees.
- *Third,* as for the procedures for the provision of channels and supply of programs, a principle was established to sign a contract on the provision of channels and supply of programs through negotiations and agreement between service operators and program providers, and to terminate the program supply contracts within 12 months.
- *Fourth,* as for channel changes according to the contract, agreement reports are accepted after confirming the termination of agreement in order to improve the customary practice of signing a contract after supplying services, and report of terms of use for channel changes shall be submitted after signing a contract but while minimizing the scope of changes in order to prevent confusion among viewers.
- *Fifth,* when one of the parties bound by a contract files a complaint, both parties of a contract shall make an effort to reach an agreement. However, when such conflicts cannot be resolved in an amicable manner, they shall be settled with the intervention of the Korea Communications Commission.

o The guideline will be implemented as soon as a contract for the supply of programs in 2010 is signed, and the negotiations and contract signing between

<Table Ⅲ-13> Results of the Review of Community Radio Station Licensing

○ Companies with Enough Points Required for Licensing (Over 650 Points): 4 Corporations - Geumgang FM Broadcasting Corp., Culture, Welfare Media Committee Corp., Gwangju Civil Broadcasting Corp., Seongseo Community FM Corp. ○ Companies Not Enough Points Required for Licensing (Less than 650 Points): 4 Corporations - Conditional License: Gwanak Community Radio Corp., Mapo Community Radio Corp., Yeongju FM Broadcasting Corp. - License Denied: Naju Broadcasting Corp.

the system operator and program provider as well as the submission of the contract and terms of use for 2010 must be completed within the first quarter of the year in consideration of the inconvenience of the viewers that can be caused by changing the channels in a short period of time.

D. Licensing of a Community Radio Service

o The decision was made on June 10, 2009 to convert the pilot service that's been provided in the past four years into a community radio service in order to implement local broadcasting media characterized by channels dedicated to culture.

- Issue a business license to a regular community radio station in eight areas where frequency is already available in accordance with the policy on implementing a regular service in areas where frequency is available, and proceed with the confirmation process for other areas (21 known areas demanding a radio frequency) in consideration of the Frequency Policy.
- As for selecting service providers, check the qualifications of the service providers among not individuals but corporations with a basis for public management as well as at least four years of experience in business management as a pilot service provider among the eight corporations currently providing pilot services.
- As for output, apply the principle of maintaining 1w but evaluate the possibility of increasing the frequency within 10w pursuant to the Broadcasting Act in consideration of the conditions of the region in the process of technical review.
- The central government shall not provide funding in accordance with the principle of self-management. However, it was determined that regular service providers may provide radio advertising services.
- Programs are limited to music, culture, and information (limited to regional

information), and news interviews and news broadcasting are not allowed.

3. Improvement of Self-Management through Deregulation

A. Conversion of Competition System of the Broadcast Advertising Market

o The Korea Communications Commission provided multilateral support for the law-making activities of the National Assembly while also implementing policies on the competition system of the broadcast advertising market in order to prevent the violation of the constitution, cope with the opening of the advertising market, strengthen the competitiveness of the broadcast advertising industry, and improve the policy systems.

1) Major Issues on the Conversion of Competition System

o Contributed to securing financial resources by setting more flexible advertising rates from the standpoint of three terrestrial broadcasting companies in the conversion of competition system for broadcast advertisement sales system, which will lead to the increase of broadcast advertisement sales.

- However, this can affect the advertisement sales of small and medium broadcasting companies such as religious and local broadcasting companies that had a guaranteed source of revenue under the KOBACO system according to the degree of policy support on the distribution of advertisement sales between major cities and suburban areas.

o There are also those with different opinions, saying that it will lead to the commercialization of broadcasting by encouraging competition over audience rating in terms of society and culture, while there were others claiming that it will have negative effects on the media (paid TV, newspaper, magazines, etc...) market, hindering the balanced growth between media types.

2) Development of a Policy Plan by the Korea Communications Commission

o The Korea Communications Commission reached an agreement on the improvement plan for the Broadcast Advertising Policy and an act proposed by members of the National Assembly, and submitted it to the National Assembly.

- Established a government-funded corporation and issued licenses to private advertising agencies, but did not have certain broadcasting companies to designate the corporation for advertisement sales.

- Implemented more strict regulations to ensure the independence and fairness of broadcasting, such as on *1)Unfair discrimination such as trade conditions, 2)Effects of advertisers on program production and distribution, 3)Trade with preference for the largest shareholder of the advertiser and specially related people, and 4)Broadcasting company's interference in the management of the advertiser.*
- Encourage independent management of advertising sales instead of relying on general programs and program providers.
- Allow advertisement sales through various media in the area of advertisement sales of the advertiser. However, temporarily restrict the advertisement sales of people (subsidiary program provider) with special ties with the terrestrial broadcasting companies.
- Develop a support system encompassing policy and financial support for small and medium broadcasting companies such as religious and local broadcasters. Establish a legal basis for the support of advertisement sales for small and medium broadcasting companies, settle disputes on the distribution of profit generated from advertisement sales between the companies in a major city and regional areas, support for program production (temporary), and adjustment of the tax collection rate for the Broadcasting Development Fund.
- Abolish the KOBACO Act and establish 'Korea Broadcast Advertising Promotion Corporation (tentative name) to carry out promotional and research activities on advertising services and broadcast advertising.

B. Rational Improvement of Broadcast Advertising and Review Regulations

1) Implementation of a New Type of Advertising(Virtual and Indirect Advertising)

o A partially revised bill for the Broadcasting Act was passed by the National Assembly on July 21, 2009. The revised Broadcasting Act was proposed by the legislature in December 2008 to add virtual and indirect advertising to the Act.

- The improvement measures for the implementation of virtual and indirect

<Table Ⅲ-14> Articles of the Broadcasting Act on Virtual and Indirect Advertising

o The new Articles 6 and 7, Clause 2, Chapter 73 of the Broadcasting Act 6. Virtual Advertising: Ads inserted with virtual images using computer graphics in a broadcasting program. 7. Indirect Advertising: Products are used as a stage prop in the program for the exposure of the products.

advertising were carried out in order to cope better with the changes in the broadcasting and advertising industries, secure broadcasting resources for the future, and ensure the security of traditional TV advertising subsequent to the revision of the Broadcasting Act.

o The basic direction for the implementation of the new type of advertising included the deregulation of program organization and operation for the promotion of the broadcasting and advertising markets and establishment of independent standards for the promotion of competition between service providers.

- *(Virtual Advertising)* Allowed genres are limited to sports programs, while advertisement exposure time and size are limited to less than 5/100 of the total program run time and 1/4 of the whole screen.
  · Allow the free exposure of an ad while observing the allowed ad exposure time and size and not obstructing the flow of the program, and define items such as restriction of exposure besides people, products prohibited in TV commercials, responsibility to report, agreement between related parties, guideline for self-regulation, and responsibility to submit required materials.
- *(Indirect Advertising)* In principle, indirect advertising is allowed in entertainment and educational programs among other TV programs, but it's not allowed in children's programs and programs where objectivity and fairness are essential (news, current event, criticism, discussion, etc...)
  · The exposure time and size for products, trademarks, and log are limited to less than 5/100 of the total program run time and 1/4 of the screen.
  · Violation of production rights, obstruction of the flow of the program, recommendations to buy and use, and direct and indirect exposure prohibited products, while prohibited items, creation of a guideline for self-regulation,

<Table Ⅲ-15> New Articles Added to the Broadcasting Act for the Implementation of Voluntary Screening of Broadcast Advertising

Chapter 86 (Self Screening) ② Broadcasting companies shall not broadcast commercial program containing false or exaggerated information that can mislead viewers. ③ Broadcasting companies may independently review a TV commercial before broadcasting the commercial or have a broadcasting agency or organization licensed by the Korea Communications Commission review the commercial prior to broadcasting the commercials.

and responsibility to submit materials are defined

2) Deregulation of Restricted Items in TV Commercials

o Amend the regulations on the list of prohibited items to increase the volume of demand in the advertising industry and improve consumer convenience.

- A bill on broadcast advertising was passed at the 21st Risk Management Conference hosted by the Ministry of Strategy and Finance in September 2009 to allow the advertisements on 'Potable Spring Water', 'Medical', and 'Matchmaking Service'.
- *(Potable Spring Water)* Advertisement on terrestrial TV, satellite programs, IPTV, and DMB in addition to general cable channels where it's already allowed.
- *(Medical)* Broadcast advertising is allowed one step at a time starting from general cable channels in order to improve consumers' access to accurate medical information and supplement/ strengthen the screening system for medical advertisements.
- *(Matchmaking Service)* Reflect changes in today's marriage life and encourage quality competition through voluntary and differentiated customer management and efforts by allowing broadcast advertising.

3) Implementation of Self-Review of TV Commercials

o Remove the articles on pre-screening of TV commercials and establish a basis for self-review by broadcasting companies.

- Amended the Broadcasting Act by adding new articles (July 31, 2009) in order to prevent loss to consumers caused by false and exaggerated commercials following the implementation of new types of advertising and deregulation of restrictions on items prohibited in TV commercials.

4. Improvement of Broadcast Quality and Guarantee of People's Access Rights

A. Strengthened Management and Monitoring of Broadcast Advertising Regulations

o The Korea Communications Commission conducts an annual research on the observance of regulations on broadcast production and allowed scope through the Broadcasting and Communications Review Committee pursuant to the Act.

- Issue violation notices and fine to businesses that have violated the broad- casting regulations and order person in charge of broadcasting to

take required training programs on following related regulations and observe regulations on broadcast advertising in order to manage and monitor the observance of regulations.

B. Monitoring of the Observance of Required Broadcasting Ratio

o Monitor broadcasting companies' observance of broadcasting ratio as prescribed by the Act in order to protect the cultural value of broadcasting, encourage the distribution of a wide variety of broadcasting content, and promote content production.

- Conduct a research on the violation of the Act by month, term, and year based on the results of broadcasting submitted by over 400 broadcasting companies, and take administrative measures for such violations based on the research results.
- Established a basis on which to effectively monitor the local broadcasting companies all over the country by building a strong cooperative relationship with central and local electric wave management offices for the research on broadcasting results by holding the 'Conference on Relationship for Broadcasting Activities' in July 2009.

C. Ensure the Integrity of the Broadcast Review System

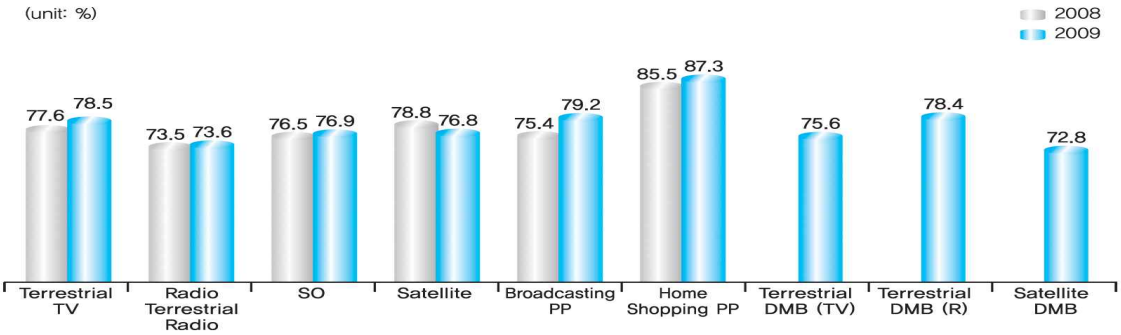
o The Broadcast Review System became a law with the enactment of the Broadcasting Act in 2000 with the objectives to 'Define the Public Responsibilities of Broadcasting' and 'Improvement of the Quality of Broadcast Programs'.

- Chapter 31 of the Broadcasting Act mandates an overall evaluation of a year's worth of broadcast content, program, and operation of broadcasting companies subject to relicensing and reapproval.
- Conducted an overall evaluation of broadcast content, program, operation of broadcasting companies in 2008.
- Most of the broadcasting companies continuously scored higher in the broadcasting evaluation of 2009, and

<Table Ⅲ-16> Review of Legally Required Program Ratio by Area

Category	Review Objectives
By Month	Entertainment programs, major broadcasts, programs produced by another broadcasting company
By Term	Outsourcing programs, outsourcing programs by specially related parties, outsourcing prime time programs, domestically produced programs, programs produced by a country
By Year	Korean movies, Korean animations, new Korean animations, and Korean popular music

<Figure Ⅲ-7> Results of the Evaluation of Broadcasting Companies (2008~2009)



it's the result of encouraging broadcasting companies to make efforts.

D. Implementation of a Guarantee System for Universal Access Rights

o Implemented a guarantee system for universal access rights in order to prevent too much competition between related parties over broadcasting rights for nationally popular events guarantee people's access rights.

- Winter and Summer Olympics are announced as a major national event for which 90 out of 100 households in Korea must have access to the program.

o Passed a bill on highly popular sports games and other major events (April 2009) after listening to the opinions of experts in different areas and holding expert discussion forums for the official announcement of nationally popular events.

- The Korea Communications Commission plans to continue to develop legal measures to guarantee people's rights to access in the aspect that ensuring people's access rights is the main priority although all the broadcasting companies vie over the rights to broadcast nationally but partially overlapping popular events.

E. Reduction of Fringe Areas

o Began to supply satellite receivers and upgrade master antennas in order to reduce the number of fringe areas in

<Table Ⅲ-17> Nationally Popular Sports Games and Other Major Events

1. Nationally popular sports games shall include Winter and Summer Olympics and the FIFA World Cup for which more than 90 out of 100 households in Korea must have access to watch the events on television.
2. Nationally popular sports games for which at least 75 out of 100 households in Korea must have access to watch on television shall include the Asian Game, WBC (World Baseball Classic, and the A Match (World Cup Preliminaries included) played by the national soccer team.

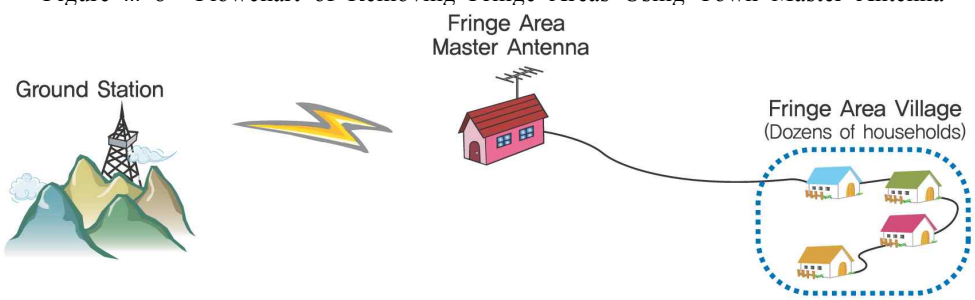
the mountains and remote regions prior to the termination of analog TV programs in 2012.

- Established a foundation for improving the public benefits of broadcasting by supplying satellite receivers, providing pilot services in fringe areas such as islands and remote regions, and holding the Opening Ceremony of Master Antenna (September 11, 2009) in order to reduce the number of fringe areas in the country.
- Choi See-joong, Chairman of the Korea Communications Commission, participated in the 'Opening Ceremony for Master Digital TV Antenna', provided free satellite receivers for over 10,000 low-income families in fringe areas, and announced the policy on reducing the number of fringe areas by replacing all the analog master antennas with digital systems for every town in the country within two to three years.

o The policy on providing satellite receivers includes the provision of satellite receivers and TV broadcasting services to households in islands and remote areas jointly with local autonomous governments, KBS, and SkyLife in 2009.

- Over 10,000 households in fringe areas will be provided with satellite receivers and free transmission fees (up to 2012) in 2009. SkyLife will provide eight TV channels, while the Korea Communications Commission, local autonomous governments, KBS, and SkyLife will share the costs to ensure the effectiveness of the support.
- Allocated a budget of 550 million won for upgrading the master antennas in a total of 506 towns one after another in 2010.
- As a result of the support project for reducing the number of fringe areas, a total of 8,104 households were installed with a satellite receiver.

<Figure Ⅲ-8> Flowchart of Removing Fringe Areas Using Town Master Antenna



Section 3. Improvement of User Convenience and Promotion of Competition in the Communi-cations Market

1. Support for Stabilization of People's Lives (Reduction of Household Communication Expenses)

A. Reduction of Mobile Communication Costs through the Improvement of Billing Systems

o The Korea Communications Commission proposed the following basic directions for promoting sustainable growth of the industry in relations to the reduction of communication costs for households through fee reduction.

- *First,* encourage fee reduction in accordance to the demands of each age group and social class so that everyone can benefit from the it.
- *Second,* encourage fee reduction and investment aimed at promoting the growth of the IT industry and smooth evolution of communication networks.
- *Third,* encourage fee reduction aimed at improving and supplementing the areas that are considered weak when compared with those of foreign countries. In particular, implement the per-second rate, reduce subscription fee, and cut down prepaid amount for light users.
- *Fourth,* encourage the simplification of phone rates to give more choices to users.

o Propose measures for fee reduction through the voluntary cooperation of communications services providers based on the Policy on Mobile Communication Cost Reduction.

- *First,* change the billing system to per-second rate. SK Telecom improved all its billing systems to per-second billing.
- *Second,* reduce the subscription fee. SK Telecom cut the fee from 55,000 to 40,000 won (27%↓), and KT reduced the fee from 30,000 to 24,000 won.
- Abolish the policy on exempting the subscription fee for those who cancel the subscription but renew the agreement.
- *Third,* reduce the fee on long-term subscribers. Reduce the basic fee and rates for long-term users (2 years or more) and those who agreed to use the service for a certain period of time.

<Table Ⅲ-18> Plan for the Simplification of Mobile Service Providers' Billing Systems

Service Provider	SK Telecom	KT	LG Telecom
Simplification	73 → 20	157 → 30	60 → 20

※ Initiate the fundamental improvement of billing system after about six months following the replacement of the accounting systems.

<Table Ⅲ-19> Reduction of Prepaid Rates by Mobile Service Providers

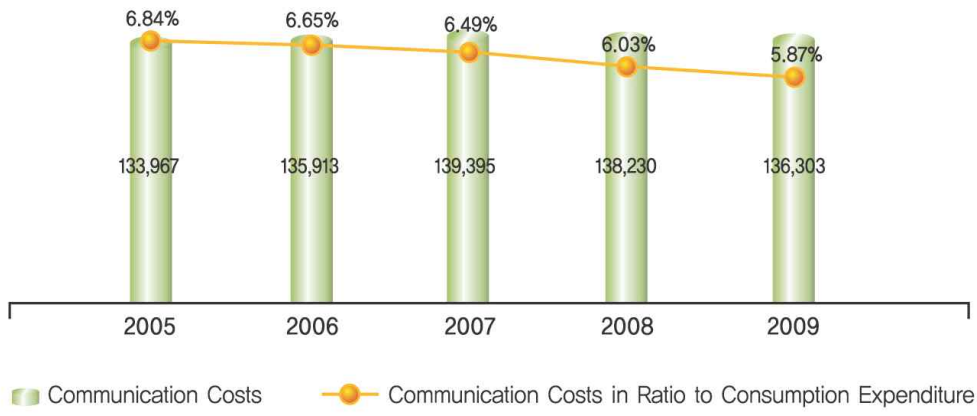
Service Provider	SK Telecom	KT	LG Telecom
Rate Reduction	62 Won → 48 Won (23%)	58 Won → 49 Won(15.5%)	65 Won → 49 Won (25%)

※ SK Telecom implemented an optional prepaid plan (basic fee of less than 5,000 won+call rates) along with the reduction.

- *Fourth,* reduce the wireless data fee. Use measures such as increased fee data, reduction of monthly fee, and reduction of call rates.
- *Fifth,* promote prepaid phone plans. Reduce the prepaid phone plans by eliminating subscription fee and basic fee for the elderly and those who don't use the phone much.
- *Sixth,* reduce phone plan rates for users who make many calls and improve teenage plans to reduce households' burden of communication costs. Also, encourage the implementation of free CID (Caller ID) service.
- *Seventh,* reduce the fees for wired services and combined products. Reduce the burden of communication costs for households by introducing low rate combined products including wired, wireless, and high-speed internet services.

o After the implementation of the Policy on the Reduction of Household Communication Expenses, the total cost of communications has dropped by 2.2% from 139,395 won in 2007 to 136,303 won in 2009, while the ratio of communication costs in household expenses was reduced by 0.62% from 6.49% in 2007 to 5.87% in 2009.

<Figure Ⅲ-9> Changes in Household Communication Costs



※ Source: Statistics Korea, Survey on Household Trend(Households of two or more working in a city, Nominal)

- Service providers estimated that overall reduction of communications costs will reach about 1.7 trillion won while mobile communication costs will drop from 1,500 billion won to 250 billion won through the reduction policy, and household communication expenses will also drop by about 9,000 won per month on the average.

B. Development of Korea Index on Communication Costs

o The Korea Communications Commission held the first 'Council Meeting on the Development of Korea Index on Communication Costs on October 20, 2009 in order to develop a methodology for the comparison of communication costs suitable for Korea.

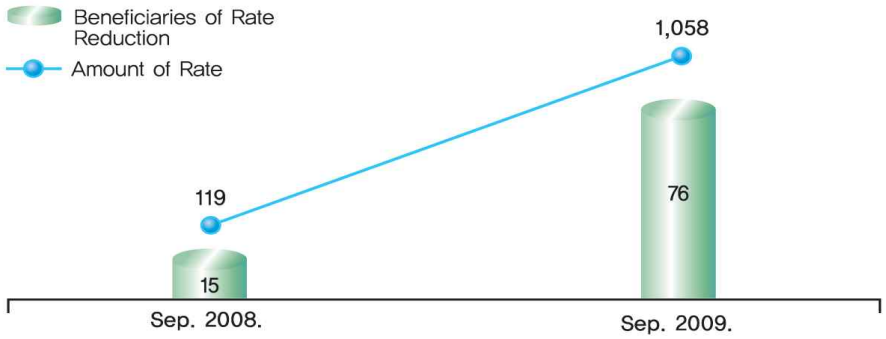
- The council is composed of less than 15 experts who were recommended by the government and the National Assembly as well as professors, businessmen, and representatives of NGOs consumer organizations. The council is currently composed of 13 members including the chairman.
- A methodology for neutral comparison of prices will be developed and a bill will be proposed according to various opinions through public hearings.
- A number of major countries will be selected to conduct a survey on local phone plans to ensure th objectivity of the survey. Comparison standards and methodology centered on mobile voice rates will be established, and the rates in the countries subject to comparison will be compared by the end of the second half of 2010.
- Comparison standards and methodology for mobile data rates and international roaming will be developed in the future.

o The council activities are aimed at establishing comparison standards based on the amount of calls and calling patterns of Korean users before being compared with the phone plans of other major countries. They are expected to provide an opportunity to determine the actual level of phone plans and used as basic data for establishing an effective communications policy.

C. Simplification of the Application Process for Mobile Phone Plan Reduction for Low-Income Families

o The result of a mutual comparison after a more widespread implementation of the reduction policy and continued promotion thereof showed that the number of people who have benefited from the reduction policy have increased by about five times

<Figure Ⅲ-10> Effects of Mobile Call Rate Reduction on Low Income Families



from 150,000 to 760,000 between September 2008 and September 2009, while the amount of reduction rose by approximately nine times from 11.9 billion won to 105.8 billion won.

o 'The Simplified System for the Application Process for Mobile Phone Plan Reduction' became available on August 14, 2009 in order to make it easier for people who qualify for the reduction to apply for reduction.

- Through this, a relay system for the simplification of the process was built at the KAIT(Korea Association of Information & Telecommunication) after a continued discussion with the representatives of related government offices from early 2009, and linked the customer management systems of the three mobile service providers with those of related governmen offices.

o The simplified process is expected to make it easier for a total of 3,630,000 people (1,370,000 Social Welfare Beneficiaries, 2,030,000 Disabled People, 230,000 Men of Merit) to apply for the reduction of mobile call rates.

- Approximately 530,000 people have benefited from the system between Aug. 11, 2009 and the end of Dec. 2009.

<Table Ⅲ-20> New Major Notices after Reflecting the Results of Competition Assessment

Notice	Before	After
Common Carrier Services and Common Carriers Licensed according to the Terms of Use	Local Calls: KT Mobile Communication: SK Telecom (3G Excluded) High-Speed Internet: KT	Local Calls: KT Mobile Communication: SK Telecom (3G Included)
Two-Way Connection and Shared Use of Telecommunications Facilities for Common Carriers Subject to Licensing	※ Service provider with over 50% market share (Articles 1 & 2) Local Calls: KT Mobile Communication: SK Telecom (3G Excluded)	※ Service provider with over 50% market share (Articles 1 & 2) Local Calls: KT Mobile Communication: SK Telecom (3G Excluded)

2. Promotion of Competition in the Communications Market and Support for Reorganization

A. Evaluation of Competition in the Communications Market and Improve- ment of Policies in 2008

o The Korea Communications Commission conducts an annual evaluation of the competition in the common carrier industry and uses the evaluation results in developing competition policies for building an effective competition system and fair competition environment in the telecommunications market.

- The evaluation of the communications market competition in 2008 showed that there were not many changes in the market from the previous year, but KT's share of the high-speed internet market has significantly dropped due to the emergence of 3G services.
- SK Telecom still had over 50% share of the mobile telecommunications market (55.5% in terms of sales and 50.5% in terms of the number of subscribers including 3G services), which is a sign that there isn't much competition.
- In the high-speed internet market, KT's share continued to drop from 52.1% (2006) to 48.4% (2007) and 47.6% (2008).

o The Korea Communications Commission changed the legal notice on December 30, 2009 by reviewing the changes in service providers subject to licensing for the terms of use such as changes of business names for licensing for the terms of use, agreement on two-way connection, and change of service providers subject to licensing for the terms of use in order to establish a basis for reflecting competition in the telecommunications market and building an effective competition system.

- The new notice in relation to the terms of use included SK Telecom's terms of use and agrement for 3G services, but KT's terms of use on internet connection was excluded from the licensing.

B. Implementation of MVNO Policy and Amendment of Regulations

1) MVNO (Mobile Virtual Network Operator) Policy

o Implemented an MVNO policy based on which common carriers can enter an agreement with other telecommunications service providers upon their request in order to provide common carriers to provide their own telecommunications services or allow them to use their telecommunications facilities.

- The policy enabled the Korea Communications Commission to designate and announce the names of common carriers that will be held legally responsible for the provision of MVNO services to other telecommunications services providers upon request, promoting competition between telecommunications services providers.

2) Amendment of Policy on the Approval of Terms of Use

o Service providers subject to obtaining approval for their terms of use were required to obtain approval not only for increasing rates but also for reducing rates, but claims were made that it has negative effects on free market competition voluntary fee reduction by service providers.

- To this, the Korea Communications Commission decided to amend the Policy on the Approval of Terms of Use so that service providers only have to report instead of obtaining an approval when reducing the fees for the services that are included in the terms of use for which they have already obtained an approval.

3) Integration of Common Carrier Services

o The Policy on the Integration of Common Carrier Services fundamentally enables the provision of common carrier services with just one license without having to additionally obtain an addi-

<Table Ⅲ-21> Direction for the Amendment of the Article on Common Carrier Services, Telecommunications Business Act

Category	Past	Present	Amendment
Common Carrier Services	Phone Service	Transmission Service	Common Carrier Services
	Telex Service		
	Internet Connection Service		
	Internet Phone Service		
	Other Services		
	Provision of Allocated Frequency	Provision of Allocated Frequency	
	Rental of Telecommunications Network Equipment	Rental of Telecommunications Network Equipment	

tional approval for all the common carrier services by incorporating the licensing process.

- Limit the number of the licensing review standards to the feasibility analysis of financial and technological capabilities and user protection plans necessary for implementing the plan for providing common carrier services.

o Lower the barrier to a certain degree for existing common carriers to develop and provide new services without having to obtain a separate license through the integration of common carrier services and incorporation of licensing process.

- Contribute to improving user convenience by promoting competition between telecommunications services providers through reduced number of licensing review standards and enabling service providers to provide a wide range of communications services after obtaining the required approval just once.

C. Development of WiBro Promotion Measures and Conditions for New Business Startups

o Announcement of three policy directions and eight objectives for the promotion of WiBro on October 30, 2009.

- Proposed the 'Development of Conditions for the Promotion of Competition', 'Establishment of an Effective Nationwide Network', and 'Improvement of WiBro Feasibility'.
- Promoted the domestic WiBro services market by implementing eight policy objectives as part of the detailed action plan, through which to play a leading role in the global market by establishing a 'Global Mobile Internet Test-Bed'.
- Established a basis for the promotion of competition in the WiBro market by changing the frequency bandwidth of existing service providers, creating conditions for new businesses entering the market, and implementing MVNO.
- Changed the frequency bandwidth, allowing multiple standards for the use of 10MHz bandwidth in addition to the currently used 8.74MHz for the 2.3GHz WiBro.
- Promoted the use of wireless internet, development of a wide range of services, and public WiBro services.

D. Support for the Reorganization of the Communications Market through Merger Review

o The market is being restructured due to competition between businesses pro-

viding wired and wireless package services by taking over another company or merging subsidiaries in order to effectively provide wired and wireless convergence services following the acceleration of convergence in the communications market and increasing competition between existing service providers.

o The Korea Communications Commission contributed to creating a healthy structure for the communications market by adding new licensing conditions when necessary in order to promote fair trade in the communications market and protect users while reviewing corporate takeovers and mergers.

- Promoted the convergence of wired and wireless services as well as communications and broadcasting in answering to KT's request to merge with KTF on March 18, 2009, and approved the merger under the decision that it will contribute to the growth of the information and telecommunications industry.
  · Added the minimum number of licensing conditions necessary for the communications industry such as on the improvement of the process for changing local and internet phone numbers and reasonable improvement of wireless internet connection systems while also amending the policies on telephone poles and conduit lines.
  · While adding more licensing conditions, the Commission also urged KT to observe the laws on continued fulfillment of public responsibilities and privacy protection for their subscribers.
- Allowed LG to merge three of its communications companies on December 14 after drawing the conclusion that the merger won't have any negative effects on the improvement of consumer convenience and free competition in the communications market based on a review of possible problems that can be caused by the merger.
- The minimum conditions for ensuring fair competition and user protection include:
  · Submission of a request for the approval for the BcN construction plan in farming and fishing villages to the Korea Communications Commission within 60 days from the date of approval for a merger.
  · Recommendation for the improvement of billing systems aimed at increasing consumer benefits while also making sure that merged corporations do not differentiate the billing systems and methods between inside and outside content developers in order to pro-

mote wired internet.

· Recommendation for LG Telecom's fulfillment of IPTV licensing requirements and IPTV business plan subject to LG Dacom.

o The communications market will be restructured so that the three companies, namely KT, SK Telecom and LG Telecom, will compete with each other based on wired and wireless network.

E. Improvement of the Number Change System

1) Policy on Fixed-Line Phone Number Changes

o The Korea Communications Commission and related communications services providers held a discussion meeting after an issue was raised that the success rate of number changes dropped and the process became complicated since the implementation of the policy in June 2003.

- The Telephone Confirmation Policy. The new policy enabled the elimination of telephone confirmation as long as a certain services provider identifies the user with an objective method, provides necessary information, and records the conversation when there was a phone change.
- Related Product Policy. Reduced the number of related products such as optional services for previous fixed-line phones from three (A, B and C-Types) to one (B-Type). Also, in the case of an electronic screening, a neutral organization will play the role of receiving information on related products and confirms the user's decision to cancel the previous plan through a direct phone call.
- Policy on Automated Activation. Automated the process of activation, which was previously done manually by making a call through the open server between the services provider and person in charge or CP(Contact Point).
- Extended the minimum required contract term of three months to six months to prevent excessive marketing competition for number changes between services providers. However, number changes with in the required period are allowed when there was a complaint.
- Finally, the KTOA(Korea Tele- communications Operators Association) will send an SMS message on the status of the package service including discount rates to the package service subscribers who have applied for a number change.

o Contribute to promoting fair competition between communications services pro-

viders and improving user convenience by shortening the period for number changes and improving the success rate through the amendment of the policy on changing fixed-line phone numbers.

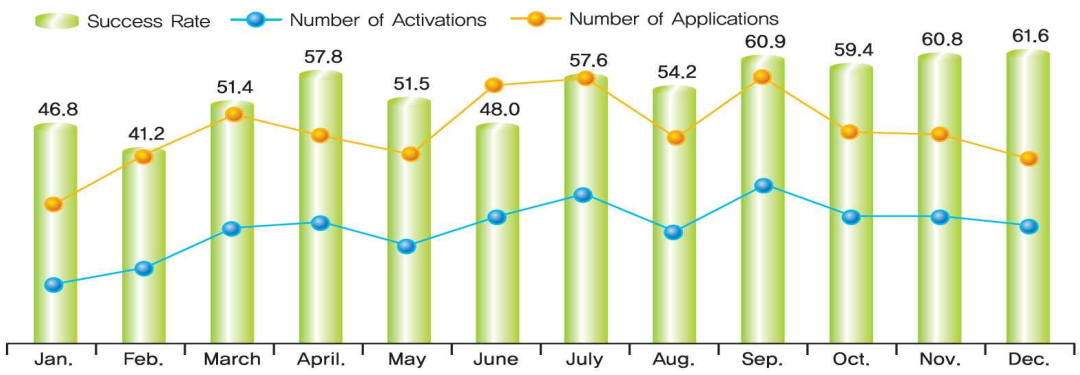
- The drastic improvement of the process for telephone confirmation, which took most of the time for changing a phone number, and activation (call convertsion) led to the reduction of the average required time from 4.76 days to less than a day.
- The success rate for changing a phone number was 49.5% on the average in the second half of 2009, but it rose to an average of 59.1% in the second half of the same year since the implementation of the first stage of the policy in July 2009.

2) Policy on Mobile Number Portability

o The Korea Communications Commission organized a team dedicated to amending the policy and developed improvement measures for each issue.

- The minimum period for number change was set to three months (new) after a new subscription or number change, with the exception of extra-ordinary circumstances.
- Developed a confirmation process for customer information (mileage, long-term discount, point, etc.). The present services provider is required to send an SMS message on customer information to the subscriber upon receiving a request for number change, and proceed with the process of changing the phone number after confirming with the subscriber.
- Users are guaranteed with the right to choose between services providers by comparing their offers such as fine for the breach of agreement, installment

<Figure Ⅲ-11> Success Rate of Monthly Number Changes in 2009



※ Note: The success rate refers to the percentage of successful phone number changes and activations of the total number of requests.

payment, outstanding balance of payment, discounts, and mileage.

- In terms of the market, the new policy led to more investments and development of new services by reducing the cases of improper marketing of distribution networks, identity theft, and marketing costs.

3. Promotion of New and Convergence Services

A. Establishment of a Basis for the Growth of New and Convergence Services

o Removal of Obstacles in New Convertgence Services and Stimulation of Initial Demand.

- *(DMB)* Amended the policies on the development of revenue models and tow-way advertisement and support the development of next-generation terrestrial DMB technology.
- *(WiBro)* Strengthened the voice support such as the provision of voice numbers, and encouraged investment increase by checking to see if existing WiBro service providers have fulfilled the licensing requirements.
- *(VoIP)* The VoIP user pool is expected to increase drastically by allowing phone number portability, which was an obstacle in the expansion of services.
- *(IPTV)* Changed from the plan approval system to report system and implemented the plan(a la carte) in which viewers can choose only the channels they want in order to support the creation of initial demand through the promotion of two-way data services and provision of educational and public services.

o Development of a Policy Direction for the Implementation of a Light-Touch Regulation on New Convergence Services

- Established a principle for a light-touch regulation on reviewing follow-up measures for regulating content and public responsibilities after enabling convertgence service providers to freely enter the market through deregulation.
- Supported the development of killer applications centered on the areas with a potential to create a consumer demand such as education and healthcare.
- Also started policy amendment and deregulation to encourage cooperation between related industries such as banking, shopping, game, and education, such as the deregulation of areas related to the provision of u-health services.

B. Establishment of a Basis for the Promotion of Wireless Internet

o Established a basis for fair competition by completely opening the wireless

internet connection system through the 'Plan for the Promotion of Mobile Internet' announced in March 2009 and improving the profit distribution guideline.

- Announced the 'Action Plan for the Promotion of Wireless Internet' in September in order to create synergy between wireless internet billing system, devices, policy amendment, content, and network/demand while conforming to changes in the market conditions.
- Prepared a basis for fair profit distribution and established a basis for increasing the distribution of smartphone in 2009.

1) Development of a Guideline for Distribution of Profits Generated from Data Fees

o Held discussion meetings with mobile service providers and CP organizations and developed the 'Guideline for Distribution of Profits Generated from Mobile Content Data Fees' in June 2009.

- The guideline was developed for the purpose of adding a new vitality to the mobile content industry that recently showed stagnant growth.
- The guideline included details on the fair distribution of profits generated from data fees among mobile service providers and CPs, improvement of transparency, creation of an fair conditions, cooperation between service providers, and establishment of a basis for development.

o Description of Procedures and Methods for Objective and Fair Distribution of Profits Generated from Data Fees with Consideration on Industry Growth.

- In principle, data fees will be distributed among CPs, but some of the revenue generated from data fees will also be distributed among mobile service providers according to the degree of their contribution.

2) Promotion of Smartphone Penetration

o Allowed the domestic sales of iPhone, a smartphone by the U.S. based Apple, on September 23 as a measure to promote smartphone penetration, and KT launched iPhone on November 28, 2009.

o Korean-made smartphones are not globally competitive since they lacked in operation system and content, but the Commission is encouraging Korean companies to develop smartphone-specific and open operating systems for the improvement of their competitiveness. The Commission also plans to expand the performance and coverage of wireless network (3G, WiFi, WiBro,

etc.) by implementing a policy specifically designed for smartphone in order to increase smartphone penetration.

4. Promotion of the Use of Radio Wave and Establishment of a Basis for the Growth of the Radio Wave Industry

A. Development and Implementation of a Framework on Radio Wave Promotion

o The Korea Communications Commission established the Framework on Radio Wave Promotion based on which to develop and implement detailed action plans in order to establish a basis for more systematic and effective R&D, radio wave management, and policy improvement, and announced the Framework on Radio Wave Promotion with the vision of turning Korea into an advanced country in radio wave in the age of ubiquitous computing through the use of creative use of radio wave (May 2009).

- The main goals are to improve the convenience for people through the creative use of radio wave, establish a basis for green growth through the expansion of industries related to radio wave technology, and create a basis for the growth of the radio wave industry through the amendment of the policy on the use of market friendly radio wave during the period of five years (2009~2013).
- Create a positive cycle of main objectives by developing a total of five main objectives such as the following: Create value in the new industries for radio wave, secure and supply radio wave resources, develop and standardize core technology, amend the policy on the use of market friendly radio wave, and establish a consumer-oriented system for radio wave management.

o The policy objectives for the promotion of radio wave are categorized into mid and long-term plans till 2013, and a detailed action plan was proposed.

- *(2009~2010)* Achieved short-term goals such as the amendment of laws and policies for implementation by stage, establishment of a basis for implementation, and development of basic technology.
- *(2011~2013)* Established detailed action plans and achieved mid and long-term goals while developing promotional objectives.

B. Collection and Supply of Radio Wave Resources

1) Promotion of the Use of Radio Wave

Resources

o A total of 16 frequencies were designated and 57 approvals for the use were given out after a thorough early review and interference analysis on the feasibility of the use of frequencies for broadcasting, radio stations, diplomacy, and national defense in accordance to the demand for frequencies in industries and public areas.

- Ensured the timely supply of limited radio wave resources in various areas after completing the construction of the 'Military Frequency Management System' for efficient and systematic management of military frequencies in December 2009.

2) Expanded Frequency Supply

o Development of Technology Standards for the New Distribution of Frequencies and Wireless Equipment for the Expansion of Frequency Supply

- Contributed to improving the quality of people's lives and promoting the use of radio wave resources by supplying frequencies necessary for daily life after the development and amendment of technology standards while coping technology development.
- Detailed results included the new distribution of frequencies for point-to-point communication in the bandwidth of between 70 and 80GHz, and improved technology standards for RFID below 150kHz, specific small output relay, and mobile devices for mobile internet (WiBro).

o Concentration on Space Communication Resources through Registration at International Organizations such as the Satellite Network Committee and ITU (International Telecommunication Union).

- A total of 8 satellite networks and earth stations were registered internationally and 46 cases of satellite network settlements in 2009.
- An issue was raised on a total of 37 stations and 367 satellite networks for the protection of Korean satellite networks.

<Table Ⅲ-22> Measures for the Amendment of Radio Wave Use Fee Policy

Category	Development of Improvement Measures
Support for Special Disaster Areas	Development of measures for the reduction of radio wave fee for the support for radio stations in special disaster areas
Reduction of Radio Wave Use Fee for Ship Stations	Expansion of scope for radio wave fee waiver for small ship stations following the increased responsibilities of ship stations for DSC
Clarification of Accounting Standards	Clarification of radio wave fee waiver for mobile telecommunications subscribers whose use of services has been suspended due to non-payment

o Promote international standardization activities such as submission of drafts to represent Korea's opinions in the process of developing standards for next-generation mobile communication by continuing to participate in the ITU-R SG5 WP5D[6] in order to develop international standards for next-genera tion mobile communication technology.

- Proposed WiBro-based IEEE 802.16m and LTE Release10 & Beyond as candidate technologies for 4G mobile communication to the ITU, and continued to cooperate with international standardization organizations for application of international standards in domestic technology.

C. Amendment of Market-Friendly Policy on the Use of Electric Wave

1) Amendment of Policy on Frequency Distribution

o Submitted an amendment of the Radio Act (Article 11 of Radio Waves Act) to the Assembly for the implementation of frequency auction in January 2009.

- Amended the policy to enable frequency distribution for a fee predetermined by price competition in an auction in addition to the current the method of distributing frequencies for an undetermined fee.
- Established a basis for reflecting the market value of frequency and improving the fairness and transparency in frequency distribution.
- The implementation of frequency auction resulted in improving the policy through frequency distribution and billing for the distribution based on market principles instead of the previous practice of frequency distribution by regulatory bodies.

2) Amendment of the Policy on Radio Wave Use Fee

o Amended the policy on radio wave use fee after identifying the need for a principle for fair and reasonable billing while ensuring a smooth collection of resources necessary for R&D on radio wave management following the increase of frequency bandwidth and economic value of radio wave resources.

※ The Policy on Radio Wave Use Fee was implemented after the amendment of the Radio Waves Act in 1991 for securing funding for radio wave management and radio wave promotion, and the fee has been imposed on radio station operators since 1993.

o The Korea Communications Commission

6) A technology standardization team for IMT (International Mobile Telecommunications), a subsidiary of the SG5 (Terrestrial services such as Fixed, Land Transportation, Marine Transportation, and Air Transportation) of ITU-R (Radio Wave).

developed measures for improving the policy on radio wave use in order to clarify the calculation standards for supporting small ship stations and special disaster areas and users with suspended use of radio stations due to military recruitment in 2009.

- The standards for radio wave billing and calculation will continue to be improved in a reasonable and fair direction while coping with changes in the environment of radio wave use.

- Develop measures for billing, use, and management of frequency fees in accordance with the purpose and objectives on a more fundamental level through modification of details such as settlement, new development, and cancellation of various coefficients in the calculation of radio wave fees.

D. Establish a basis for the provision of various broadcasting services

1) Extension of Terrestrial DMB Coverage and Service Promotion

o Extended the terrestrial DMB coverage in the greater Seoul are to 91.5% (exceeded the goal by 80%) by improving the reception environment through the deregulation of terrestrial DMB and development of new technologies.

- Improved technological competitiveness by developing next-generation terrestrial DMB technology and testing the transmission so that the channel capacity can be doubled.

o Established a stronghold for supporting joint global marketing and overseas market expansion for Korean terrestrial DMB technology and services.

- Carried out the terrestrial DMB support project without a problem after having redesignated Cambodia as the developing country subject to pilot terrestrial DMB service, and built a broadcasting system for the pilot service, participated in the opening ceremony in the country, checked the system construction status, and promoted cooperation.

o Enabled the provision of sustainable services by completing the negotiations on the use fee for terrestrial DMB facilities at subway stations in the greater Seoul area.

2) Confirmation of a New English FM Frequency in Three Metropolitan Cities

o In addition to Seoul, Busan, and Gwangju where English FM broadcasting has been available since 2008, three more cities (Daejeon, Daegu, Ulsan) were added in 2009, making the English FM broadcasting available in a total of six

metropolitan cities in Korea.

- The Korea Communications Commission improved the international image of cities in Korea by continuously improving of living conditions for foreigners through the expansion of English FM broadcasting services, while also creating more jobs for foreigners in the broadcasting industry, promoting Korea for hosting international events, and improving the international image of cities in Korea.

E. Establishment of a Consumer-Oriented Radio Wave Management System

1) Changed the Paradigm for radio station Management as Follow-Up Management in- stead of Ex-Ante Regulation

o Removed some of the ex-ante regulations on the construction and management of radio stations to expedite the provision of services, but also developed a number of follow-up management measures such as surprise inspections in order to prevent blind spots in radio wave management as well as moral hazard among service provider.

- Established a legal basis (Article 24, Radio Waves Act) for the implementation and operation of sample inspection in order to simplify the process of inspecting the construction of a radio station as prescribed by the Radio Waves Act submitted to the National Assembly in January 2009.
- Established a legal basis for converting to comprehensive inspection in the case of exceeding the maximum disqualification ratio in sample inspection in order to minimize the possibility of building illegal and defective radio stations that can be caused by simplifying the construction inspection process.
- A plan will be developed to establish a basis for efficient and safe management of radio stations by applying detailed procedures for sample testing and orders for the installation of environmentally-friendly radio stations.

2) Creation of a Certification Environment and System in Preparation for Future Radio Wave-Based Society

o Established a legal basis for MRA (Mutual Recognition Agreement) between countries for the evaluation of regulations and feasibility in converting the certification system for broadcasting and telecommunication materials as described in the Radio Waves Act submitted to the National Assembly in January 2009.

- Implemented simplified feasibility assessment procedures by amending all the

certification policies on broadcasting & tele- communication materials.

- Incorporated the articles on the certification of wired systems mentioned in the Framework Act on Telecommunications into the Radio Waves Act, and enacted a regulation on feasibility registration and certification in consideration of the degree and violation rate for facilities.
- Established a legal basis enabling the implementation of tentative certification in the cases where feasibility assessment is not possible, based on which to support early introduction of new products in the market by applying a tentative certification when there are inadequate standards for feasibility assessment as such is often the case with new technology and service application products.

3) Creation of a Safe Radio Wave Environment

o Promoted the verification of standards for Specific Absorption Rate and establishment of a preventive system against effects of electromagnetic waves on human health in the face of increasing exposure to electromagnetic waves with the increased penetration of various portable mobile devices such as mobile phones and medical implant communication systems.

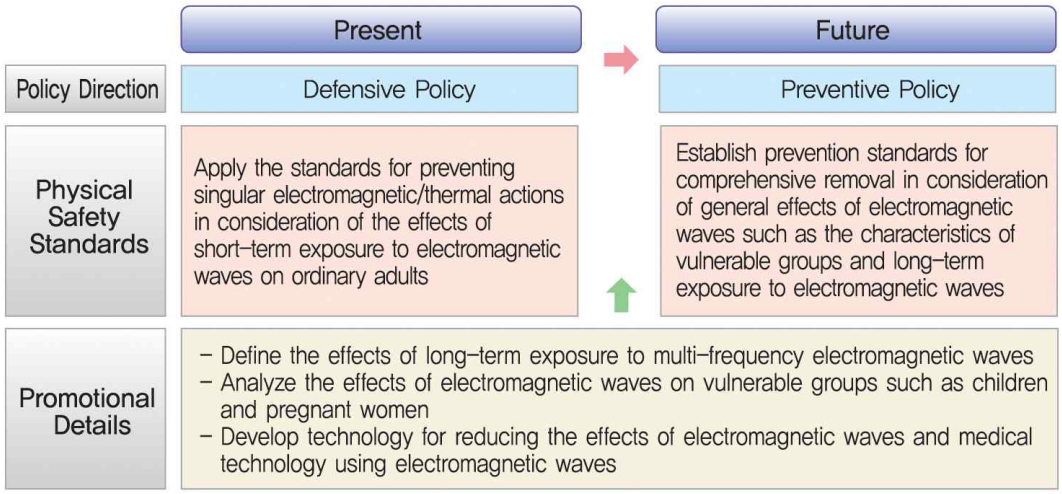
- Created a safe electromagnetic environment by converting to preventive policies from defensive policies by strengthening research activities for developing a policy on the nationwide promotion of harmful effects of electromagnetic waves and scientific verification of harmful effects of electromagnetic waves on human health.

o The domestic anxiety recognition rate on harmful effects of electromagnetic waves was dropped to 79.6% as a result of continued scientific verification of effects of electromagnetic waves on human health, reduction of electromagnetic waves, and development of shield technology.

- Launched a nationwide promotional campaign by building a website(www.emf.or.kr) and publishing/distributing a newsletter after strengthening the process of monitoring on the effects of electromagnetic waves through participating in related international conferences including the WHO and ITU.

4) Research on Radio Wave Resources for the Use of Highly Efficient and Environmentally Friendly Radio Wave

<Figure Ⅲ-12> Promotion of Policies on Safe Electromagnetic Wave Environment



※ Source: Framework on Electric Wave Promotion (KCC, May 2009)

o Research on Radio Wave Resources throughout 2009

- *(Radio Station)* Conducted a research on actual conditions of 71,000 fixed radio stations, and built a database of results so that they can be used as data for the operation and precision of the Radio Wave Broadcasting Information Management System of the Radio Research Agency.
- *(Radio Noise Measurement)* Analyzed the changes in the volume of radio wave noise by region, frequency band, and time zone at 447 stations in over 220 cities, guns, and gus, and stored the measurements in a database in the form of a map index (map number) of the National Geographic Information Institute so that they can be used in creating a electromagnetic wave map.
- *(Electromagnetic Wave Exposure Measurement)* Measured the amount of electromagnetic wave exposure at 1,410 most commonly visited locations such as schools, hospitals, and subway stations, and the results will be shown in the form of an electromagnetic wave map with statistics for people to access.
- As for creating job opportunities, the Commission offered jobs to a total of 1,018 people for the research on radio wave resources, and more than 100 people were hired as regular employees by strengthening administrative services during the project.

Section 4. Formation of a Safe and Sound Broadcasting and Communications Environment

1. Improvement of Internet Safety and Reliability

A. Improvement of Information Protection on the Internet

1) Operation of the Internet Information Protection Council

o Establishment and operation of the Internet Information Protection Council (government-civilian-operated) through the expansion and reformation of the Information Protection Policy Forum for more efficient setting of information protection policies in the rapidly- changing IT environment.

- Comprising the 3 subcommittees of Safe Internet Subcommittee, Personal Information Protection Subcommittee and Clean Internet Subcommittee; run by a total of 50 academic, industrial and governmental experts.

o The Internet Information Protection Council has 5 key functions.

- *Function 1:* prediction of threats to the internet in the future to discuss comprehensive and pre-emptive technological, social, economic and cultural countermeasures
- *Function 2:* collection of expert opinions to identify logical and user-oriented policies
- *Function 3:* holding of seminars for regular exchanges on discussed matters with outside parties and promotion of internet information protection policies
- *Function 4:* evaluation of key internet information protection policies followed by presentation of policy-improvement measures
- *Function 5:* domestic/overseas promotion of internet information protection

2) Protection of Key Information Communications Infrastructure

o In accordance with the 3 legislations (Telecommunications Business Act, Information Communications Network Act, Information Communications Protection Act) passed following the governmental reformation in February 2008, the information protection duties performed by the now-defunct Ministry of Information and Communication were distributed amongst the Ministry of Knowledge Economy, Ministry of Public Administration and Security, and Korea Communications Commission

- The Ministry of Public Administration and Security has been put in charge of general information communications

infrastructure administration, the Ministry of Knowledge Economy in charge of information protection consulting company designation, and Korea Communications Commission in charge of private information communications infrastructure administration.

o As of December 2009, 30 of the 109 key information communications infrastructures under the jurisdiction of Korea Communications Commission have been designated for improvement
- For improved security in the infrastructures, Korea Communications Commission established a highly- effective security system for the newly-designated infrastructures through an inspection of their managers followed by technical support
- The autonomous security function of the other 79 infrastructures will be consolidated by monitoring of the execution of the proposed protection measures and assessing their level of protection; areas in need of mid to long-term security implementation will be addressed in the 2010 protection policies.

o In the event of a 7.7 DDoS attack, a joint network will be established by 19 organizations, including Korea Communications Commission and Korea Internet & Security Agency, to prevent losses through 24-hour monitoring
- Following the DDoS attack in 2009, the information protection measures implemented by 17 organizations were assessed and 6 companies, including SK Broadband, subsequently installed an additional 41 DDoS devices; the information protection budget was increased by 8.4% from the KRW 38.58 billion in 2009 for protection from new cyber attacks, such as the DDoS attack

o For designation of more key infrastructures and their systematic management in the broadcasting/com munications convergence environment, the key information communications infrastructure assessment criteria were expanded from 10 to 13 for a more objective assessment

3) Early Assessment of Information Protection in New Network Infrastructures

o For improved safety of new IT infrastructures and services in the fields of broadcasting & communications, Korea Communications Commission has been performing 'early information protection assessments' since 2006 to identify and

rectify information protection issues in the planning, design and installation of such infrastructures and services.

- Subsequently, the early information protection assessments have been executed through the National IT Plan and Comprehensive Internet Information Protection Measures due to an increased need for them.
- Early information protection assessments of IP-USN and giga internet were performed in 2009.

4) Information Protection Safety Assessment

o An information protection safety assessment system has been implemented through the revision of the Act on Promotion of Information and Communications Network Utilization and Information in July 2004.

※ This safety assessment system ensures the execution of information protection measures by various information communications service providers, including ISPs, IDCs, online shopping malls and portal sites, for the safety and reliability of their information communications networks.

- 247 companies were eligible for an information protection safety assessment in 2009; this number is an increase by 6% from the 232 in 2008.
- 39% of the companies eligible for an information protection safety assessment performed information protection in 2004; in 2008, this figure had increased to 93% in 2008.

5) ISMS (Information Security Management System) Certification System

o 19 ISMS certificates were issued in 2009, which is an increase by 58.3% from the 12 issued in 2008.

- Of the 19 online universities in Korea, 17 acquired ISMS certificates in 2009 (more than 90%)

※ The ISMS Certification System was established in 2002 in accordance with the Information Communications Network Act to determine whether an information protection system established and operated by a company is up to the legal standard at the request of such a company.

o Reports on faults found through annual assessments are analyzed to prepare and distribute a list of the 10 most frequently found faults to ISMS-certified organizations so that they can identify and improve such faults; 531 faults were identified and improved in 2009.

6) Establishment of a Convergence Service Management System

o In 2009, convergence service management systems were established in the areas of VoIP, IPTV and wireless internet.

- 50 technical, administrative and physical assessment criteria for the assessment of VoIP service provider security were developed based on the VoIP

information protection guidelines established in 2007; an assessment of the information protection awareness and activities of 24 VoIP service providers was conducted.

· An information protection system that can detect and block VoIP security threats through comprehensive analysis, encoded communications and hacking/DDoS prevention has become required; some VoIP service providers require security equipment & personnel.

· An infrastructure in which a testing environment similar to the network of a VoIP service provider can be established for testing of the various weaknesses of key equipment (telephones, exchangers) has been created.

· A device for automatic remote assessments of VoIP security hazards has been developed.

- A variety of possible security accident scenarios were devised in order to analyze security threats in IPTV services and identify appropriate countermeasures; guidelines on information protection activities required for safe IPTV service were set and distributed.

- Efforts have been focused on the creation of a safe mobile environment through government-civilian cooperation, development of a mobile malicious code management guidebook, and analysis of types of possible security accidents to combat the increased threat of mobile malicious codes in the wireless internet environment.

7) Promotion of Encoding

o With SEED[7], a block cipher domestically-developed in 1999, as the start, a variety of activities have been performed for more active development and use of encoding technology in Korea.

- In Korea, SEED is applied and utilized in information protection products and services in various fields, including finance

- Outside of Korea, SEED was distributed to 195 companies in the world, including hardware security module equipment producers in Canada, UK and USA, since it was selected as the international standard encoding algorithm by the ISO, IEC and IETF in 2005; the number of companies to which SEED is distributed to continues to rise.

- In 2009, an IETF international standard was selected for use of SEED in encod-

7) SEED is a block decipher that divides and encodes messages; developed by the KISA and other Korean encoding technology experts in 1999, its name refers to its creators' intention to create a 'seed' of information protection in Korea.

ed communication through VoIP; a number of activities were performed both in and out of Korea, including the application of SEED to open C++ code libraries and PKCS#11, the standard code token interface.

o Active research on light-weight encoding technology has been conducted to supplement the conventional encoding technology; as a result, HIGHT, a low-power/light-weight encoding technology, was developed in 2006 and its source code distribution began in 2009; standardization is in progress with the goal of being selected as an ISO/IEC international standard by 2011.

o A variety of encoding technology guides and software have been developed and supplied.

- A personal PC password diagnosis tool and library for application in security products have been developed and supplied.
- A special password input method to solve the issue of keyboard-input password hacking is scheduled to be developed and distributed to finance and game companies.

B. Advancement of the Internet Security Management System

1) Operation of the Korea Internet Security Center

o Operation of the Korea Internet Security Center for ongoing monitoring of internet networks in Korea for early detection of security threats, including worms and viruses; analysis of detected security threats followed by a warning to prevent internet security accidents and further losses.

- The Korea Internet Security Center has been in operation since December 2003 for effective management of internet security accidents in the civilian sector, partnership with security companies and internet service providers, and management of international internet security accidents.

<Table Ⅲ-23> Technological Support and Security Equipment Overview

Classification	Quantity
Supply of Castle/Whistle	7,080 cases / 954 cases
Security accident analysis technology support	77 cases
Organizations using a DNS sink hole	26
Domains using a sink hole	3,541
Malicious bot identification system	1,404,059 cases

- Following the identification of 2090 malicious codes spread through USB, including Conficker, an urgent warning was given to prevent losses.
- Multiple security hazards of widely-used software announced
  · 45 warnings on software and OS security hazards were given in 2009
  · Potential security hazards in 34 Active-X products were identified; their developers were requested to take appropriate actions.
  · 134 products of 87 malicious code removal program developers were tested for performance and a request was made for correction (9 cases) and improvement (14 cases).
  · 200,000 websites were inspected everyday and appropriate actions were taken against 7,352 websites distributing malicious codes.

o Consolidation of domestic website security through the supply of website security tools
- WHISTL (website hacking channel detection tool) and Castle (website security consolidation tool) were each supplied on 7,080 and 954 occasions each year; on-site and remote security accident analysis support was provided on 77 occasions for increased website security.
- The number of organizations using a DNS sink hole was expanded to prevent losses from malicious codes; in 2009, an additional 26 organizations started using a DNS sink hole and a detection inspection was performed on 1.4 million occasions.
- A website security webiste (www.boho.or.kr) is in operation and internet security consultations and services are provided to the public on the telephone (118) and through remote PC inspections.
- Free remote website security inspections are provided to consolidate security of the webistes of smaller companies; inspected companies are notified on the identified security issues and required actions.
- Training of experts with sound information protection values is supported through various seminars and projects; in 2009, various contests, seminars and training sessions were provided to 35 clubs at 31 universities to achieve such end.

2) Consolidation of Domestic/International Cooperation in Security Accident Management

o The following actions have been taken for consolidation of domestic/international co-

operation in security accident management.

- *First,* A pool of government-civilian investigation experts is being formed in accordance with the applicable laws as a move to prevent spreading of losses, manage accidents, perform restoration and prevent reoccurrences in the event of a serious security accident in the information communications network of an information communications service provider.
- *Second,* A 2-year membership is given to the experts in the experts pool; the pool is reorganized at a 2-year interval; regular seminars and workshops will be held for exchanges of information and opinions between the experts.
- *Third,* As an effort to create an opportunity for technology exchanges and cooperation, computer emergency response technologies used by companies and organizations that operate a CERT (Computer Emergency Response Team) are being introduced along with case studies at a hacking prevention workshop jointly held by the CONCERT (Consortium of CERT) once a year.
- *Fourth,* The experts have gained membership in international councils such as FIRST (Forum of Incident Response and Security Teams) and APCERT (Asia Pacific Computer Emergency. Response Teams) for cooperation in security accident management.

3) Trial Operation of a DDoS Attack Manage- ment System

o A DDoS management system was established in the networks of 4 ISPs (KT, Dreamline, Sejongtelecom, Onsetelecom) in 2009.

- After the operation of 3 DDoS management systems installed at ISPs in 2008, a total of 83 DDoS attacks were detected between January and October 2009; of these, actions were taken against the 7 biggest attacks.

4) Consolidation of User and Website Security

o In January 2010, Korea Communications Commission distributed an improved version of web-check toolbar to the public to prevent infections from malicious codes by notifying any concealed malicious codes on websites and provide information on new security hazards as well as information on the prevention and management of worms and viruses in real-time.

5) Consolidation of Public Organization Information Protection

o A Whistle program for large websites, a WebShell detection program, was de-

veloped in this project to consolidate the security of large organizations and websites.

- The development of this Whistle program is now complete and distribution to multiple large web-hosting companies has taken place; a public organization to which the program was distributed is KILID (Korea Local Information Research & Development Institute), which is in charge of security administration of local governments (si, gun, gu).

6) Establishment of an Information Protection Forecasting System

o The purpose of the establishment of an information protection forecasting system is the provision of information on internet security threats at appropriate times to prevent spreading of losses and the provision of other security-related information useful to the public.

- The information protection forecasting system has been in trial operation since 2009, providing information on malicious codes, website hacking and malicious bots on www.boho.or.kr based on user surveys.

C. Consolidation of Personal Information Protection on the Internet

1) Early Prevention of Unauthorized Personal Information Access

o A plan for the utilization of i-PINs as a substitute for resident registration numbers on the internet was established in March 2009; the issuance of i-PINs will take place in stages until 2015 so that resident registration numbers are not used on the internet.

- *Stage 1:* formation of an infrastructure required for the wide use of the i-PINs by rectifying existing issues and promoting distribution by 2011.
- *Stage 2:* application of the i-PINs to all civilian online environments, with the exception of taxation and finance, by 2013.
- *Stage 3:* application of the i-PINs to all online environments, including taxation and finance, by 2015.

o The Scheme for Increased Distribution of Security Servers for Consolidated Personal Information Protection was established in September 2006 to increase the distribution of security servers by establishing the infrastructure required for the increased distribution of security servers to government offices as well as the civilian sector.

o The Standards for Technical/Administra-

tive Protection of Personal Information was revised in August 2009 to make it compulsory for information communications service providers handling personal information to encrypt important personal information, such as resident registration numbers and account numbers.

o Training for early protection of personal information

- Training was provided to companies in violation of personal information protection laws 4 times a year and workshops were held for personal information managers to provide information on the latest trends in personal information protection and to promote information exchange between companies.
- Personal information protection campaigns took place through terrestrial, cable, satellite and IPTV to increase awareness.
- Personal information protection training is being provided on a national level through the IT Supporters of the KT Cultural Foundation, which have in place a nationwide training network.

2) Management of Personal Information Leakage

o A personal information leakage management system has been established to directly search a website through which personal information is leaked without having to go through a portal site so that immediate actions can be taken.

- The system enables the detection of leakage of 9 types of personal information, including resident registration numbers, account numbers and credit card numbers, so that immediate actions can be taken upon detection of leakage.
- A hotline for management of personal information leakage has been established in conjunction with major portal sites.

o To consolidate protection against the leakage, searching and deletion of resident registration numbers through foreign websites (predominantly Chinese), Chinese language searching intervals have been changed from once every 2 months to twice a month for portal sites in 2009; the range of languages used in searches has also been expanded to include 45 languages in addition to Chinese.

3) Formation of an Environment for Independent Management of Personal Information

o A PIMS (Personal Information Management System) approval system is being developed to enable various parties to

receive personal information management inspections from designated organizations and obtain an approval.

- Methodologies and control criteria for personal information management system establishment/operation were developed in early 2009.
- A research was conducted on the approval criteria in late 2009; between October and December 2009, trial approvals of personal information management systems took place based on the approval methodologies and standards developed so far to assess the suitability of the approval criteria.

D. Promotion of the Protection and Use of Location Information

o The Act on the Protection, Use, etc. of Location Information was established in 2005 as a foundation for the protection of personal location information.

- In 2009, regulations that require a user to be notified in the event of the user's location information being provided to a 3rd party were established and revision of the Act on the Protection, Use, etc. of Location Information commenced to grant the police the right to request location information.

1) Schemes for an Advanced Use of Location Information as a Social Safety Network

o In November 2008, the draft of a complete revision of the Information Communications Network Act was submitted to the National Assembly as an effort to grant the police the right to request location information.

- Clauses that would enable the government to set the standards of location accuracy were added; the LBS Industry Council and Telecommunications Technology Association have devised a draft of standards for location accuracy assessment suitable for the domestic environment and are currently seeking standardization.

2) Efficient Regulation of Businesses Handling Location Information

o Businesses that handle location information are assessed and approved to ensure that appropriate protection measures are implemented.

- Personal location information protection training is provided through seminars for businesses that handle location information.

E. Formation of an Environment for Sound Use of the Internet

1) User Identification System

o To combat the negative effects of open

internet environments, such as malicious user comments, that are caused by the rapid proliferation in the use of the internet, a user identification system was implemented in 2007 to create a sound online culture.

- Applied to 153 websites with an average daily user number of more than 100,000.

2) Online Ethics Education

o Internet media/ethics education is provided to improve the public awareness of online ethics.

- Internet media devices and ethics education provided to the students of 240 elementary and middle schools throughout Korea.
- Online ethics education provided to elementary/middle/high school students throughout Korea at their schools.

3) Internet Ethics Promotion Activities

o Campaigns promoting the prevention of cyber-violence and false information distribution took place through TV and radio in April and June 2009.

- Internet ethics promotion was planned in stages and efforts were made in internet ethics consolidation.

4) Spam Reduction/Management System

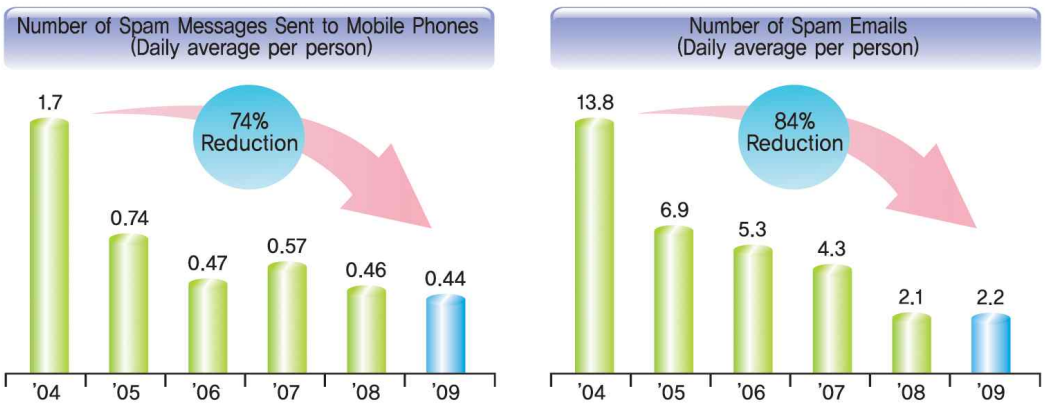
o Ongoing systemic improvement and regulation of illegal activities were performed to reduce spam materials and promote a sound use of the internet

- Mobile phone spam materials and spam e-mail received per user in 2009 had decreased by 74% and 84% from 2004.

o The Comprehensive Spam Prevention Scheme was devised in October 2009 to prevent illegal spam materials being distributed more intelligently.

- The scheme addresses 15 tasks in 4 areas, including mobile phone and e-mail.
- Anti-spam schemes for mobile were

<Figure Ⅲ-13> Changes in the Daily Average Number of Incoming Spam Messages per User



presented for each stage of spam transmission.
- Schemes were set to prevent spam e-mail transmitted from zombie PCs.
- The delinquent tracing system was consolidated to impose heavier fines.

o Judicial authority was granted to handle spam materials to increase the efficiency of illegal spam material regulation and consolidate cooperation with various organizations in illegal spam material management
- The Investigation Support Management System was formed to support the activities of Korea Internet & Security Agency and Central Radio Management Office, which is in charge of spam material investigation.

2. Enhancement of Networks and Activation of Their Use

A. Enhancement of Broadcasting and Communication Networks

1) Activation of BcN

o In 2009, we explored new service models such as 3-screen-based services, mobile IPTV, mobile VoIP and WiBro femtocell pilot services, and developed the technology of portability services between multimode terminals- based (WLAN, HSDPA, WiBro, EVDO) heterogeneous networks.

o Focused on securing compatibility, such as testing and verification of video-conference compatibility standards, and the formulation of instant messaging compatibility standards between wire and wireless lines.

o Reflected operators' service agreements, set the internet downloading speed of over 30M and the minimum guarantee internet speed of 100M, and prepared service quality standards and quality measurement methods for wireline IPTV, WiBro, and HSDPA services.

o Developed quality measurement software for internet, wireline telephony, and VoD services, thereby enhancing the qua-

<Table Ⅲ-24> BcN Promotion Results and Plan by Year

(Unit : 10,000)

Category	2007 (Results)	2008 (Results)	2009		2010 (Plan)
			Plan	Results	
Wire line (no. of households)	701	962	1,100	1,162	1,200
Wireless line (no. of subscribers)	563	1,674	1,730	2,484	2,800
Total	1,264	2,636	2,830	3,646	3,500

lity measurement system. Formulated corresponding measures for improving laws and systems with a view to comprehensively planning communication ser- vice quality and executing policies.

o 36.46 million BcN subscribers were already secured as of November 2009, outperforming the 2009 goal of 28.3 million by 8.15 million (28.8%).

2) Enhancement of Networks

o In January 2009, we formulated a mid- and long-term plan for the development of broadcasting and communication networks, explored project strategies and service models, and proposed standardization measures and measures for improving laws and systems.

- Built the foundations for the Giga internet services which can provide large-capacity digital content services such as 3-D video-conferences through networks with speeds ten times faster than that of BcN(50~100Mbps).
- In April 2009, we formulated a plan to introduce the Giga internet services. In December 2009, we formulated measures for building the map information system for broadcasting and communication networks, helped the activation of Giga internet, and created the conditions for the services.
- In 2009, we used 10Gbps KOREN as the backbone network, applied FTTH and HFC methods to the Giga pilot subscriber networks in Seoul, Suwon, Gwangju, and Busan segments, and thus built the services targeting 700 households.
- From October 2009, we provided pilot services such as 3D IPTV/VoD and PMS(personal media service).

3) Building KOREN and Foundations for Things to Things Communication Promotion

o Interconnected 81 institutes including universities, research institutes and industrial businesses via KOREN, and built and operated research and test environments in six largest local cities, thereby supporting R&D activities.

- KOREN, by building 10~20G backbones and 1~10G backup networks nationwide, supported PlanetLAB, IP-USN and other test activities, thereby creating a test environment for broadcasting and communication convertgence, and supporting a future network research environment.
- Built 10G APII Korea-Japan and 2.5G TEIN3 Korea-Asia-Europe networks, enabling interlink with international research networks in twelve foreign

nations, and supporting international joint research.

o In October 2009, we formulated the master plan for building the foundations for promoting things to things communication with a view to efficiently utilizing the broadcasting and communication infrastructure, and accordingly selected and pushed ahead with twelve tasks in the four fields of building of foundations, activation of services, development of technologies, and creation of diffusion environment.

- Pushed ahead with three leading projects in the public sector, built and operated the things-to-things communication promotion networks (utilizing 31 cases in 2009), and launched a Working Council for activating the use of things to things communication in public institutes with a view to building nationwide foundations for promoting things to things communication, and to supporting the joint utilization of information on things (November 2009).

B. Creating Environment for Diffusing Machine to Machine Communication

o In order to prevent duplicated and excessive investment in machine to machine communication infrastructures, and to jointly use and link with information with a view to maximizing the efficiency of utilizing national broadcasting and communication resources, KCC determined the master plan for building the infrastructure for machine to machine communication on October 14, 2009.

- The machine to machine communication infrastructure is used as an essential infrastructure designed to resolve social issues, prevent disasters, cut energy, and reduce CO2 through the existing u-City, u-transportation, u-Health, and u-environment businesses.

※ Machine to machine communication refers to the future broadcasting and communication convergence ICT infrastructure by which intelligent communication services between men and things and between things and things can be used safely and conveniently anywhere, anytime.

1) Machine to Machine Communication Linkage Verification Pilot Projects

o Provided region-specific user-tailored services in three regions (Seoul, Gangwon/Chuncheon, and Jeju) In a bid to activate the building of machine to machine communication systems .

- *(Seoul)* in a 4km section in Jongno, we exposed WiBro-based road, weather, and bus stop info to users, and provided u-Road, u-Green, u-Street, and

u-Seoul TV services in linkage with the traffic broadcaster and the city broadcaster.

- *(Gangwon /Chuncheon)* We utilized leisure courses and sensors in linkage with the broadcasting and communication networks in the surroundings of Gongjicheon Stream in a bid to implement the system designed for managing the environment of the Gongjicheon Stream areas and leisure facilities.
- *(Jeju)* We built broadcasting and communication network-based smart infrastructure for weather environment, and provided the services of weather environment monitoring, mobile life and weather information, and tourist weather information.

2) Building and Operation of Machine to Leading Machine Communication Networks

o We secured leading machine to machine network hubs in eight major cities nationwide (Seoul (NIA), Daejeon (KIST), Gwangju (ETRI), Daegu (DGIST, and Kyungpook National University), Busan (Donga University), Jeju (Jeju University), and Chuncheon), and tested and verified various relevant technologies.

- Tested and verified the compatibility technology between networks of things.
- Tested and verified the reliability and performance associated with the compatibility of various heterogeneous machine to machine infrastructures.
- Tested and verified the key technologies for machine to machine infrastructure management architecture and for user interfaces.

3) Launching Working Council and Forum for activating the use of machine to machine communication in public institutes

o In November 2009, we launched a working council and forum to support the nation- wide building of machine to machine communication infrastructures, as well as the activation of the joint use of information on things.

- *(Working Council)* The council consisted of 90 people from 73 organizations using the info on things, such as the government, institutes and local municipalities.
- *(Forum)* The forum, with a view to activating the machine to machine communication industry, aims to strengthen membership, to develop the vision and strategy of machine to machine communication, to research on the development and standardization of machine to machine communication technologies, as well as on service models and laws

and systems.

4) Holding seminars and conducting publicity activities to promote machine to machine communication

o Held seminars to share specialized information on machine to machine communication policies, technologies, and services so as to help build the machine to machine communication infrastructure and promote the services, as well as to create opportunities to activate the machine to machine communication industry.

- Since October 2009, we used machine to machine communication blogs, the Forum's homepage, and newsletters on machine to machine communication so as to share the up-to-date information on machine to machine communication and to gather opinions from the industry, academia and research institutes online.

5) Developing reference models for building machine to machine communication infrastructure

o In order to embody the machine to machine communication scheme, to successfully implement diverse machine to machine communication services, and to secure compatibility of services, we formulated guidelines on reference models for user-customized machine to machine communication.

- The reference model aims to apply to user-oriented services, such as cutting energy, responding to climate change, and conserving ecological environments, helping users easily build machine to machine communication services.

C. Supporting the use and diffusion of the internet

1) Promotion of win-win-type internet businesses

o In order to activate the local internet industry, and to further promote the development of the internet industry, KCC is preparing support systems and formulating a master plan for activating internet businesses associated with policy tasks to create a win-win internet business environment and to bolster the competitiveness of the internet business industry.

o Held the fourth Korea Internet Awards ceremony aimed at expanding the win-win culture base, and granted awards to 15 corporate and individual contributors to diffusing internet society, businesses and technologies, thereby exploring and sharing best practices.

o Held Internet Korea Conference where small and medium-sized internet firms,

large portals and venture capital participated to autonomously form alliances, thereby creating win-win opportunities for the participants.

2) Spreading and diffusing IPv6

o In preparation for suspension of allocating IPv4 addresses, and for the future internet environment, we endeavored to spread and diffuse IPv6.

- We carried out the project of building the IPv6 hub networks, thereby applying IPv6 to some of commercial internet networks of three internet
- We conducted the project of building IPv6 clusters in Dae-deok Innopolis, thereby applying IPv6 to four research institutes within Dae-deok Innopolis, namely, KIGAM, KRIBB, Chungnam National University and KINAC.

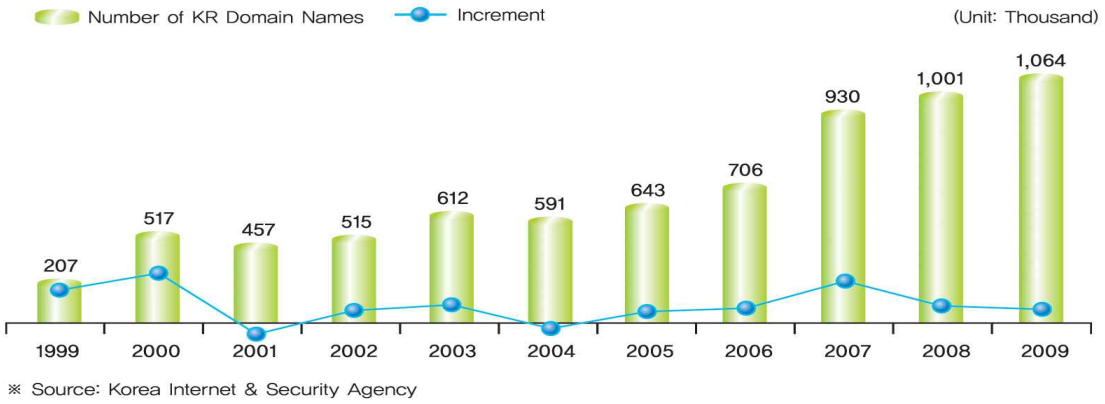
3) Activating the use of the national domain

o In 1986, we began to register South Korea's ccTLD (country code Top Level Domain), kr, and as of December 2009, registered 1,064,179 ccTLDs.

o In Seoul in October 2009, the 36th ICANN(Internet Corporation for Assigned Names and Numbers) annual conference was held.

- To boost non-English users' access to the Internet, the need for the introduction of multiple-language ccTLD was indicated, afterwards, research and policy development continued; finally, at the 36th Seoul annual conference, the introduction of multiple language ccTLD was approved.
- If a Korean ccTLD is created ('Korean text.kr'→'Korean text.Korea'), Korean-only domains can be registered, users unfamiliar to English can have greater

<Figure Ⅲ-14> Number of kr Domain Names Registered a Year



※ Source: Korea Internet & Security Agency

access to the internet, and the domain markets can be vitalized.

D. Activating of Wireless Internet

o In September 2009, we formulated the second plan for activating the wireless internet. The scheme includes not only mobile network-oriented internet, but also the wireless-based provision of WiBro, WiFi, and other wireless-based services, and diverse types of internet services involving convergence of these services. It defined five key tasks, namely, ① lowering of wireless internet service fees, ② diffusing smartphones, ③ improving the system of opening networks, ④ activating content markets, and ⑤ creating the fundamental demand for wireless broadband internet networks, as well as specific tasks.

E. Laying the Foundations for Activating the Future Internet and Cloud Services

1) Operating the future internet forum

o In May 2009, we formed a future internet task force within the KCC, and appointed the project manager for the future internet to push ahead with relevant projects.

- To help understand the future internet and set the policy direction, we are preparing to launch the Future Internet Committee consisting of opinion leaders from various sectors. In 2010, we will form a working future internet group to help formulate the mid- and long-term Korean-type future internet plan based on the discussions of the committee.

2) Activating the local cloud computing

o KCC, MOPAS and MKE, which are responsible for cloud computing affairs, will formulate a government-wide comprehensive plan for activating cloud computing with a view to vitalizing the local market and strengthening global competitiveness (December 30, 2009) in a bid to push ahead with nine detailed tasks in four categories.

① Build the government-wide cloud infrastructure within the government integrated computer center, and push for measures including the provision of development environment to introduce cloud computing to the public sector.

② Build and operate a test bed to bolster the competitiveness of the private sector and create new businesses, and prepare foundations including the implementation of eight pilot projects to help create diverse cloud services in the private sector.

③ Develop common infrastructure, platform technology and reliability-guarantee technologies. As such, link these efforts to R&D, test beds and pilot projects for building the cloud computing foundation system.

④ Refine relevant laws and systems, prepare systems to respond to security attacks, implement service quality assurance system, and push for standardization. In doing so, we will create conditions for activating cloud computing.

o In order to successfully implement the comprehensive plan, we decided to form and operate Cloud Service Policy Council(tentative) consisting of the private and public sectors. We will thus implement industry-tailored policies, continue to help activate services, and build a close cooperative system between relevant ministries and agencies.

3. Fostering Fair Competitive Environment and Strengthening the Protection of Users

A. Strengthening of Policy and Measures for Protecting Users

o In a bid to prevent communications users from sustaining damage and to strengthen their protection, we, shedding from ex post protection-oriented activities, provided proactive information on warning and guidelines on the correct use of communications, and offered relevant education. As such, we implemented effective policies for protecting users.

1) Prevention of user damage and promotion of users' rights and interests

o In 2009, we issued two warnings against damage to protect users, and provided seven guidelines for operators of mobile phone services, broadband internet services, etc.

- Spread user education content to 90 public agencies, consumer organizations, etc.

2) Evaluation of broadband internet quality

o In an effort to evaluate broadband internet quality and provide the results to users, we conducted 2008 Broadband Internet Quality Evaluation.

- We evaluated the technical aspects and user satisfaction, targeting eleven products of seven operators with over 100,000 subscribers.
- Technical evaluation was conducted using four indicators, namely, upload and download speeds, response time, and loss rate, and user satisfaction evalu-

ation including satisfaction over subscription, warranty services, termination and quality.

o Results of quality evaluation
- Upload and download speeds in operator network sections reached 91~92% of those advertised by the operators, improving from last year.
- Overall user satisfaction level was 4.4 points of the 7-point full score, namely, a little higher than the normal level.
- Satisfaction over quality factors such as subscription, warranty services, service fees, and speeds were higher than normal on average, but satisfaction over termination was 3.7 points on average, making it still low like in the previous year.

3) Corrective measures
o KCC strengthened user protection policies and measures to take forced corrective measures against malpractices causing direct user damage.
- In 2009, we took five corrective measures against malpractices hurting the interests of mobile phone and wireless internet service users, as well as two corrective measures against malpractices hurting user interests associated with the provision of gift products in the broadband internet markets.

4) Holding of user protection forum and crafting of a relevant website
o From November 24 to 27, 2009, we declared the period as the week of protection of broadcasting and communication users, and conducted diverse events including user forums and policy discussion panels, thereby highlighting the importance of protecting user interests in line with the growth of broadcasting & communication markets.

o We opened Eoullim Nuri (http://www.wiseuser.go.kr), a user-exclusive website designed to provide comprehensive information on broadcasting and communication services to determine the direction for important policies for protecting users.
- The website provides users with comprehensive information to help them use broadcasting and communication services correctly, allowing them to make a rational choice over the services.

B. Strengthening Market Monitoring for Establishing Fair Competition

o As we strengthened market monitoring for establishing fair competition, and implemented policies for preventing unfair trade activities arising from fierce competition between operators, we

strove to ensure a healthy development of broadcasting and communication services and to prevent wholesale and retail users' damage.

- In a bid to analyze trends in user comments and complaints received via CS(Customer Satisfaction) Center, and to monitor the trends in broadcasting and communication markets through our own monitoring system, we developed various indicators, utilized relevant statistics, and thus monitored the markets.

o To enhance the confidence in policies for fines and corrective measures, and to prevent unfair trade practices, we need accurate accounting information; thus, we continue to improve our accounting investigation functions regarding the verification of broadcasting and communication operators' business reports, the verification of sales, the calculation of compensation for ordinary services losses, and the determination of mutual access fee models.

C. Speedy and Effective Remedy of User Damages

o Amidst user complaints becoming complicated and diverse in the broadcasting and communication markets, we must handle speedily and effectively user complaints in order to remedy user damages.

- Thus, in 2009, we formulated guidelines on speedy damage remedy in a bid to cut the complaint handling period with regard to the charging of improper communication service fees and penalties. We also strove to improve the system to resolve disputes speedily.

1) Handling of user complaints and comments

o To remedy user damages and enhance user satisfaction, KCC positively implemented policies to handle user complaints and comments regarding broadcasting and communication within the targeted period of time.

- Thus, the complaints, which peaked to 49,857 cases in 2007, fell 0.6%(197 cases) to 33,009 in 2009.
- By category, compared with the previous year, broadcasting complaints increased by 71.8%, and communication complaints decreased by 11.3%.

2) Shortening of the period of handling complaints and enhancement of user satisfaction

o In line with the policy for cutting the handling period, we implemented di-

verse policies to remedy user damages.

- *First,* in 2009, we handled 20,335 (99.8%) of 20,376 complaints received via Gukmin-sinmungo (Complaint Reporting Center) by improving the handling guideline and enhancing the complaint handling system.
- *Second,* we cut the period of handling and ruling on disputes between operators and users, from 90 days to 65 days. Thus, the average proceeding period was shortened to 47 days.

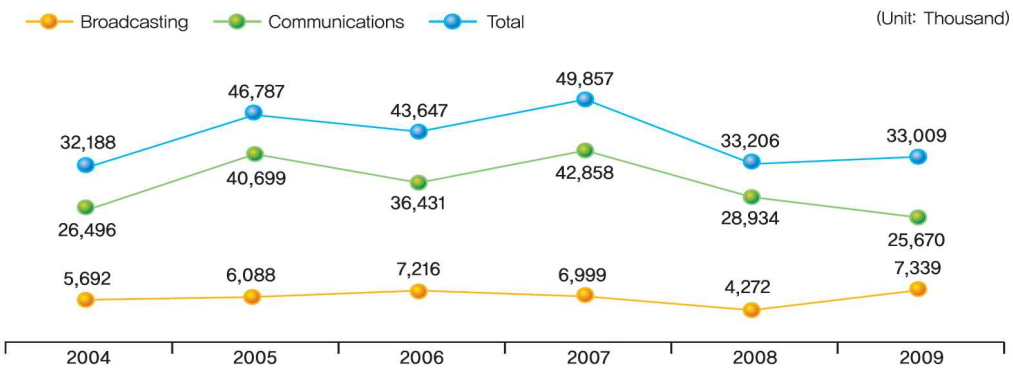
o To heighten the speed of handling mobile complaints and broadband internet complaints with a lower satisfaction level, KCC strove to analyze complaint handling results including the handling speed on a monthly basis, and to improve user satisfaction through meetings with operators. We provided press releases regarding the quarterly complaint analysis results, monitored users for preventing user damage and working out countermeasures jointly with Central Radio Management Office, and thus issued user warnings against damages and announced guidelines for operators.

3) Improvement of the system of arbitration over broadcasting and communication disputes

o Implemented the policy for positively using the system of arbitrating disputes for remedying user damages.

- *First,* we identified user damage situations using diverse channels including regular meetings with broadcasters, program providers and so on.
- *Second,* we amended ruling regulations so as to allow the arbitration subcommittees to handle light issues involving small amounts on a regular basis, thereby creating the foundation for speedily remedying user damages.
- *Third,* in responding to the global era,

<Figure Ⅲ-15> Increment of Complaints by Year



we held the first international workshop for personnel relating to broadcasting and communication disputes in order to analyze the current dispute arbitration system while working out development measures; thus, we created a basis for making exchanges and cooperating in remedying user damages speedily.

D. Complementation of System of Banning Broadcasting and Communication Malpractices, and Establishment of Investigative System

1) Improvement and complementation of the system of banning broadcasting and communication malpractices, and the imposition of corrective measures

o To respond to possible unfair trade practices in new communication markets, we pushed to amend the Telecommunications Business Act including the establishment of types of unfair trade practices anticipated in the changing telecommunication markets.

- Amidst complaints about pay broadcasting services increasing, to protect viewers, we operated a research group and gathered specialists' opinions with regard to the determination of malpractices banned under the Broadcasting Act.

- We participated in overseas regulators' annual conferences, and gathered and analyzed the cooperative systems between regulators and businesses.

o Formed a consultative council with communication operators thereby creating a cooperative foundation with them. Shared the info on market monitoring results, etc., to encourage the operators' voluntary improvement.

2) Enhancement of investigators' professionalism and establishment of the investigation system

o To enable investigators to handle the various types of rapidly changing unfair trade practices, we worked out diverse measures to enhance investigators' professionalism and to establish the investigation system.

- *First,* pushed to write manuals and strengthen professional education to bolster investigators' capabilities.

· Wrote and updated manuals on types of malpractices, enabling investigators to use systematic analysis techniques in handling various cases.

· The malpractice manual was first and foremost focused on frequent malpractices; in 2009, we wrote five manuals, an increase from three in 2008.

· Strengthened professional education and seminars; in 2009, we offered twelve education courses, up four from 2008 (8 courses).

- *Second,* we referred to examples of regulators in the USA and the UK, among others, and continued to update the master plan for investigation into broadcasting & communication markets.

E. Protection of Users through Strengthened Voluntary Regulation

1) Improvement of the system relating to communication operators' unrefunded amounts

o We required wire and wireless operators to shorten the period of confirming the payment of fees, thus cutting the occurrences of unrefunded amounts, and to expand the real-time fee settlement channels such as exclusive settlement accounts (virtual accounts), cutting the period of confirming the fee payment and minimizing duplicate settlement.

o If users pay fees through agencies, etc. during the automatic transfer and Giro payment period, operators are required to strengthen efforts to notify users of the possibility of duplicate payment and of refund.

o To allow users to gain an immediate return of the subscription installment guarantee premiums or refund on the guarantee deposit upon termination (including number portability), mobile operators were required to settle the termination fee with the reflection of the refund.

o Urged the return of unrefunded amount to users who do not voluntarily seek refunds, through diverse channels.

- Operators were required to strengthen efforts to notify users of the need for securing user accounts to which to pay a refund on the termination settlement fee so as to ensure an automatical refund where applicable.
- Wireline operators were also required to open a website designed for online refund services to enable users to search info on unrefunded amounts and to have a refund where applicable.

o Mobile operators were required to mutually settle unrefunded amounts for users who terminate the services due to number portability, thereby allowing an automatic refund for users.

2) Improvement of mileage system

o KCC formulated improvement measures for the mileage system implemented by three mobile operators including SKT.

The improvement aimed to boost actual user benefits through strengthened efforts to notify users of the deadline for mileage records and to expand the uses of small mileage records.

- Under the improved mileage system, the use of small milage is expanded, such as the settlement of phone call fees, and small mileages can be put together and used among family members through the transfer of name, etc. If the mileage loses its effectiveness after the five-year effective period, operators are required to use mobile messages and notify users of this fact one month in advance.
- Thus far, the membership mileage system, by which operators grant certain mileage scores early in the year to only users who request this service, allow users to use such mileages at merchant establishments; however, under the improved system, operators are required to send billings together with the information to non-members early in the year, allowing a greater number of users to access this system.

4. Improvement of Viewer Services and Expansion of TV Access Opportunities

A. Expansion of TV Access Opportunities for Underprivileged People

o Established a general support plan for people with less access to TV channels in order to offer more support to underprivileged people, and implemented a policy on encouragement of fee reduction on paid TV channels for people living on welfare, production of TV programs and supply of receivers for disabled people, provision of more support for multi-cultural families, and media education for Saeteomin (North Korean defectors/refugees).

- Created a budget of 6.1 billion won, which is 3.4% higher than that of 2008, in 2009 to expand TV access opportunities for underprivileged people.

1) Fee Reduction on Paid Channels for People Living on Welfare

o The Korea Communications Commission signed an agreement with eight MSOs and established an action plan for fee reduction to offer 50% discount on package plans (4,000 won on the average) for people living on welfare and 30% discount on rates for disabled people and Men of Merit (June 2009), and launched a promotional campaign.

2) Production of TV Programs and Supply of Receivers for Disabled People

o Paid TV channels such as program providers and system operators are added to the existing list of terrestrial broadcasters subject to support in the production of programs with caption, sign language, and commentator services, while the number of broadcasters subject to support has increased from 28 in 2008 to 37 in 2009.

o Continued to provide TV receivers for visually/hearing impaired people and elderly people with hearing loss, supplying a total of 16,649 receivers to disabled people including 7,373 caption receivers, 4,000 commentator receivers, 5,276 TV receivers for elderly people living in fringe areas in 2009.

o Expanded the scope of people qualified for free receivers by adding low income families (people living on welfare and better off but underprivileged people) and 1st~5th degree visually/hearing impaired people instead of limiting to low income 1st~3rd degree visually/hearing impaired people with low income.

- Implemented the policy with the goal

<Table Ⅲ-25> Supply of Receivers to Underprivileged People with Limited Access to TV

Category	Caption Receiver	Commentation Receiver	Receivers for Elderly People with Hearing Loss	Total
Total Supply between 2000 and 2008	30,087 Units	18,376 Units	53,911 Units	102,374 Units
2009 Performance	7,373 Units	4,000 Units	5,276 Units	16,649 Units
Total Supply between 2000 and 2009	37,460 Units	22,376 Units	59,187 Units	119,023 Units
Total Number of Visually/Hearing Impaired People and Elderly People with Hearing Loss	249,874 Hearing Impaired People	245,464 Visually Impaired People	1,543,533 Elderly People with Hearing Loss	2,038,871 People
Supply Goals for 2009	13.3%	9.1%	3.6%	-
Total Supply for Visually/Hearing Impaired People	15.0%	9.1%	3.8%	5.8%

to increase the number of free receivers for low income people (people living on welfare and better off but underprivileged people) as well as visually/hearing impaired people by 100% and increase the number of free receivers for elderly people with hearing loss by 50%.

o Provided web-based captions and commentation services for EBS educational programs to guarantee the educational rights of visually/hearing impaired students, and offered support programs for creative planning for improving TV access for other disabled people.

B. Guarantee of Viewer Rights through Promotion of Viewer Participation

o There is an increasing demand for direction participation of viewers in the production of TV programs as the broadcasting paradigm is shifting to improving viewers' rights and two-way broadcasting.

- There is need to implement an appropriate policy on the collection and analysis of data by the legislature in order to ensure the protection of viewers' rights while also solving the problems of support for underprivileged people, listening to viewer complaints, and settling disputes between viewers and program providers.

o The Korea Communications Commission is creating an environment in which to adequately reflect viewers' opinions in TV programs through the participation of viewers in order to improve viewers' rights and promote a healthy TV

viewing culture, while also offering a participation program to viewers in 2009, supporting the activities of viewer organizations, conducting a research on viewer complaints, and taking other necessary measures.

1) Promotion of the Management of Viewer Media Center

o The Korea Communications Commission organized the Viewer Media Center Development Committee, implemented volunteer programs, and amended the policies in order to improve the level of professionalism and responsibilities in the management of the Viewer Media Center.

- Promoted broadcasting and telecommunications convergence experience, managed the public relations room, and strengthened cooperation with smaller media centers in order to improve the utilization of center resources and facility use rate through the improvement and expansion of the center's functions.
- Signed MOUs on center management and production of broadcast content with local broadcasting companies and related government offices, strengthened cooperation with related organizations for the encouragement of local residents' participation through door-to-door media education, and fully reflected viewer demands.
- The original goal for 2009 was to have 130,000 people visit the Viewer Media Center through such efforts, but achieved 109.7% of the intended goal by having 142,000 visitors.

2) Support for the Production of Viewer Participation Programs

o As for the support for the viewer participation program, the Commission has been expanding support every year since 2001 in order to encourage viewer participation and improve public benefits by having viewers to produce programs on unique regional cultures and traditions themselves after listening to the opinions of disabled people, immigrant workers, and other classes of underprivileged people pursuant to Article 69 (Programming, etc. of Broadcast Programs) and Article 38 (Expenditures of Fund) of the Broadcasting Act.

- Recently, the number of programs produced by viewers has increased significantly.
- In 2009, a sum of 2 billion 905 million won was delivered to a total of 51 broadcasting companies including KBS,

satellite channels (six program providers), four local terrestrial broadcasting companies, and 40 system operators to broadcast 3,335 programs produced with the participation of viewers.

3) Support for Improving Viewer Rights

o The support program for improving viewer rights invites viewer organizations all over the country to conduct research on broadcasting environment and propose policies on improving viewer rights.

- The program is now established as a legal framework for supporting various researches on broadcasting program by viewer organizations in the midst of heated competition between broadcasting companies and accelerated commercialization caused by the transition to multimedia and multichannel services.
- The Korea Communications Commission had the review committee composed of accountants and outside experts to choose service providers on two occasions in May and October of 2009.

4) Committee on Viewer Complaints

o Held a total of 10 meetings and handled 20 cases in 2009.

- Issues on month-by-month billing by general cable companies.
- Issues on falsification and exaggeration on digital conversion of cable TV channels.
- Issues on satellite broadcasting companies' overly aggressive actions aimed at preventing viewers from cancelling their services.

o Organized the 'Paid TV Viewer Protection Committee' in March 2009 in order to fundamentally resolve viewer complaints on paid channels.

- Developed the 'Guideline for Terms of Use on Paid Channels' based on which to change overall terms of use of cable TV channels, satellite channels, and IPTV and implement the changes in January 2010.

C. Qualitative Improvement of Media Education

o Provided support in the development of media education materials and media education activities to help viewers cope better with the changes in the new broadcasting environment and understand more about new media in the age of broadcasting & telecommunications convertgence by supporting media education programs.

- Developed media education materials for multi-cultural families, Saeteomin

(North Korean defectors/refugees), and disabled people in relation to the policy on the expansion of TV access opportunities for underprivileged people.

- The support for media education activities included door-to-door media education, media education policy forum, and support for instructor training.

5. Promotion of Green Broadcasting and Telecommunications for Low Carbon, Green Growth

o The need to establish a green system in overall areas of social economy was identified as the national greenhouse emissions reduction goal was confirmed at 30% of the BAU (Business-As-Usual) emissions projection and the Framework Act on Low Carbon, Green Growth was passed at the cabinet meeting held in November 2009.

A. Organization of Green Broadcasting and Telecommunications Promotion Committee and Technical Committee

o Organized the Green Broadcasting and Telecommunications Promotion Committee and Technical Committee for Green Broadcasting and Telecommunications Technical Committee meetings with the participation of CEOs of broadcasting companies, telecommunications services providers, portals, and manufacturing companies under the chairmanship of the Chairman of the Korea Communications Commission in March 2009.

- At the two meetings, businesses subject to green broadcasting & tele communications voluntarily proposed measures to promote the use of energy saving equipment and facilities as they saw and agreed on the need to implement energy saving programs in the areas of broadcasting & telecommunications.

B. Establishment of Green IT Action Plan

o Established the 'Green IT Action Plan' including mid and long-term promotional strategies for the systematic implementation of green broadcasting and telecommunications.

- Proposed the vision 'Green Growth based on the Promotion of Green Broadcasting and Telecommunications' and chose 'Green Broadcasting & Telecommunications' and 'Green Growth Using Broadcasting and Telecommunications' as two main directions for the promotion, for which six areas and 19 promotional objectives were selected to find measures to improve the efficiency and consistency

<Table Ⅲ-26> Objectives for Green Broadcasting and Telecommunications and Green Growth Using Broadcasting and Telecommunications

Area	Conversion to Green Network	Development of Green Broadcasting and Telecommunications Technology	Promotion of Green Broadcasting and Telecommunications and Increased Participation
Green Broadcasting and Telecommunications	◊ Increased use of energy saving equipment and facilities ◊ Establishment of environment pollution prevention system ◊ Research on improvement measures for the application of broadcasting & telecommunications network	◊ Development of low carbon emissions technology ◊ Development and standardization of green broadcasting and telecommunications climate index ◊ Hosting of international events on green broadcasting and telecommunications technology standards	◊ Promotion of device retrieval and reuse ◊ Launch a bigger green campaign on broadcasting & telecommunications ◊ Development of experience programs ◊ Publication of a trend report

Area	Promotion of Green Broadcasting and Telecommunications Services	Establishment of a Basis for Green Growth	Creation of Green Jobs
Green Growth Using Broadcasting and Telecommunications	◊ Accelerated provision of IPTV/digital cable TV-based services ◊ Development and supply of video phone services ◊ Expansion of green network-based dematerialized broadcasting and telecommunications services	◊ Establishment of an UBcN-based green infrastructure ◊ Development of measures for the promotion of green businesses ◊ Development of green growth strategies using green broadcasting and telecommunications	◊ Establishment of a basis for the efficient use of radio waves and development of human resources for research ◊ Development of green human resources for expanded use of clean internet ◊ Training and startup support for broadcasting and telecommunications content production program

of implementing the policy through cooperation between the industry, academia, research institutes, and government offices.

o Integrate the objectives of the 'Green IT Action Plan (April 8, 2009) and Green IT National Strategy (for which the Korea Communications Commission is in charge) (May 13, 2009), and established the 'Green Growth Action Plan of Korea Communications Commission' based on the guidelines for developing an action plan for green growth by department.

C. Development of Green Broadcasting and Telecommunications Infrastructure and Services

o Built pilot giga internet networks in 731 households in four cities (Seoul, Busan, Yong-in, Gwangju) and provided 3D VoD along with other pilot services in order to establish a basis for the pro-

vision of high-quality and real experience services through the esta- blishment of giga internet networks as an infrastructure for green growth.

- Developed a plan to strengthen the green information protection system such as cloud computing security and sensor network information protection system.
- Develop energy efficient technologies and application plan for exchange facilities, data center, wired/wireless relay stations, and subscriber network when building an UBcN (Ultra Broadband convergence Network) in order to promote the development of technologies that can contribute to low carbon emissions.

o Focus on the development of remote public service models for healthcare, education, transportation, and administration based on broadcasting and communication services such as IPTV in 2009 so as to contribute to creating a low carbon living environment by developing services that combine broadcasting and telecommunications with energy management.

Appendix

1. KCC's Affairs
2. Department Job Description of Korea Communications Commission
3. KCC related Laws
4. 2009 Fiscal Year Accounting Settlement
5. KCC's List of Agenda
6. 2009 Monthly Major Achievements

1. KCC's Affairs

A. KCC's Affairs (Act on the Establishment and Operation of Broadcasting and Communications Commission, Article 11)

1. Matters concerning broadcasting
2. Matters concerning communications
3. Matters concerning research on and management of radio waves
4. Other matters that are defined as KCC's affairs under this Act or other Acts

B. Matters to Be Appraised and Resolved by KCC (Act on the Establishment and Operation of Broadcasting and Communications Commission, Article 12)

1. Matters concerning basic plans for broadcasting and communications
2. Matters concerning permission, re-permission, approval, registration and cancellation of broadcasting operators
3. Matters concerning permission and cancellation of telecommunication operators
4. Matters concerning efficient use of frequencies
5. Matters concerning technical policy formulation for broadcasting and communications
6. Matters concerning establishment of fair trade order in the distribution of broadcasting programs
7. Matters concerning the advancement and popularization of broadcasting and communication services
8. Fine tuning of joint projects or disputes between broadcasters and communication operators, or arbitration over disputes between operators and users
9. Matters concerning approval for agreements regarding the provision, joint utilization, mutual access or joint use of telecommunication facilities, or regarding the provision of information
10. Matters concerning actions against violation of banned acts for broadcasters and communication operators, and concerning imposition of fines
11. Matters concerning operation and scheduling of broadcasting programs and broadcast advertising
12. Matters concerning research, survey and support regarding broadcasting and

communications

13. Matters concerning handling of viewers' complaints, and protection and welfare regarding users of broadcasting and information and communication
14. Matters concerning the raising, managing and operating of funds regarding broadcasting and communication
15. Matters concerning international cooperation and commerce regarding broadcasting and communication
16. Matters concerning South-North exchange and cooperation regarding broadcasting and communications
17. Matters concerning KCC's budgeting and budget execution
18. Matters concerning the enactment, amendment and abrogation of relevant laws and regulations, and of KCC's rules
19. Matters that are defined as matters to be appraised and resolved by KCC under this Act or other Acts

2. Department Job Description of Korea Communications Commission

<Appendix Table -1> Department Job Description of KCC

Category		Job Description
Planning and coordination office	Planning and Budget Officer	◦ Coordinate various policies and plans, and manage organizations and workforce ◦ Plan, put together and coordinate budgets, and handle revenues, expenditures and settlement
	Administrative Management Officer	◦ Oversee creativity and innovation work, and liaise with the National Assembly and other agencies ◦ Manage performance, evaluate government work, and improve administrative systems
	Regulatory Reform and Legal Affairs Officer	◦ Reform and refine regulations, and draft and appraise bills ◦ Matters concerning administrative judgement, lawsuits, permission of corporation establishment, and appointment of and approval for subsidiaries' executives
	International Cooperation Management Officer	◦ Formulate inter-governmental and international cooperation policies ◦ Matters concerning negotiation for broadcasting and communication in WTO and FTAs, and South-North cooperation in broadcasting and communication
	International Organization Officer	◦ Formulate policy for international broadcasting and communication organizations ◦ Operate international broadcasting and communication organizations and develop policies
	Emergency Planning Officer	◦ Conduct emergency and security work for national emergency situations and disaster management ◦ Plan communication disaster management, and improve systems
	Agenda Coordination Team	◦ Call committee meetings, and put together and manage agenda ◦ Receive and review agenda from committees, and form sub-committees and professional committees
	Information Strategy Team	◦ Manage and automate work, and build and operate knowledge and info system ◦ Build and operate knowledge information systems
Broadcasting and Communications Convergence Policy Bureau	Policy Coordination Division	◦ Formulate mid- and long-term policies on broadcasting and communication services in line with the broadcasting and communication convergence, and evaluate the services ◦ Plan mid- and long-term and yearly management of funds, manage and evaluate fund-supported projects
	Convergence Policy Officer	◦ Formulate comprehensive plans for promotion of convergence services ◦ Devise visions and strategies for the nation's development based on broadcasting and communication and the convergence thereof
	Broadcasting and Communications Promotion Policy Division	◦ Formulate policies on promotion and distribution of broadcast programs ◦ Work out measures to support the production of public programs and overseas Korean-language broadcasting
	Broadcasting and Communications Green Technology Team	◦ Formulate policy for the promotion of broadcasting and communication technology and foster human resources in broadcasting and communication ◦ Plan green IT scheme in broadcasting and communication
	Radio Policy Coordination Division	◦ Formulate master plan for the promotion of radio wave, and policies for allocation and auction of frequencies, etc. ◦ Formulate policy for radio wave service fees and commissions, monitor radio waves and conduct the work of broadcasting and communication security

Category		Job Description
Broadcasting and Communications Convergence Policy Bureau	Radio Broadcasting Management Division	◦ Formulate policies for establishing the order of using radio waves, and for securing viewing rights for disabled people ◦ Formulate policies on approval and inspection of radio stations, and on the authorization of equipment for broadcasting, communication, and information
	Spectrum Policy Division	◦ Designate the frequencies of broadcasters ◦ Control of broadcasters' radio interference and wave interference, and approve and inspect radio stations for broadcasting
	Broadcasting Promotion Policy Division	◦ Formulate policies to guarantee the people's universal access right ◦ Formulate comprehensive policies on broadcast ad campaigns
	Digital Broadcasting Policy Division	◦ Formulate policy for improving digital broadcasting environment, and for digital conversion ◦ Formulate and implement broadcasting service plans and measures for isolated areas
	Programming and Evaluation Policy Division	◦ Operate and schedule broadcasting programs, and formulate mid- and long-term policies for broadcasting scheduling ◦ Formulate basic broadcasting evaluation plan and broadcasting appraisal policy, as well as policy for outsourcing production
Broadcasting Policy Bureau	Broadcasting Policy Planning Division	◦ Oversee policies on broadcast services ◦ Formulate mid- and long-term policies on broadcasting and on public broadcasts
	Terrestrial Broadcasting Policy Division	◦ Formulate policies on terrestrial broadcasting ◦ Formulate policies on approval and re-approval of terrestrial broadcasters
	New Media Policy Division	◦ Formulate basic plans for new media and cable broadcasting ◦ Formulate policies on approval and re-approval of comprehensive cable broadcasters
	Broadcasting Channel Policy Division	◦ Formulate polices on activating the project of broadcasting channels ◦ Formulate polices on equal access to broadcast contents
Telecommunications Policy Bureau	Telecommunications Policy Planning Division	◦ Oversee policies on telecommunication services ◦ Formulate mid-long policies for communication businesses, and policies for activation of WiBro
	Telecommunications Competition Policy Division	◦ Formulate mid- and long-term policies on activation of communication markets ◦ Formulate policy for the approval for and merger of common carriers, and for resale
	Telecommunications Service Policy Division	◦ Improve policies and systems for subsidies on mobile handsets ◦ Survey and examine mobile service users, and improve user systems
	Telecommunications Infrastructure Policy Division	◦ Comprehensively manage communication resources ◦ Install and preserve telecommunication equipment

Category		Job Description
Consumer Protection Bureau	Investigation, Planning and Coordination Division	◦ Formulate policy for broadcasting and communication market surveys, and mid- and long term policy for the dispute arbitration and system ◦ Establish and operate Broadcasting Dispute Arbitration Committee and Legal Advisory Council
	Market Research Division	◦ Investigate violators of laws and take corrective action ◦ Verify the accounting of broadcasters and communication operators, and formulate policy for accounting investigation
	Consumer Protection Division	◦ Formulate policy for protecting users of broadcasting and communication services ◦ Promote the interests of communication users and improve systems for service rationalization
	Consumer Rights Promotion Division	◦ Establish Viewer Committee and manage and supervise its operation ◦ Manage scheduling of viewer-produced and participatory programs, and formulate policy for supporting the people excluded from broadcasting benefits
Network Policy Bureau	Network Planning and Protection Division	◦ Formulate major policies for advancing broadcasting networks, and boosting their stability and reliability ◦ Ensure compatibility between broadcasting networks and standardize networks
	Privacy Protection and Ethics Division	◦ Formulate policy for permission of and approval for position information operators, for protection of position information, and for healthy cyber ethics
	Internet Policy Division	◦ Expand Internet infrastructure and activate the use of Internet ◦ Develop and standardize internet address resources
Spokesperson's Office		◦ Support publicity and press briefing of major policies ◦ Analyze, evaluate and respond to media reports
Audit and Inspection Office		◦ Audit subsidiaries in the broadcasting and communication sector, and investigate into and handle relevant petitions and wrongdoing
General Services Division		◦ Undertake KCC officials' personal affairs, rewarding/punishment, education/training, and welfare management ◦ Assist KCC members in policies and formalities, and manage and protect the building

3. KCC-related Laws

<Appendix Table-2> Overview of KCC-related Laws

Relevant laws	Outline	History
KCC Establishment and Operation Act	◦ Rationale for, and composition and organization of KCC ◦ Duties and operation method of KCC, and establishment of Korea Communications Standards Commission	Enacted on Feb. 29, '08. Amended on May 22, '09
Basic Act on Development of Broadcasting and Communication	◦ Formulate the basic direction and plan for broadcasting and communication policies ◦ Establish the promotion and technology criteria for broadcasting and communication, and create funds for disaster management and the development of broadcasting and communication	Passed the Assembly plenary session on Feb. 26, '10
Broadcast Act	◦ Freedom and independence of planning broadcast programs, and the public responsibility of broadcasting ◦ Approval and re-approval of broadcasting business	Enacted on Jan 12, '00 Amended on Jul 31, '09
Educational Broadcasting System Act	◦ Capital of and investment in Educational Broadcasting System ◦ Appointment of executives, and composition of the Board of Directors	Enacted on Jan 12, '00 Amended on Dec 31, '08
The Act on the Foundation for Broadcast Culture	◦ Composition of executives of FBC ◦ Rationale for broadcast promotion fund	Enacted on Dec 26, '98 Amended on Feb 29, '08
Special Act of Conversion of Terrestrial TV Broadcast into Digital Broadcast, and Activation of Digital Broadcast	◦ The end date of analogue TV broadcast ◦ Measures to guarantee low-income people the right to view TV	Enacted on Mar 28, '08 Amended on Apr 22, '09
Internet Multimedia Broadcast Act	◦ Classification of operators (IPTV service providers and contents providers) ◦ Entry regulation, business domain, and ownership regulation	Enacted on Jan 17, '08 Amended on Jul 31, '09
Radio Wave Act	◦ Procedures for assigning, allocating, recollecting and reassigning frequencies ◦ Procedures for using radio stations, such as the approval for and inspection of radio stations	Enacted on Dec 30, '61 Jun 9, '09
Telecommunications Framework Act	◦ Technical criteria for telecommunications equipment ◦ Management of telecommunication accidents	Enacted on Aug 10, '91 Amended on Jun 9, '09
Telecommunications Framework Act	◦ Classification of services and operators, and systems of market entry, competition promotion, and fair competition ◦ System of protecting telecommunications users	Enacted on Aug 10, '91 Jan 1, '10
Communication Privacy Act	◦ Procedures for monitoring of communications, and provision of communication confirmation data ◦ Telecommunication providers' cooperation in communication privacy	Enacted on Dec 27, '03 May 28, '09
Act on Protection and Use of Location Information, etc.	◦ Classification, and system of market entry ◦ The use by emergency rescue agencies of personal location information	Enacted on May 12, '86 Amended on Apr 22, '09
Internet Address Resources Act	◦ Use and management of Internet address resources ◦ Establishment and operation of Internet Dispute Arbitration Committee	Enacted on Jan 29, '04 Amended on Jun 9, '09
Information and Communication work Business Act	◦ Registration and design criteria for the construction work business ◦ An institution of ordering system business separately, and limitation of subcontracting	Enacted on Jan 22, '71 Amended on May 22, '09
Act on Protection and Use of Location Information, etc.	◦ Classification, and system of market entry ◦ The use by emergency rescue agencies of personal location information	Enacted on Jan 27, '05 Amended on Mar 13, '09
Basic Act on National Informatization	◦ Promote the building of broadband integrated networks ◦ Build and manage broadband integrated R&D networks	Enacted on Aug 4, '95 Amended on May 22, '09

4. 2009 Fiscal Year Accounting Settlement

□ Summary of Settlement

<Appendix Table-3> 2009 Fiscal Year Settlement Overview

(Unit: million won)

Category		Budget (A)	Current budget (B)	Settlement (C)	Execution (%) (C/B)
Revenue	Total	675,798	675,798	636,253	94.1
	General accounts	384,507	384,507	357,779	93.0
	Broadcasting development fund	291,291	291,291	278,474	95.6
Expenditure	Total	611,304	614,411	588,468	95.8
	General accounts	318,935	322,042	309,478	96.1
	Special account for innovative cities	1,078	1,078	516	47.9
	Broadcasting development fund	291,291	291,291	278,474	95.6

Note : 1. Current budget in general accounts increased because 3,106 million won was carried over from FY 2008.
2. The special account budget for innovative cities was less executed because following the relocation of RRA, delay was caused in the relocation of ionospheric observation facilities installed in Anyang Office (an unexecuted amount of 562 million won was carried over to 2010)

□ Broadcasting Development Fund

(1) Financial Overview (summary of balance sheet)

<Appendix Table-4> Broadcasting Development Fund Overview (summary of balance sheet)

(Unit: million won)

Category	2009 (A)	2008 (B)	Change (A-B)	
			Amount	Ratio (%)
Assets	410,276	395,269	15,007	3.8
Liabilities	0	97	△97	△100.0
Capital	410,276	395,172	15,104	3.8

(2) Income Overview (summary of income statement)

<Appendix Table-5> Income Statement of Broadcasting Development Fund (summary of income statement)

(Unit: million won)

Category	2009 (A)	2008 (B)	Change (A-B)	
			Amount	Ratio (%)
Revenue	166,738	165,737	1,001	0.6
Cost	149,032	138,195	10,837	7.8
Net profit	17,706	27,542	△9,836	△35.7

□ Summary by Program

<Appendix Table-6> Program Overview

(Unit: won)

Category	Expenditure budget /Current expenditure plan	Expenditure
Total	614,410,720,120	588,467,944,840
< General accounts >	322,041,720,120	309,477,618,690
Chapter 060 (category) Culture and Tourism	6,977,000,000	6,977,000,000
Part 061 (division) Culture and Arts	6,977,000,000	6,977,000,000
Article 2100 Broadcasting infrastructure improvement	6,977,000,000	6,977,000,000
Chapter 130(area) Communication	315,064,720,120	302,500,618,690
Part 131 (category) Broadcasting and communication	315,064,720,120	302,500,618,690
Article 1000 Promotion of broadcasting and communication convergence	31,850,000,000	31,660,000,000
Article 1300 Laying foundations for the radio broadcasting industry	14,283,000,000	14,153,477,960
Article 1500 Strengthening foundations for radio wave management and research	31,211,867,380	29,608,321,800
Article 3100 Advancing communication services	28,755,000,000	28,688,417,550
Article 4100 Protection of users and promotion of fair competition	2,316,501,000	2,285,665,290
Article 4300 Advancing networks	18,835,000,000	18,835,000,000
Article 4400 Strengthening the protection of information	40,074,000,000	40,065,126,000
Article 5100 Strengthening international cooperation in broadcasting and communication	14,475,000,000	14,474,070,880
Article 7100 Support for broadcasting and communication adminstration	133,264,351,740	122,730,539,210
<Special account for constructing innovative cities>	1,078,000,000	516,404,700
Chapter 130(area) Communication	1,078,000,000	516,404,700
Part 131(category) Broadcasting and communication	1,078,000,000	516,404,700
Article 1500 Strengthening the foundations for radio wave management and research	1,078,000,000	516,404,700
<Broadcasting development fund>	291,291,000,000	278,473,921,450
Chapter 060(area) Culture and tourism	291,291,000,000	278,473,921,450
Part 061(category) Culture and Arts	291,291,000,000	278,473,921,450
Article 1100 Promotion of broadcasting and communication convergence	32,930,000,000	31,768,390,010
Article 1200 Promotion of broadcasting and communication (loan)	2,000,000,000	1,768,000,000
Article 1400 Laying the foundations for the radio broadcasting industry	4,400,000,000	4,330,556,510
Article 1600 Building the foundations for the promotion of broadcasting	31,260,000,000	28,336,493,910
Article1700 Building the foundations for the promotion of broadcasting (loan)	17,000,000,000	17,000,000,000
Article 2100 Improvement of broadcasting infrastructure	55,854,000,000	55,267,901,680
Article 4200 Protection of users and fair competition	23,393,860,000	21,052,084,790
Article 5200 Strengthening cooperation in broadcasting and communication	5,003,000,000	4,432,336,820
Article 7200 Operating costs for broadcasting development fund	761,000,000	329,698,890
Article 9000 Expenditure for inside transaction	30,000,000,000	30,000,000,000
Article 9700 Operation of extra fund	88,689,140,000	84,188,458,840

5. KCC's List of Agenda

<Appendix Table-7> KCC's List of Agenda

Meeting	Date	type	Agenda overview
1st	1/ 7 (Wed)	Resolution	Decent program conditions for public channels-Silver TV, JCBN
			Approval for FEBC's investment in foreign capital
			Rules on abolishment of regulations on Viewer Media Center Operation
		Report	Execution plan for 2009 information and communication R&D
			General planning for developing and standardizing IPTV technology
2nd	1/15 (Thu)	Resolution	Master plan for outsourcing of 2009 broadcasting and communication policy research
			Corrective order on SBS and KNN for violation of ownership limitation
			Approval for system operation service fees
			Retrial of MBC-TV 'News Desk'
			Measures for Korea-EU FTA negotiation in the communication category
3rd	1/21 (Wed)	Resolution	Approval for new common carrier businesses
			2009 master plan for the project of supporting viewers' participation in broadcasting
			Amendment of notification regarding the Information and Communication Work Business Act
4th	1/30 (Fri)	Resolution	Mid- and long-term broadcasting network development plan for advancing the foundations for broadcasting and communication and for activating convergence services
		Report	Plan for 2009 KCC Awards
5th	2/ 5 (Thu)	Resolution	Arbitration over disputes over the return of transmission facilities and service fees between LG Powercomm and DMBS
			Establishing and operating the reapproval and appraisal committee for system operators
			Approval for a change in the system operation business - 18 firms including C&M Mapo Cable
			Reapproval for the relay cable broadcasting business- eight firms including Hansu Cable Broadcaster
			Approval for a change in the relay cable broadcasting business - eleven firms including Samdong Cable Broadcaster
			Registration of program providers - KHR TV
			Registration of a change in program providers - two firms including Animax Broadcasting
			Approval for re-transmission of foreign broadcasting - nine foreign broadcasters including Fox News Channel
6th	2/19 (Thu)	Resolution	2009 plan for the project of promoting broadcasting content
			2009 master plan for supporting the people excluded from broadcasting benefits, as well as media education
			Amendment of KCC's finance regulation
			Arbitration over the return of the contract price and other damages between Park Bu-yeon and KT
			Enactment of the criteria for installing intelligent home network equipment and relevant technologies
		Report	Reapproval, appraisal and resumption of the program provision business

Meeting	Date	type	Agenda overview
7th	2/24 (Tue)	Resolution	Amendment of regulations on establishment and supervision of non-profit corporations under KCC's control
			Master plan for approval and appraisal of IPTV news contents
			Allocation of satellite mobile communication frequencies
			Processing of the suspended execution application regarding sanction
			Reapproval for the program provision business
8th	3/ 4 (Wed)	Resolution	Arbitration over the dispute between E Tomato TV and Korea Cable TV Chungcheong Broadcaster
			Amendment of Enforcement Ordinance of the Information and Communication Work Business Act
		Report	Enactment of guidelines for ensuring the ethics and truth of broadcasting and communication research
9th	3/11 (Wed)	Resolution	Approval for a change in system operators' largest shareholder
			Application for approval for a change in program providers
			Approval and appraisal of internet multimedia news content business, as well as the resulting outcome
		Report	Measures for customized IPTV education services
			Plan for activating mobile internet
		Others	Official hearing on appraisal of KT-KTF merger
10th	3/16 (Mon)	Resolution	Approval for KT's merger of KTF
11th	3/18 (Wed)	Resolution	Registration of internet multimedia broadcasting content providers- Daekyo CNS
			Registration of program providers- two firms including EB News
			Approval for a change in the system operation business- eleven firms including CMB Hangang Cable TV
			Reapproval for the system operation business- 35 firms including GS Gangnam Broadcasting
			2009 additional budget plan
			Approval for KT's merger of KTF
12th	3/24 (Tue)	Resolution	Proposed partial amendment of the notification on regulations on radio facilities
			Imposition of fines on violators of the Act on Commercials Scheduling - three firms including VCM Media
			Comprehensive plan for supporting the people excluded from broadcasting benefits
			Amendment of guidelines on announcement of the fact of receiving corrective orders
		Report	Enactment of rules on the establishment and operation of South-North Broadcasting Exchange Committee
			09 legislation plan for KCC
13th	3/27 (Fri)	Resolution	Reapproval for system operators
14th	3/30 (Mon)	Resolution	Reapproval for system operators

Meeting	Date	type	Agenda overview
15th	3/31 (Tue)	Resolution	Registration of program providers and a change in registration- two firms including Youth Broadcasting
			Approval for common carriers' selloff of facilities- Sejong Telecom's selloff of its equipment to LG Dacom
			Proposed first amendment of 2009 Broadcasting Development Fund Operation Plan
			Basic plan for using means other than resident registration numbers as an ID on the internet, and enactment of relevant guidelines
			Enactment of guidelines on imposition of fines on violators of personal information protection mandate, etc.
			Imposition of fines on violators of mandatory scheduling ratios in Q2 and Q3, '08- three firms including Onmedia
16th	4/ 8 (Wed)	Resolution	Approval for the service fee change of the internet multimedia broadcast business- two firms including LG Dacom
			Reapproval for the relay cable broadcasting business - five firms including Samsan Cable TV
			Appointment of members of establishment committee for KISA
			Imposition of fines on repeated violators of regulations on broadcasting appraisal- Mnet Media
			Handling of violators of corrective measures regarding broadcasting appraisal - three firms including MBC
			Corrective measures against the unfair IPTV services involving KT, SK Broadband, and LG Dacom
			Corrective measures against SK Telecom, KT Freetel and LG Telecom regarding illegal spam messages hurting users
			Comprehensive plan for launching green broadcasting and communication for implementing low-carbon green growth
17th	4/ 9 (Thu)	Resolution	Handling the filing of injunctive requests regarding sanctioning measures
18th	4/14 (Tue)	Resolution	Enactment of rules on establishment and operation of South-North Broadcasting Exchange Committee
			Appointment of members of South-North Broadcasting Exchange Committee
			Methods and procedure for opening KT's wireless internet network
			Arbitration over the dispute between E Tomato and Korea Cable TV Chungcheong Broadcaster
19th	4/23 (Thu)	Resolution	Approval for pay broadcasting service fees- 31 firms including Korea Cable TV Gwangju Broadcaster
			Compliance with the conditions for selecting public channels- Job Broadcasting
			Registration of a change in program providers - Dramax
			Reapproval for outsourced data program providers-two firms including Yonhap Infomax
			Approval for change in program providers' largest shareholder- Acanet TV

Meeting	Date	type	Agenda overview
20th	5/ 1 (Fri)	Resolution	Approval for a change in the system operation business- 27 firms including CNM
			Approval for the merger of system operators - HCN and HCN Kumho Broadcasting
			Registration of program providers and a change in registration- four firms including KBNTV
			Corrective measures against SK Broadband and LG Powercomm regarding the provision of broadband internet service promotional gifts hurting user interests.
			Corrective measures against 17 common carriers including KT regarding violation of laws on the basis of verification of their business reports
			Administrative disposition against violators of laws on personal information protection - three firms including LG Dacom
		Report	Mobile operators' voluntary improvement on and implementation of personal information management system
			Improvement on accreditation system for broadband information and communication buildings
21st	5/15 (Fri)	Resolution	Corrective measures against 17 common carriers including KT regarding violation of laws on the basis of verification of their business reports
			Registration of program providers and a change in registration - two firms including Book Channel
			Reapproval for the relay cable broadcasting business- seven firms including Songhak Cable TV
			Approval for service fees of Korea Digital Broadcasting Skylife
			Approval for a change in system operators - Tbroad Holdings' takeover of Qrix Holdings
			Administrative disposition regarding MBC's violation of the notification on sponsoring outsourced production of dramas, etc.
22nd	5/18 (Mon)	Resolution	Approval for a change in system operators -TBroad Holdings' takeover of Qrix Holdings
			Administrative disposition regarding MBC's violation of the notification on sponsoring outsourced production of dramas, etc.
			Basic plan for promotion of radio waves
			Limited allowance of Jeju Cable TV's retransmission of foreign broadcasts
		Report	Silver TV's compliance with the conditions for selecting public channels

Meeting	Date	type	Agenda overview
23rd	5/29 (Fri)	Resolution	Approval for system operators' largest shareholders and for common carriers' acquisition of shares- Korea Cable TV Gyeonggi Dongbu Broadcasting
			2009 basic plan for reapproval for terrestrial broadcasters
			Amendment of rules on collection of broadcasting development fund
			Amendment of guidelines on the management of broadcasting development fund asset
			The whole proposed amendment of the notification on the criteria for technical and managerial protection measures for personal information
		Report	Amendment of the Radio Wave Act
			Partial amendment of Enforcement Ordinance of Special Act on the Digitalization of Ground Wave Television Broadcasting and the Activation of Digital Broadcasting
24th	6/ 3 (Wed)	Resolution	Measures for strengthening the broadcasting and communication content industry
			Registration of internet multimedia broadcasting content providers- Ain Media and Korea Digital Convergence Association
			Approval for internet multimedia broadcasters' retransmission of foreign broadcasting - 18 foreign broadcasters including NHK World Premium
		Report	Partial amendment of Enforcement Ordinance of the Act on Protection, Use, etc. of Location Information.
			Partial amendment of Enforcement Ordinance of the Act on Promotion of Use of Information and Communication Networks and on Protection of Information, etc.
25th	6/10 (Wed)	Resolution	Approval for a change in service fees of the internet multimedia broadcasting business-KT
			Amendment of rules on collection of broadcasting development fund
			Amendment of guidelines on the management of broadcasting development fund asset
			Approval for KT's plan for compliance with merger conditions in connection with the improvement of the procedure for landline phone number portability
			Approval for KT's plan for compliance with merger conditions in connection with the improvement of wireless internet access paths
			Basic plan for the community radio broadcasting business
			Approval for the service fee of system operators- 22 firms including Korea Cable TV Gyeonggi Dongbu Broadcasting
			Reapproval for the relay cable broadcasting business- four firms including Yangseo Cable TV
			Approval for a change in the relay cable broadcasting business -five firms including Heuksan Cable TV
		Report	Improvement of number portability system

Meeting	Date	type	Agenda overview
26th	6/19 (Fri)	Resolution	Establishment and operation of the Reapproval Appraisal Committee for System Operators
			Approval for retransmission of foreign broadcasting-GRANADA TV, LOTUS Channel
			Registration of program providers and a change in registration-HCN Media
			Amendment of the notification regarding the Information and Communication Work Business Act
			Approval for new position information operators
		Report	Partial amendment of the Act on Protection and Use of Position Information, etc.
			Sharing of revenues on the use of mobile content information
27th	6/24 (Wed)	Resolution	Basic plan for activating digital conversion
			2010 budget plan and plan for fund management
			Notification on decision on collection of broadcasting development fund
			Approval for the service fee of the internet multimedia broadcasting business- KT
28th	7/ 1 (Wed)	Resolution	Registration of internet multimedia broadcasting content providers - IB Media
			Plan for appointment of executives of KBS, Foundation for Broadcast Culture and EBS
			Endorsement on the appointment of vacated members of Broadcasting Dispute Arbitration Committee
			2009 basic reapproval plan for terrestrial mobile multimedia service providers
			Sanction against the violation of ban on foreign companies' stake participation in terrestrial broadcasting operators
		Report	Cable TV operation measures for promotion of digital conversion
			Improvement of mobile number portability system
29th	7/ 2 (Thu)	Resolution	Sanction against the violation of ban on foreign companies' stake participation in terrestrial broadcasting operators
		Report	Cable TV operation measures for promotion of digital conversion
			Improvement of mobile number portability system
30th	7/ 9 (Thu)	Resolution	Partial amendment of the Radio Wave Act
			Endorsement on the appointment of members of Broadcasting Evaluation Committee
			A written resolution procedure for ensuring efficient handling of agenda
			Sanction against the violation of ban on foreign companies' stake participation in terrestrial broadcasting operators
			Handling of KT's filing against SKT requesting the mutual access agreement
			Arbitration over dispute between E Tomato and Areum Broadcasting
			Enactment of the notification on loss compensation calculation criteria and procedure, interest rates, etc.

Meeting	Date	type	Agenda overview
31st	7/21 (Tue)	Resolution	Approval for the service fee of the internet multimedia broadcasting business-SK Broadband and LG Dacom
			Approval for internet multimedia broadcasters' retransmission of foreign broadcasting-eleven foreign broadcasters including BBC World
			Approval for the service fee of system operators-nine firms including Gangwon Broadcasting
			Approval for a change in system operation business-30 firms including HCN
			Reapproval for the relay cable broadcasting business- eight firms including Myungsung Cable TV
			Registration of the program provision business and a change in registration- six firms including Content Cast
			Approval for retransmission of foreign broadcasting-UNITEL CLASSICA HD
32nd	7/24 (Fri)	Resolution	Appointment of executives of Foundation for Broadcast Culture, and selection of recommended executive candidates for KBS
			Approval for the transfer of common carriers' exclusive lines -SK Telecom and SK Networks
			Corrective measures against SK Broadband and LG Powercomm regarding their provision of broadband service promotion gifts hurting user interests
			Second amendment of 2009 plan for broadcasting development fund
			Reapproval for system operators
		Report	Partial amendment of the Broadcasting Act
			Amendment of Enforcement Ordinance on the Act on Internet Address Resources
33rd	7/27 (Mon)	Resolution	Partial amendment of Enforcement Ordinance on the Act on Internet Address Resources
34th	7/31 (Fri)	Resolution	Appointment of executives of Foundation for Broadcast Culture
			Partial amendment of Special Act on Digital Conversion of Terrestrial TV Broadcasting and on Activation of Digital Broadcasting
			Approval of merger of system operator and common carrier- CJ Hello Vision's merger of its Yeongnam, Chungnam, Jungang and Geumjeong broadcasters
			Reapproval for system operators-Areum Broadcasting Network and Silla Cable TV
			Selection of community radio broadcasters and approval for broadcasting stations
		Report	Partial amendment of the Broadcasting Act
35th	8/ 6 (Thu)	Resolution	Reapproval for System Operators -Areum Broadcasting Network and Silla Cable TV
			Selection of community radio broadcasters and approval for broadcasting stations
		Report	Partial amendment of Enforcement Ordinance of the Broadcasting Act

Meeting	Date	type	Agenda overview
36th	8/19 (Wed)	Resolution	H1 2009 approval for common carriers- five firms including Seolseong Broadcasting
			Approval for KT's compliance plan for merger conditions in connection with the improvement of equipment provision procedure
			Partial amendment of rules (notification) on the RFID technology criteria for 150kHz and under
			Designation of 70/80GHz bandwidth as a fixed point-to-point communication frequency
			A change in reapproval conditions for Gangwon Television Broadcasting
			Imposition of fines on violators of laws on commercials scheduling-six firms including VCM Media
37th	8/26 (Wed)	Resolution	Approval for a change in agreement on mutual access to incoming call fee charging (080) services between)KT and SK Telecom
			Approval for agreement on mutual access to C2P SMS services between KT and SK Telecom
			Approval for agreement on common use of telecommunication facilities between)KT and Korea Cable Telecom
			Corrective measures against SK Telecom, KT Freetel, LG Telecom and KT regarding the act of using dead people's resident registration numbers for mobile services and thus hurting user interests
			Corrective measures against SK Telecom, KT Freetel, LG Telecom, Onse Telecom and Dreamline regarding the act of hurting wireless internet service users' interests
			Imposition of fines on violators of Q4 2008 and yearly mandatory program scheduling ratios - five firms including Home TV
			Plan for 2009 broadcasting evaluation
			Nexen's violation of approval for a change in KNN's largest shareholder
			Recommendation of executives of KBS
		Report	Partial amendment of the Broadcasting Act
38th	8/28 (Fri)	Resolution	Approval for the service fee of system operators-three firms including HCN Saeronet
			Approval for relay cable TV - six firms including Music Cable TV
			A change in relay cable TV operators - four firms including Media OBS
			Approval for the service fee of internet multimedia broadcasting-KT

Meeting	Date	type	Agenda overview
39th	9/ 2 (Wed)	Resolution	Corrective measures against SK Telecom, KT Freetel, LG Telecom, Onse Telecom and Dreamline regarding the act of hurting the interests of wireless internet service users
			Policy and measures for pilot project of digital conversion
			Reapproval for system operators-13 firms including Tbroad Ginam Broadcasting
			Merger of system operator and common carrier- Tbroad Hanbit Broadcasting's merger of Tbroad ABC Broadcasting
			Administrative disposition of system operator - Korea Cable TV Daejeong Broadcasting
			2010 basic plan for selecting public channels
40th	9/ 9 (Wed)	Resolution	Corrective measures against SK Broadband and LG Powercomm regarding their provision of broadband internet service promotional gifts hurting user interests
			2010 basic plan for selecting public channels
			Selection of candidates for EBS president and directors
41st	9/11 (Fri)	Resolution	Registration of program providers and a change in registration- three firms including HRD Korea
42nd	9/14 (Mon)	Resolution	2010 basic plan for selecting public channels
			Appointment of EBS executives and directors
43rd	9/16 (Wed)	Resolution	Approval for internet multimedia broadcasting content business - YTN
			Partial amendment of the Act on Internet Multimedia Broadcasting Business
			Partial amendment of Enforcement Ordinance of the Act on Internet Multimedia Broadcasting Business
			Reapproval for CMB Jeonnam Broadcasting
			Nexen's violation of approval for a change in KNN's largest shareholder
		Report	Scope of telecommunication operators' utilizing personal information regarding the marketing of combined products
44th	9/23 (Wed)	Resolution	Mutual election of KCC Vice Chairman
		Report	iPhone's position services
			Progress on the attraction of 2014 ITU Plenipotentiary Conference
45th	9/25 (Fri)	Resolution	Approval for the service fee of system operators-36 firms including Tbroad Ginam Broadcasting
			Approval for a change in the relay cable broadcasting business- three firms including Baegnyeong Relay Cable TV
			Registration of program providers-RNL Natural Life

Meeting	Date	type	Agenda overview
46th	9/29 (Tue)	Resolution	Approval for the transfer of common carriers' internet telephony business-SK Broadband's transfer of internet telephony business to SK Networks
			Approval for a change in KNN's largest shareholder
		Report	Yedang Art Channel's withdrawal from the public channels
			Measures for activating wireless internet
			2010 plan for budgets and fund management
			Notification on people events
47th	10/13 (Tue)	Resolution	Enactment of notification on frequency reallocation, and plan for compensation for 900MHz bandwidth-related loss
			Enactment of Notification on Electronics Requiring the Embedding of Terrestrial Digital Tuners
			Imposition of fines on violators of Q1 2009 mandatory program scheduling ratios - Four firms including Home TV
			Approval for a change in broadcasters' largest shareholder and for common carriers' acquisition of shareholders- a change in largest shareholders of CMB Gwangju Dongbu Broadcasting and CMB Gwangju Broadcasting
			Proposed partial amendment of the Broadcasting Act
			Endorsement on the appointment of members of Viewer Complaints Handling Committee
			Corrective measures against SK Telecom, KT Freetel, LG Telecom, and KT regarding the act of using dead people's resident registration numbers thereby hurting mobile subscriber interests
			Decision on the fulfillment of mutual access agreement between KT and SK Telecom
		Report	Report by the arrangement subcommittee for the mutual access agreement between KT and SK Telecom
			Basic plan for building infrastructure for things to thing communication
			Comprehensive measures against spam messages
48th	10/14 (Wed)	Resolution	Appointment of EBS executives
			Decision on the fulfillment of mutual access agreement between KT and SK Telecom
		Report	Basic plan for building infrastructure for things to thing communication
			Comprehensive measures against spam messages
49th	10/16 (Fri)	Resolution	Approval for the service fee of system operators- 15 firms including Korea Cable TV Pureun Broadcasting
			Approval for a change in system operators - 26 firms including CJ Hello Vision
			Reapproval for relay cable TV operators- five firms including Baengnyeong Relay Cable TV
			Registration of program providers-Elle TV Korea
			Approval for retransmission of foreign broadcasting - three firms including Channel News Asia International
			Approval for the service fee of internet multimedia broadcasting business- KT

Meeting	Date	type	Agenda overview
50th	10/16 (Fri)	Resolution	Decision on the fulfillment of mutual access agreement between KT and SK Telecom
		Report	Proposed comprehensive measures for preventing spam messages
51st	10/28 (Wed)	Resolution	Registration of program provision business and a change in registration -four firms including Carnival TV
			Approval for internet multimedia broadcasters' retransmission of foreign broadcasting-three foreign broadcasters including UNITEL CLASSICA HD
52nd	10/30 (Fri))	Resolution	Partial amendment of technical criteria (notification) for cable TV stations' facilities
			Partial amendment of rules (notification) on wireless facilities
			Enactment on proposed operating rules on KCC's prior appraisal request system
			Comprehensive handling of proposed administrative rules aimed at applying the sunset system
			Measures against WiBro operators' non-fulfillment of approval conditions
		Report	Policy direction for activating WiBro and relevant issues
53rd	11/ 2 (Mon)	Resolution	Partial amendment of Enforcement Ordinance of the Broadcasting Act
		Report	Establishment and operation of policy task force for new broadcasters
54th	11/11 (Wed)	Resolution	Basic plan for reapproval for program providers - three firms including Hyundai Home Shopping
			Approval for mutual access agreement for telecommunication facilities between SK Telecom and Korea Cable Telecom
			Notification on people events
			2009 broadcasting evaluation results
		Report	Proposed amendment of rules on broadcasting evaluation
55th	11/18 (Wed)	Resolution	Measures for CBS retransmission to foreign regions- 13 firms including the already approved Tbroad Gangseo Broadcasting
			2010 selection of public channels
			Approval for KBS' establishment of short-wave Korean People Broadcasting Station
			Proposed partial amendment of the system of providing facilities
			Designation of 70/80GHz bandwidth as the fixed point to point communication frequency
			Partial amendment of rules (notification) on technical criteria for radio equipment including certain small-power gap fillers
			Approval for new position information providers
			Administrative disposition of violators of the Act on the Protection of personal information
			Decision on the fulfillment of mutual access agreement between KT and SK Telecom

Meeting	Date	type	Agenda overview
56th	11/26 (Thu)	Resolution	Partial amendment of the Act on Protection and Use of Position Information
			Designation of agencies required to confirm I-PIN service users concerned- five firms including National Information & Credit Evaluation
			Approval for merger of common carriers and approval for a change in system operators-TCN Daegu Broadcasting's merger of Daegu Cable TV
			Approval for common carriers' acquisition of shares, and approval for system operators' largest shareholders-CMB Holdings' acquisition of CMB Daejeon Broadcasting's shares
			H2 2009 approval for common carriers- three firms including Gurye Cable TV System
			Corrective measures against SK Telecom, KT Freetel, LG Telecom and KT regarding the act of using the resident registration numbers of dead people thereby hurting mobile subscribers' interests
			Proposed partial amendment of rules (notification) on mobile internet (WiBro) wireless facilities
			Reapproval for terrestrial mobile multimedia broadcasters-seven regional terrestrial DMB operators including KBS
		Report	Recommendations offered by the regional broadcasting development committee
			Proposed amendment of rules on broadcasting evaluation
57th	11/27 (Fri)	Resolution	Approval for the service fee of system operators -nine firms including CCS
			Registration of program providers and a change in registration- four firms including Content Square
			Registration of internet multimedia broadcasting content business- Korea HD Broadcasting
			Approval for internet multimedia broadcasters' retransmission of foreign broadcasting-Channel News Asia International
58th	12/10 (Thu)	Resolution	Measures for commercials sales system and opinions on lawmakers' proposed bills
			LG Telecom's merger of LG Dacom and LG Powercomm
59th	12/11 (Fri)	Resolution	Registration of program provision business and a change in registration- four firms including Paxnet
			Approval for retransmission of foreign broadcasting- three firms including NETGEO WILD HD
60th	12/14 (Mon)	Resolution	LG Telecom's merger of LG Dacom and LG Powercomm
			Proposed partial amendment of notification on verification and registration of broadcasting and communication equipment types, and on electromagnetic wave compatibility
			Proposed partial amendment of the Broadcasting Act
			Reapproval for terrestrial broadcasters-20 broadcasting stations of seven operators including KBS

Meeting	Date	type	Agenda overview
61st	12/17 (Thu)	Resolution	Appointment of auditor of KBS
			Proposed partial amendment of the Broadcasting Act
			Reapproval for system operator-Korea Cable TV Seodaegu Broadcasting
			Imposition of fines on violators of Q2 2009 mandatory program scheduling ratios - three firms including CJ Media
			Approval for Samsung SDS' merger of Samsung Networks
			Partial amendment of the notification on common carriers which are required to obtain approval for agreements on mutual access to and common use of telecommunication facilities as well as on provision of information
			Proposed amendment of the notification on common carrier services whose service agreements need to obtain approval, as well as on common carriers
		Report	PP evaluation for cable TV channel composition, and guideline on sharing of program service fees
62nd	12/23 (Wed)	Resolution	Proposed partial amendment of separate accounting criteria for telecommunication business
			Endorsement on appointment of members of Broadcasting Dispute Arbitration Committee
			Partial amendment of the inspection work handling criteria (notification) for radio stations and radio wave application facilities
			2010 implementation plan for activating digital conversion
			Proposed plan for pilot projects of digital conversion
		Report	Basic plan (draft) for establishment of digital content support center
63rd	12/29 (Tue)	Resolution	Approval for a change in system operation business- seven firms including HCN Kumho Broadcasting
			Approval for a change in the relay cable broadcasting business-Jingun Relay Cable Broadcasting
			Registration of the program provision business- Playcom
64th	12/30 (Wed)	Resolution	Ending of analogue TV broadcasting and formulating of measures for building digital TV
			Basic plan (draft) for reallocation of extra frequencies of 700㎒ extra bandwidth
			Partial amendment of rules (notification) on radio equipment for use in maritime and aviation work
			Enactment of notification on HD digital broadcasting program scheduling ratios
			Proposed amendment of rules on broadcasting evaluation
			Approval for a change in program providers-LG Dacom "Korea Finance TV"
		Report	Recommendation of temporary operation of terrestrial commercials sales
			Gangwon Broadcasting's fulfillment of reapproval conditions, and measures for handling the result
			Matters concerning plans for improvement of general services
			Matters concerning the pan-government comprehensive plan for activating cloud computing

6. 2009 Monthly Major Achievements

<Appendix Table-8> 2009 Monthly Achievements

○ January 2009

Date	Achievement Overview
1/7	Formulated comprehensive plan (draft) for IPTV technology development standardization (in conjunction with MKE)
1/7	Formulated 2009 information and communication R&D implementation plan
1/20	Held the first meeting of Special Committee for Regulation Reform and Legislation Advancement
1/23	Held future strategy seminar on the broadcasting and communication infrastructure
1/28	Announced 2008 major trends on civil complaints about broadcasting and communication
1/30	Held a meeting of representatives of nationwide system operators
1/30	Selected 2009 operators to whom the limited real-name identification system should apply

< Future strategy seminar >

< SO representative meeting >

○ February 2009

Date	Achievement Overview
2/2	Determined the mid- and long-term plan for the development of broadcasting and communication networks ('09 ~ '13)
2/2	Held the first meeting of Viewer Complaint Handling Committee
2/5	Held a meeting of Research Group for Maritime Radio Facility Technology Criteria
2/5	Held a consultative council meeting for preventing the duplicate regulation of the communication market (in conjunction with FTC)
2/9	Held the second meeting of Special Committee for Regulation Reform and Legislation Advancement
2/10	Held the first meeting of Working Committee for the Activation of Digital Broadcasting
2/19	Amended the regulations on KCC's ruling
2/19	Determined 2009 project plan for guaranteeing broadcasting access rights for the people excluded from broadcasting benefits
2/19	Determined 2009 project plan for promoting broadcasting content
2/25 ~ 3/4	Held a ITU-R SG1 meeting
2/27	Announced the results of 2008 survey of information protection state

< Working Committee for the Activation of Digital Broadcasting >

< ITU meeting >

○ March 2009

Date	Achievement Overview
3/5 ~ 6	Held an accounting staff meeting of telecommunication operators
3/6	Announced the personal information protection index in the private sector
3/9	Held the third meeting of Special Committee for Regulation Reform and Legislation Advancement
3/9	Held the first meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication
3/11	Officially opened KCC's blog, Durunuri
3/11	Formulated plan for activating mobile internet (in conjunction with MCST and MOPAS)
3/12	Held an i-PIN policy explanation session, and a hearing on the proposed amendment of the criteria for measures for technical and managerial protection of personal information
3/12	Announced customized IPTV education services (in conjunction with MEST)
3/13	Held Korea·Peru WiBro and IPTV roadshow, and launched Cloud Service Korea
3/16	Held the first meeting of Green Broadcasting and Communication Council
3/17	Announced the Friendly Digital Korea project, and published the explanatory handbook on the IPTV Act and Its Enforcement Ordinance
3/18	Resolved on approval for KT's merger of KTF
3/20	Held an expert panel session on the improvement of broadcast advertising system
3/24	Amended the guideline on announcement of the fact of receiving corrective order, and determined the comprehensive plan for supporting the people excluded from broadcasting benefits
3/27	Held a hearing on the proposed basic plan for promoting radio wave
3/26	Announced KCC's first-year achievements, and held 2009 KCC Broadcasting Awards ceremony
3/27	Announced 2008 national information protection index
3/30	Announced 2009 publicity plan for digital conversion
3/30	Launched 2009 Onnuri Campaign Volunteer Corps
3/31	Formulated a basic plan for activating the use of i-PIN as an alternative to resident registration numbers on the internet

< Broadcasting Awards ceremony >

< KCC's first anniversary ceremony >

○ April 2009

Date	Achievement Overview
4/1	Opened KCC's Web 2.0 homepage
4/7	Announced the provision of H1 2008 communication data and other cooperative activities
4/8	Resolved on corrective order to strengthen crackdown on spam messages sent by three mobile operators including SKT
4/8	Resolved on corrective order on unfair acts committed by three IPTV operators regarding the IPTV business
4/8	Determined the comprehensive plan for the green broadcasting and communication project
4/9	Held a seminar on internet information protection
4/13	Held a forum for formulating notification measures for people events
4/24	Commemorated the 54th Information and Communication Day
4/24	Launched Council for the Advancement of Broadcasting and Communication Networks
4/29	Held the second meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication

< Workshop on information protection >

<Information and Communication Day >

○ May 2009

Date	Achievement Overview
5/6	Selected pilot projects of 2009 IPTV public services
5/8	Reported on ‘measures for advancing broadcasting and communication services' in a private and public sector joint meeting on service advancement (in conjunction with eight ministries)
5/11	Signed Korea-Japan MOU on corporation in broadcasting and communication
5/13 ~ 15	Held BCM 2009, IPTV PLAZA and forum
5/15	Announced comprehensive measures for "clean KCC"
5/18	Held an event for creating a beautiful cyber world (in conjunction with MOJ, MEST, MOPAS and MCST)
5/18	Determined the basic plan for promoting radio wave
5/19	Announced results of 2008 mobile service quality evaluation
5/19 ~ 20	Held a joint workshop on network advancement and R&D projects
5/20	Held an opening ceremony for TEIN3 between Korea, Southeast Asia and Europe
5/20	Announced mileage system improvement measures for mobile operators
5/21	Held a meeting for advancing broadcasting equipment (in conjunction with MKE), and announced the results of 2008 broadband internet quality evaluation
5/27 ~ 29	Conducted a Safe Korea drill for the prevention of broadcasting and communication accidents
5/28	Announced the plan for advancing broadcasting equipment (in conjunction with MKE)

< Meeting for advancing broadcasting equipment and resolution on achieving the vision of Korea becoming a power in the next generation DTV industry >

< Event of creating a beautiful cyber world >

○ June 2009

Date	Achievement Overview
6/1 ~ 20	Conducted 2009 self information protection campaign
6/1	Radio Wave Keeping Day
6/3	Determined measures to strengthen the competitiveness of the broadcasting and communication content industry
6/4	Announced improvement measures for maritime distress communication management system
6/9	Launched Internet Information Protection Council, and held a general meeting
6/10	Gyeongsangbuk-do governor, KBS and SkyLIfe signed a joint project agreement to address the absolute difficulty of receiving broadcasts
6/10	Determined policy measures for the regular community radio broadcasting project
6/11	Held the 16th Korea Multimedia Technology Awards ceremony, and the second meeting of Committee for the Activation of Digital Broadcasting
6/15	Opened an integrated search site for the information on overdue service fees of broadcasting and communication
6/17	Held 2009 Ministerial Meeting of Broadcasting and Communication and Communications Conference (~ June 18), and World IT Show (~ June 20)
6/18	Held a symposium on internet ethics
6/19	Determined the guideline on sharing revenues on mobile content information fees
6/23	Held a seminar on things-to-things network technology and its prospect
6/23	Held the eighth Information Protection Competition and the sixth Hacking Defense Contest Awards ceremony
6/24	Determined the basic plan for activating digital conversion, as well as the fee collection ratios for broadcasting development fund from broadcasters
6/25	Disclosed business operators to whom the criteria for introducing membership joining means other than resident registration numbers should apply
6/29	Announced the guideline on the obligatory agreement system for mobile telephony

< Communications Conference >

< World IT Show >

○ July 2009

Date	Achievement Overview
7/1	Held a CEOs' meeting of mobile operators
7/3	Held Expression Freedom Conference in the digital era
7/2	Held the second seminar on internet information protection, and a meeting with CEOs of internet portals
7/2	Held a policy explanation session on the introduction of membership joining means other tan resident registration numbers
7/2	Determined cable TV channel operation measures for promoting digital conversion
7/7	Launched i-PIN 2.0 services
7/8	Issued alerts in the wake of DDoS attacks on major internet sites
7/9	Held an emergency meeting of presidents of ISPs and others to respond to DDoS attacks
7/9	Announced 2008 property overview of broadcasters
7/15	Downgraded the cyber warning status to "concern" in the private sector, and announced H2 2009 trends on civil complaints about broadcasting and communication
7/20	Expanded the implementation of services (M-safer) of preventing the illegal use of others' name in internet telephony and WiBro
7/21	Held the third meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication, and a luncheon meeting with representatives of new medial circles
7/22	Resolved on the reapproval for 19 system operators
7. 23	Officially launched KISA
7. 24	Announced the Giga internet project plan, and launched 5-ministry joint Cyber Order Policy Council
7/28	Appointed private-sector PM for R&D of new technologies in broadcasting and communication
7/28	Held a policy meeting with representatives of IPTV businesses
7/30 ~ 8/1	Held Broadcasting and Communication Expo
7/31	Elected nine directors and auditors of the Foundation for Broadcast Culture

<IPTV policy meeting>

< Broadcasting and Communication EXPO>

○ August 2009

Date	Achievement Overview
8/1	The Broadband Building Certificate Authority began operations
8/4 ~ 8	Held Sympathetic Youth Internet Ethics Family Camp
8/6	Selected seven regular operators of community radio broadcasting and resolved on approval for broadcasting stations
8/10	Launched a pilot project of IPTV services in the military
8/11	Amended the notification on the Criteria for Technical and Managerial Protection Measures for Personal Information
8/14 ~ 17	Held the fourth presidential meeting of Korea-China Radio Wave Broadcasting Stations
8/14	Opened the system for simplifying the procedure for exempting from and reducing mobile service fees
8/19	Announced the results of surveying the overview of H1 2009 malicious code removal programs
8/20	Held a seminar on the overview of mobile service fees and on future policy measures
8/24	Announced on the guideline on pay broadcasting service agreements
8/24	Opened IPTV study rooms in 15 cities and counties, Gyeonggi-do
8/25	Held the fourth meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication
8/26	Selected eleven recommendation personnel for KBS directors

< Opening IPTV Study Rooms >

< Opening the mobile service fee exemption and reduction system >

○ September 2009

Date	Achievement Overview
9/1	Held a meeting of reporting on IT Korea future strategy (in conjunction with the Presidential Council for Future & Vision and MKE)
9/2	Determined pilot project policy measures for digital conversion
9/3	Held a seminar on mobile service fee policy (in conjunction with the Committee for the Future)
9/3	Held a seminar on enhancing the quality of managing broadcasting and communication statistics
9/4	Held the sixth meeting of Special Committee for Regulation Reform and Legislation Advancement
9/10	Completed the improvement of landline number portability procedure, and notified the amendment of the criteria for RFID technologies for 150kHz or under
9/10	Held a seminar on comprehensive and systematic development of internet-based services
9/11	Held a forum on improving the system of outsourcing production
9/14	Elected nine EBS directors
9/17	Held CEOs' meeting of information protection strategy, and announced the results of 2009 internet use state
9/17	Lifted cyber crisis warnings of DDos attacks
9/23	Elected standing member Lee Kyung-ja as KCC Vice Chairman
9/24	Launched the Future Forum for Broadcasting and Communication Content
9/25	Appointed KORPA president, and inaugurated MOIBA
9/28	Announced improvement policy measures for the mobile service fee system
9/29	Held the fifth meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication
9/30	Announced the second project plan for activating wireless internet
9/30	Opened Seongnam Global IPTV Hub Center, and held a meeting of small and medium-sized IT venture firms

<Signing ceremony for digital conversion agreement>

<A meeting of information protection strategy>

○ October 2009

Date	Achievement Overview
10/6	Announced the guideline on bundling sales for the protection of users
10/10	Held a luncheon meeting with representatives of KCTA and SOs
10/12	Opened the system of simplifying the procedure for exempting from TV broadcast receiving fees
10/13	Implemented the notification on electronics requiring the embedding terrestrial digital tuners
10/14	Elected EBS president and auditor, and determined the basic plan for building the things to things communication infrastructure
10/16	Announced comprehensive measures for preventing spam messages
10/25 ~ 30	Held the 36th ICANN Seoul Annual Meeting
10/20	Held the intial meeting of the Council for Development of Communication Service Fee Korea Index
10/20	Launched the Council for Pilot Projects of Digital Conversion
10/21	Signed an MOU on cooperation in broadcasting and communication between Korea and Vietnam
10/23	Signed a DMB MOU on joint production of broadcasting content between Korea and Cambodia
10/25 ~ 30	Held the eleventh International Space Radio Monitoring Meeting
10/27	Held the sixth meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication
10/29	Held the first Conference of Space Radio Environment Service Users and a International Communications Conciliation Workshop
10/30	Announced three policy schemes for activating WiBro and eight major tasks
10/30	Held the 100th meeting of KCC
10/30	Announced the scheme of allowing the introduction of one-way set-top boxes for digital cable TV

<International Communications Conciliation Workshop>

<International Space Radio Monitoring Meeting>

○ November 2009

Date	Achievement Overview
11/2	Prepared standards for devices designed for analogue TVs receiving digital broadcasts
11/10	Held the second meeting of Council for the Advancement of Broadcasting and Communication Networks
11/10	Held the fourth Korea Internet Awards ceremony, and inaugurated Internet Development Council
11/11	Announced the results of 2009 broadcasting evaluation
11/12	Held a symposium on digital convergence and the future of Korean society
11/16	Opened eleven IPTV Study Rooms in Busan
11/16	Announced the guideline on the procedure for internet membership joining for foreigners residing in Korea
11/18	Allocated 70/80GHz bandwidth frequencies, and held the inaugural meeting of Things to Things Communication Forum
11/18	Resolved on the decision on the fulfillment of the agreement on 3G mutual access between KT and SKT
11/23 ~ 24	Held 2009 Radio Broadcasting Conference
11/23	Declared the fourth week of November as the week of protecting users of broadcasting and communication services
11/24	Opened the system designed to respond to personal information exposure to internet, and held the seventh meeting of Consultative Council for Supporting the Overseas Entry of Broadcasting and Communication
11/25	Announced the guideline on improving ARS operation
11/26	Held a forum to formulate a digital TV conversion plan
11/26	Held a symposium on the characteristics of Korea's internet culture and its development measures
11/30	Held a hearing on planning for building Digital Broadcasting Content Support Center

< Internet Awards >

< Inaugural Meeting of M2M Forum >

○ December 2009

Date	Achievement Overview
12/1 ~ 20	Launched i-PIN conversion campaigns
12/3	Held a hearing on the proposed basic Act on Internet-based Service Businesses
12/7 ~ 8	Held a forum on information and communication, and environment convergence
12/7	KCTA signed a cooperative agreement with local governments on a pilot basis to activate the conversion of TV broadcasting into the digital mode.
12/8	Held the first internet Korea conference
12/9	Held 2009 Together @ Net World Internet Media Contest Awards Ceremony
12/10	Celebrated the first anniversary of IPTV services
12/14	Published a guidebook on protection of personal information in line with the development and operation of websites
12/14	Resolved on approval for LG Telecom's merger of LG Dacom and LG Powercomm
12/14	Resolved on reapproval for 20 broadcasting stations for seven terrestrial broadcasters including EBS DTV
12/14	Held a meeting of representatives of the broadcasting and communication sector, and announced the statistical results of surveying 2009 broadcasting industry overview
12/16	Announced the guideline on operators to prevent 060 users from sustaining damages
12/16	Announced preventive measures for the illegal wiretapping of mobile messaging through internet
12/17	Attracted 2011 APT General Assembly, and appointed KBS auditor
12/17	Resolved to disapprove reapproval for Korea Cable TV Seodaegu Broadcasting
12/17	Announced the guideline on PP evaluation for cable TV channel reshuffling, and on sharing revenues on program service fees
12/18	Held the seventh meeting of Special Committee for Regulation Reform and Legislation Advancement

< Singing cooperative agreement on digital activation>

<Internet Korea Conference>

○ December 2009

Date	Achievement Overview
12/21	Launched services for confirming idle mobile phones
12/22	Held an explanatory session on pilot services of terrestrial DTV distributed repeaters
12/23	Launched Cambodia's terrestrial DMB station on a pilot service basis
12/23	Held CEOs' meeting of small and medium firms in the radio industry
12/23	Determined the basic plan for the construction of Digital Broadcasting Content Support Center
12/23	Determined 2010 implementation plan for activating digital conversion
12/24	Announced the guideline on the introduction of major content in the service agreement
12/24	Opened Cyber Safety Center for Broadcasting and Communication
12/24	Completed the construction of RRA's Radio Nuri Center
12/24	Enacted the service standard for simplifying the procedure for reporting mobile spam messages
12/28	Held the ninth Information Protection Awards ceremony
12/29	Launched 3DTV Pilot Broadcasting Center
12/30	Ended the analogue TV broadcasting and determined measures for building digital TV services
12/30	Announced a comprehensive plan for activating cloud computing (in conjunction with MOPAS and MKE)
12/30	Resolved on the scheduling ratio of HD digital broadcasting programs
12/30	Announced recommendation on terrestrial broadcast advertising transaction

<CEOs' meeting of the broadcasting and communication sector>

<Information Protection Awards ceremony>

Korea Communications Commission Annual Report 2009

Issue Date	March, 2010
Publisher	Korea Communications Commission(KCC) 20 Sejongno, Jongno-gu, Seoul 100-777, Korea Telephone : +82-2-750-1114 E-mail: webmaster@kcc.go.kr Homepage: www.kcc.go.kr

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