

KOREA
COMMUNICATIONS
COMMISSION

ANNUAL REPORT 2018



Korea Communications
Commission

This annual report is a summary of the main activities and achievements of the Korea Communications Commission during the year 2018, pursuant to Article 16 of the 「Act on the Establishment and Operation of the Korea Communications Commission」.

Message from the Chairman



2018 marked the 10th anniversary of the launch of the Korea Communications Commission whose goal is to actively respond to an increasingly convergent environment, as global media service providers enter into the Korean market and the spread of broadcasting and communications convergence services including OTT is in full swing.

This annual report includes the efforts, reflections and achievements of the Commission over the last year, which have focused on enhancing user benefits and enforcing regulations to promote the industry.

Moreover, the Commission strived to devise policies based on the opinions gathered through public discussions on issues of high interest.

In order to enhance the public accountability of broadcasting, the Commission brought policy opinions to the National Assembly with the aims to improve the governance of public broadcasters and enhance the autonomy of organizing and producing public broadcasting programs. To address reverse discrimination against local providers, the Korea Communications Commission promoted legislation requiring the foreign providers in Korea to designate a domestic representative responsible for personal data protection.

In order to create a mutually beneficial outsourced production environment, the Commission supported the declaration of the rights of independent creators on a civilian basis and reorganized the rules and regulations to improve working conditions and secure safety for outsourced workers.

The Commission has focused on introducing new services and systems that are designed to address any inconveniences that users may face and prevent harm.

The Commission established the standards for customized counter measures against harm from using mobile services based on the types of conflicts users often faced. To prevent harm arising from the illegal circulation of criminal digital sexual content, the Commission has mandated that value-added telecommunications business operators to remove such material, with an immediate subsequent communications review process.

In order to ensure that personal data and location information are not compromised, the Commission promulgated the regulations on the personal data protection of the Internet of Things (IoT) and extended methods to acquire a user's agreement on personal data usage and collection. The Commission has lowered the entry barriers for object location information service with an aim to invigorate this new industry.

The Commission will faithfully prepare for the upcoming decade by keeping the communication channels open and making innovative efforts so that the public can feel and appreciate the effects of broadcasting and communications policy.

Thank you.

March 2019

Lee Hyo-seong

Chairman, Korea Communications Commission



Broadcasting and Communications Policy

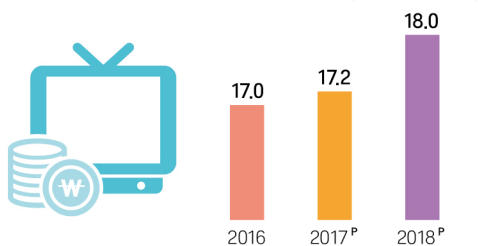
Accomplishments presented in Graphs

The broadcasting and communications industry is making continuous contributions to the growth of the national economy.

- > The sales of the domestic broadcasting services and communications services in 2018 recorded KRW 18 trillion and KRW 37.1 trillion, respectively.
- > ICT service exports and trade balance have grown from last year, continuously contributing to the national economic growth.

Sales of the broadcasting service market

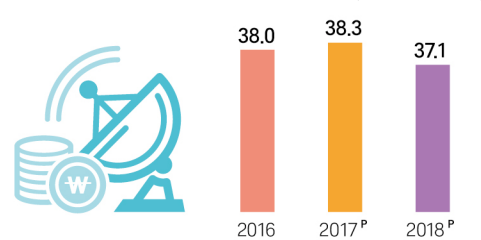
(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT(2019)

Sales of the communications service market

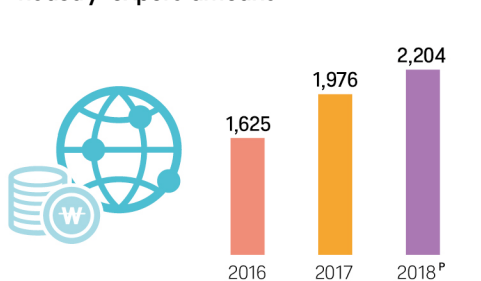
(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT(2019)

ICT industry export amount

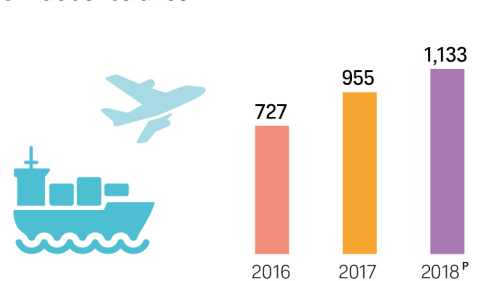
(Unit : USD 100 million)



Note) P : Preliminary, Ministry of Trade, Industry and Energy, Ministry of Science and ICT(2019)

ICT trade balance

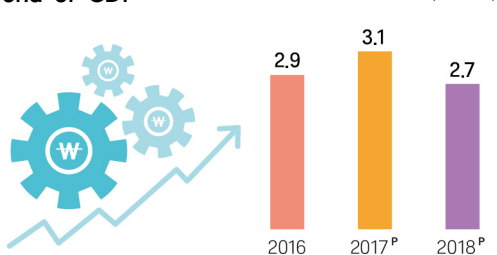
(Unit : USD 100 million)



Note) P : Preliminary, Ministry of Trade, Industry and Energy, Ministry of Science and ICT(2019)

Trend of GDP

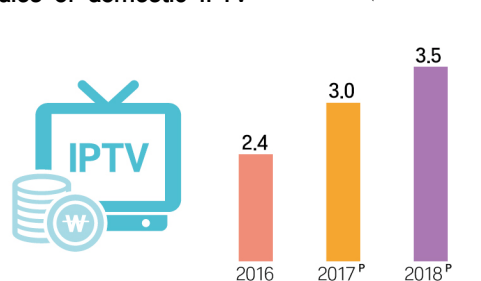
(Unit : %)



Note) P : Preliminary, Bank of Korea(2019)

Sales of domestic IPTV

(Unit : KRW trillion)

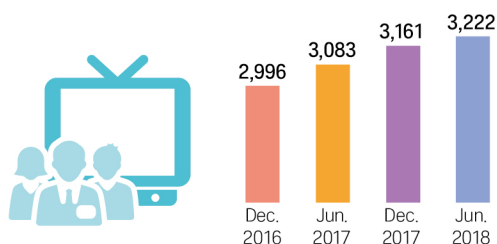


Note) P : Preliminary, Ministry of Science and ICT(2019)

The foundation for Industry vitality has been created by expanding broadcasting and communications services.

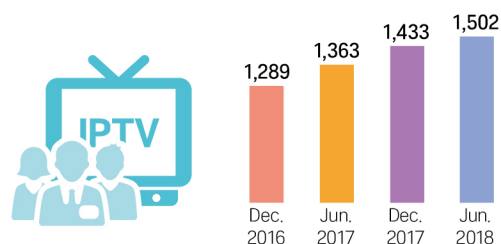
- > Broadcasting and communications convergence services have been revitalized with the continued increase in subscriptions to paid IPTV and broadband.
- > Wireless data traffic has grown by 27% from last year, while the number of LTE subscribers went up to 55.13 million.

Pay broadcasting subscribers (Unit : 10,000 devices)



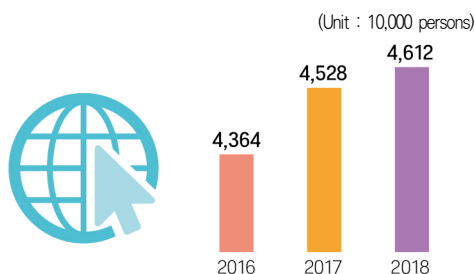
Note) based on CATV, satellite, IPTV subscribers, Ministry of Science and ICT(2018)

IPTV subscribers (Unit : 10,000 devices)



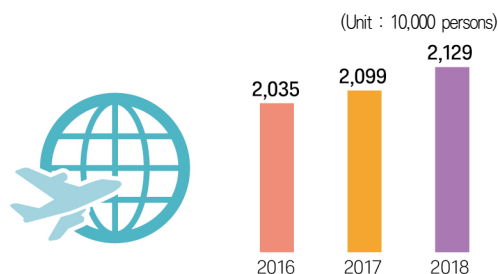
Note) Ministry of Science and ICT(2018)

Number of Internet users



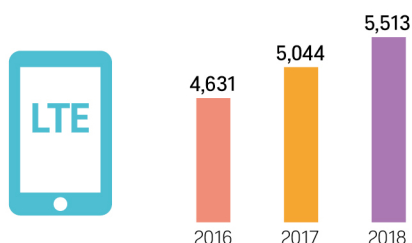
Note) Ministry of Science and ICT(2019)

Number of broadband Internet users



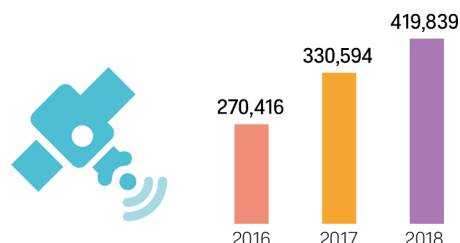
Note) Ministry of Science and ICT(2019)

Number of LTE subscribers (Unit : 10,000 persons)



Note) Ministry of Science and ICT(2019)

Wireless data traffic (Unit : TB)

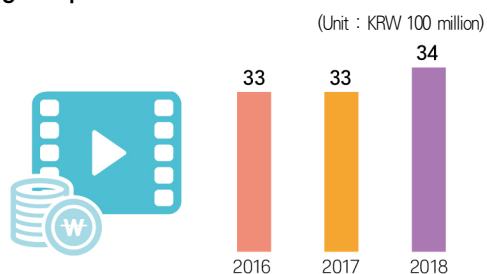


Note) Traffic by wireless technologies(2G, 3G, 4G, WiBro, Wi-Fi) as of December of each year, Ministry of Science and ICT(2019)

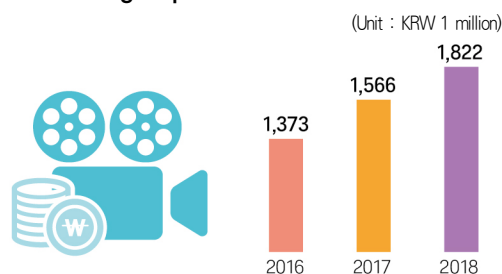
Content competitiveness of regional and small broadcasting has been enhanced to invigorate.

- > The Commission has provided institutional support for the quality of local broadcasting services while making efforts to realize the locality of media such as increasing the sales of outstanding production support programs for local broadcasting stations.
- > The Commission has raised viewer satisfaction by providing regional audience with quality shows and increasing the production cost subsidies for productions for disabled by regional broadcasting service providers.

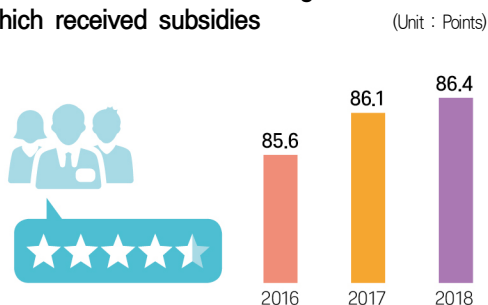
Grants for regional and small broadcasting program production



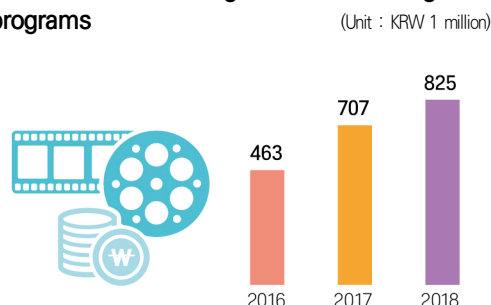
Grants provided to regional terrestrial broadcasting to produce shows for the disabled



Viewers' satisfaction with regional shows which received subsidies



Sales of excellent regional broadcasting programs

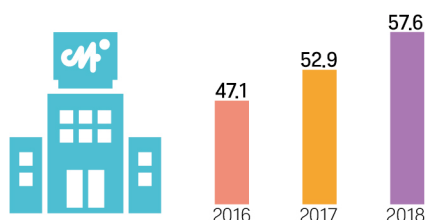


Viewers' rights have been promoted by expanding user access to broadcasting.

- > The Commission has expanded public access to the Community Media Centers in order to boost viewers' engagement and offered customized media education by life cycle and class, such as free semester media education.
- > By providing broadcast receivers for the visually or hearing impaired and supporting broadcast programs for the disabled, the Commission has committed itself to improving access to broadcasting services for those who previously experienced disadvantages.

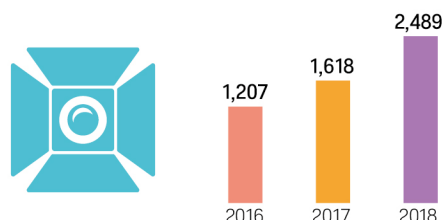
Number of users of the Community Media Centers

(Unit : 10,000 persons)



Number of PA programs using the Community Media Center facilities

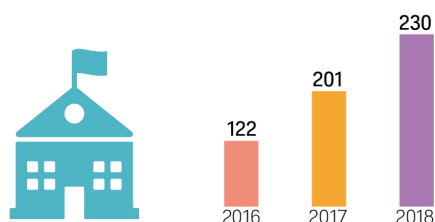
(Unit : Piece)



Note) PA(Public Access) : a program in which the viewer directs and produces video or radio broadcasts

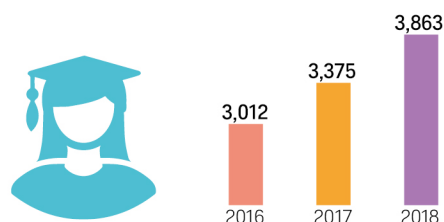
Number of schools offering free semester media education

(Unit : School)



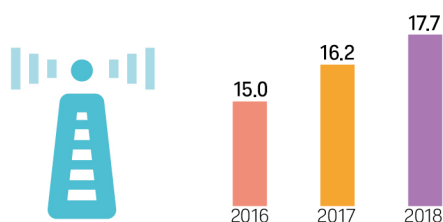
Number of students attending free semester media education

(Unit : Person)



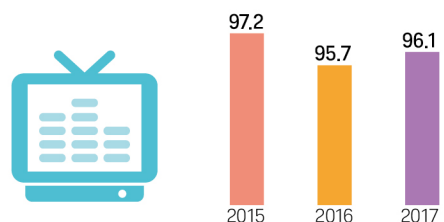
Provision of broadcasting receivers for visually or hearing impaired people

(Unit : 10,000 devices)



Ratio of operators to meet programming requirements for disabled people

(Unit : %)



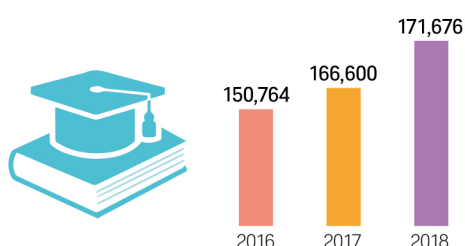
Note) Ratio for 2018 to be evaluated in 2019

A Healthy Internet user environment has been created while actively dealing with the adverse effects of Internet.

- > The Commission has offered anti-cyber bullying education and attracted more schools to the Secure Cyber Zone program, establishing a sound Internet culture.
- > The Commission continued to implement Internet ethics activities, operating Internet ethics classes and the Group of Korea Internet Dream Star.

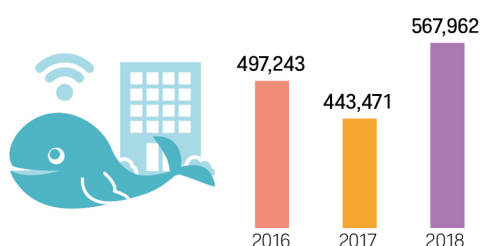
Internet ethics cyber bullying education

(Unit : Person)



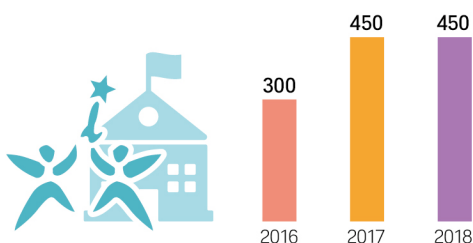
Number of Internet ethics education centers

(Unit : Person)



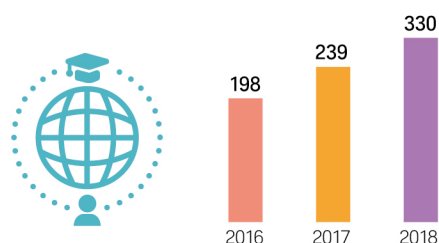
Number of schools of the Group of Korea Internet Dream Star

(Unit : School)



Number of schools to run the Secure Cyber Zone

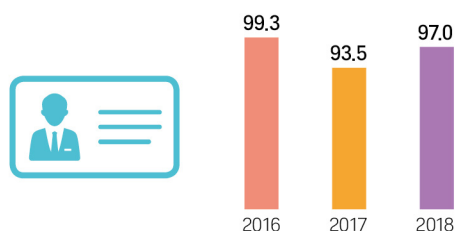
(Unit : School)



The Commission has strengthened personal data protection and improved broadcasting and communications service environment for users.

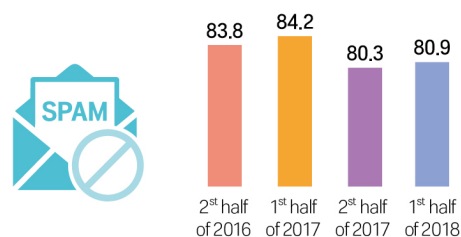
- > The Commission has enhanced transparency in personal information(8 types) usage by deleting the social security numbers of local and overseas websites up to 97% and recording the spam filtering rate up to 80.9%.
- > The number of spam mails and mobile messages received by an average user recorded 0.39 down 0.02 from the last year and 0.09, respectively, as a result of the efforts the Commission has made to protect users.

Deletion rate of private information* by local and overseas websites
(Unit : %)

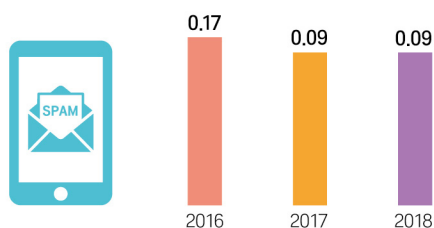


Note) Private Informations: Resident registration number, passport number, driver's license number, alien registration number, credit card number, account number, mobile phone number, health insurance number

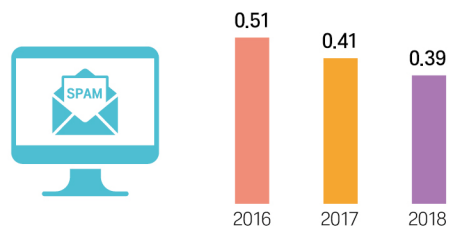
Spam message blocking rate of three mobile communications carriers
(Unit : %)



E-mail spams received
(Unit : Case)



Mobile spam messages received
(Unit : Case)





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I

Broadcasting and Communications Policy Environment

I. Broadcasting and Communications Policy Environment

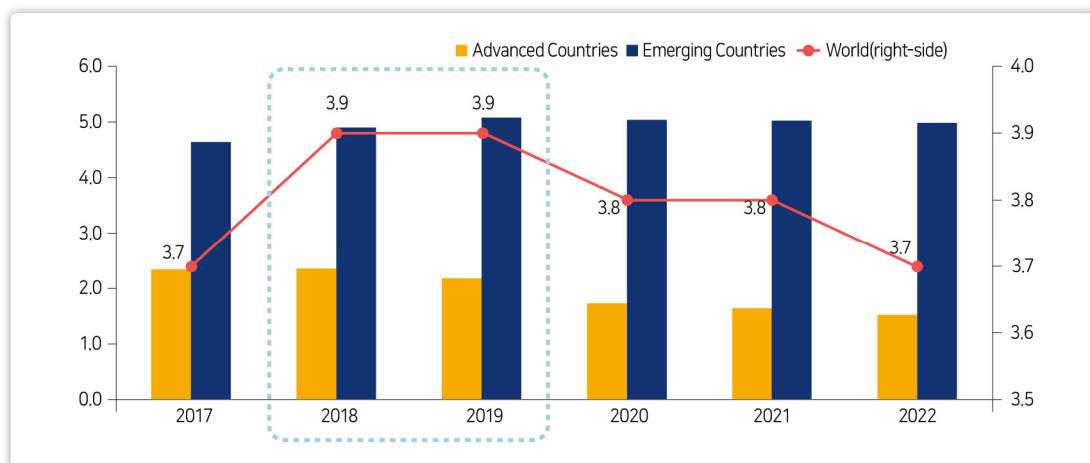
1. Trends in the Global Macro Economy and Broadcasting and Communications Markets

a. Trends in the Global Macro Economy

The global economy is projected to grow 3.9% in 2019 similar to the previous year, while there will be a significant gap among countries. Growth in developed countries including the US, Japan and Europe has shown signs of recovery, but the year of 2019 is forecast to see a 2.2% growth rate, down by 0.2% from the previous year¹.

Figure I -1 | Forecasts of Worldwide Economic Growth

(Unit : %)



Sources) 2019 and medium-term economy outlook, National Assembly Budget Office, 2018(World Economic Outlook July 2018, IMF)

Even though risk factors include global trade disputes and uncertainties regarding Brexit, the world would see a possible economic growth considering the robust labor markets of

1) 2019 and medium-term economy outlook, National Assembly Budget Office, 2018 (World Economic Outlook July 2018, IMF)

advanced nations and expansionary fiscal policies laid out by emerging economies²⁾.

The US economy is expected to have a weaker economic growth compared to 2018, due to factors including the reduced effects of tax reform, signals showing the Federal Reserve Board's decision to raise key interest rate, extended trade disputes with China. Europe is expected to have weaker export growth and the growth rate is expected to be lower than 2018 as Brexit increases uncertainty. Japan will record a low growth rate due to prolonged trade conflicts with the US and China, and increased raw material prices³⁾.

The world trade volume is expected to increase in 2019 as the world economy continues to grow. As the global trade protectionism is widely practiced, there is a possibility that global trade will decrease due to threats such as escalated trade disputes between the United States and China(National Assembly Budget Office, 2019).

The global macro-economy is not projected to be further deteriorated even with the ongoing global economy slowdown. However, it is hard to paint a rosy picture of 2019 global economy with factors like unresolved trade disputes, and issues like Brexit.

b. Trends in the Global Broadcasting and Communications Markets

Gartner predicts that the global IT market will reach USD 4 trillion by 2021 based on the robust growth of software industry. The average growth rate of communication services is expected to stand at 1.6% from 2016 to 2021, while the software market is predicted to grow by 8.5%. The software market is enjoying a continued expansion thanks to the emergence of new growth engines such as Artificial Intelligence-based technology of Augmented Reality(AR)/ Virtual Reality(VR). It is viewed that the IT market will further grow based on software database instead of hardware and communications due to the 4th Industrial Revolution and the emergence of data-based services. As the software market would have a robust growth, the IT industry is predicted to further expand.

2) Economic Outlook, BOK (2019)

3) 2019 World Economic Outlook, Korea Institute for International Economic Policy (2018)

Table I-1 | Forecasts of the Global IT Market

(Unit : USD 1 billion, %)

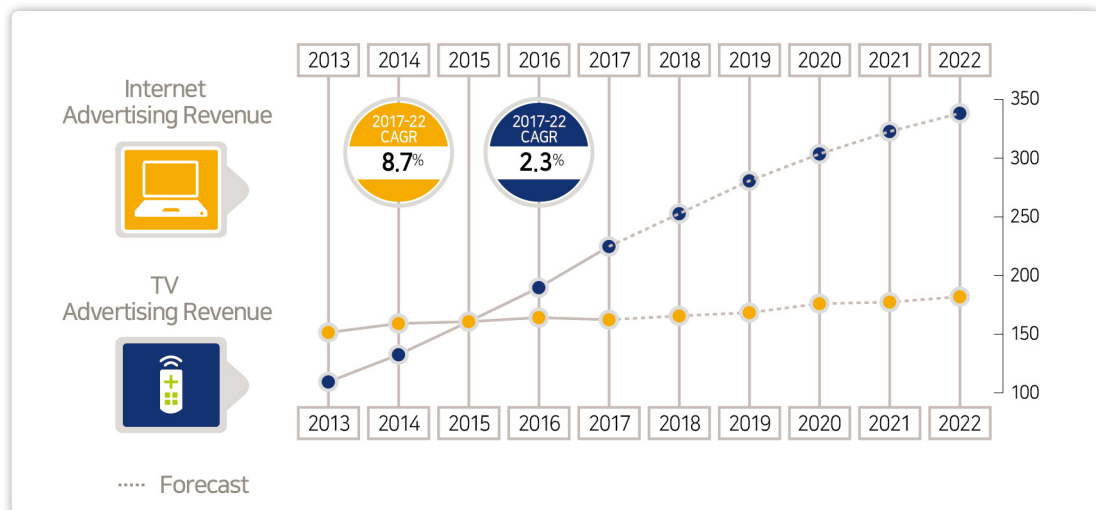
	Classification	2016	2017	2018	2019	2020	2021	2016-2021 CAGR
Market volume	Appliances	631	667	704	710	713	715	2.6
	Data Center System	170	178	179	179	178	178	0.9
	Software	326	355	389	421	455	491	8.5
	IT service	894	933	985	1,030	1,079	1,131	4.8
	Communications services	1,376	1,393	1,427	1,443	1,463	1,488	1.6
	Total	3,398	3,527	3,683	3,784	3,889	4,003	3.3
Growth rate	Appliances	△ 2.4	5.7	5.6	0.9	0.4	0.3	-
	Data Center System	△ 0.4	4.4	0.6	△ 0.2	△ 0.3	△ 0.2	-
	Software	5.3	8.9	9.5	8.4	8.1	7.8	-
	IT service	3.2	4.3	5.5	4.6	4.7	4.8	-
	Communications services	△ 1.3	1.3	2.4	1.1	1.4	1.7	-
	Total	0.3	3.8	4.5	2.7	2.8	3.0	-

(Note) Based on Current U.S. Dollars, Reduction : △

(Sources) ICT Industry Long-term Forecast, KISDI, 2018(Gartner 2017)

Figure I-2 | Forecasts of Internet and Broadcasting Advertising

(Unit : USD)

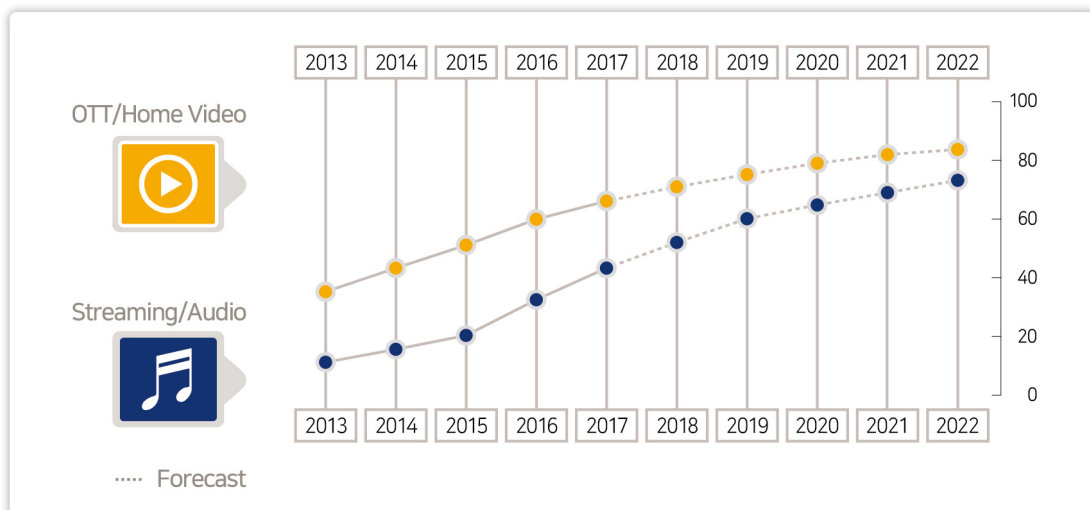


(Sources) Global Entertainment & Media Outlook 2018-2022, PwC

As one of the main sources of revenue in the media market, broadcast advertising is expected to be almost stagnant in the advertising market, while Internet advertising market would experience a significant growth. It clearly demonstrates that the traditional broadcasting market is outweighed by Over-the-Top(OTT) content market.

Figure I-3 | Forecast of OTT and Streaming Audio Industry

(Unit : %)



Note) Sales volume of OTT service out of home video, streaming service out of audio

Sources) Global Entertainment & Media Outlook 2018–2022, PwC

The growth of paid OTT market and streaming audio industry shows that a shift in user's preference on type of video, leading to the market increasingly centered on mobile devices. It would be continued as the OTT service is expected to be enjoyed not only on mobile devices but also TV.

2. Status of Broadcasting and Communications Market

a. Domestic Broadcasting and Communications Productions and Export Volume

The domestic market of broadcasting and communication devices and services shows signs of stagnant or slowing growth. The market volume of communications equipments is on a continued decrease from KRW 49 trillion in 2016 to KRW 43 trillion in 2018. As for the communications service, the volume is projected to drop from around KRW 38 trillion in 2016 to KRW 37 trillion in 2018. The broadcasting equipment market would see a slight rise to KRW 2.3 trillion in 2018 from KRW 2.2 trillion in 2016 while the broadcasting service is expected to have an increase from KRW 16.9 trillion in 2016 to KRW 17.9 trillion in 2018.

Table I -2 | Productions of the Domestic Broadcasting and Communications (Unit : KRW 1 million)

Classifications	2016	2017 ^P	2018 ^P
Communications devices	49,473,040	44,205,751	43,309,687
Broadcasting equipment	2,206,472	2,264,559	2,318,144
Communications services	38,010,646	38,254,299	37,053,480
Broadcasting services	16,986,231	17,160,057	17,977,627
Information services	17,691,713	19,073,668	20,059,810
Total	124,368,102	120,958,334	120,718,748

Note) P : Preliminary, Information services refer to Internet services

Sources) Trend research of ICT item, Ministry of Science and ICT(2019)

The export of communications and broadcasting equipment has slowed. According to <Table I -3>, domestic communication equipment exports is showing signs of slowdown, while broadcasting equipment exports went up in 2018 after a decline in 2017.

Table I -3 | Export Volume of the Domestic Broadcasting and Communications Equipment (Unit : USD 1000)

Classifications	2016	2017 ^P	2018 ^P
Communications devices	29,498,565	22,264,896	17,445,090
Broadcasting equipment	509,501	352,404	426,173

Note) P : Preliminary

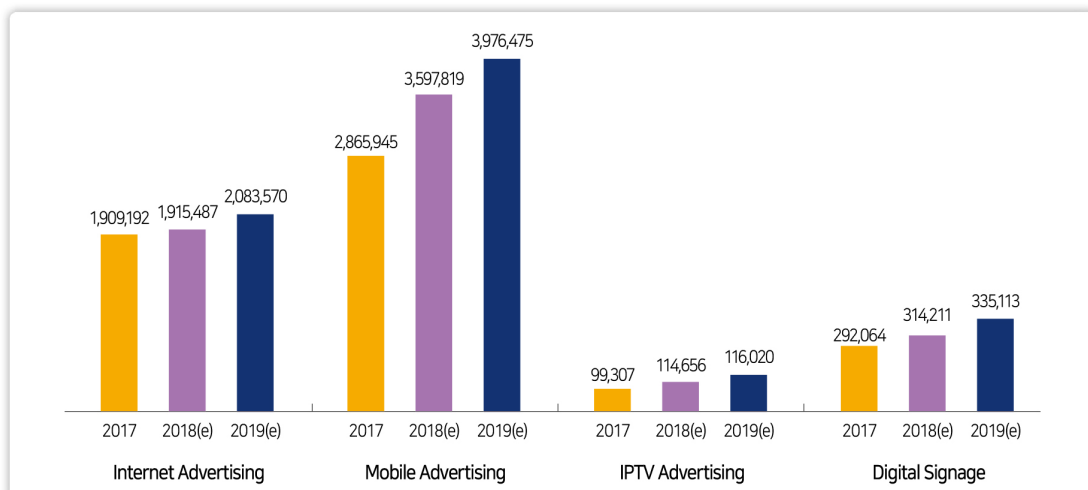
Sources) Trend research of ICT item, Ministry of Science and ICT(2019)

b. Status of Advertising Market

The advertising industry has been mostly led by a rising mobile advertising, resulting in the online advertising market which includes the fixed and wireless market is outpacing the broadcast advertising market. In particular an increasing number of users relaying on mobile device has affected the existing broadcasting advertising industry. It was mainly because of enhanced user friendly experience which 4G environment has offered, leading to an increase in number of mobile video users.

Figure I -4 | Smart Advertising Market Volume

(Unit : KRW 1 million)



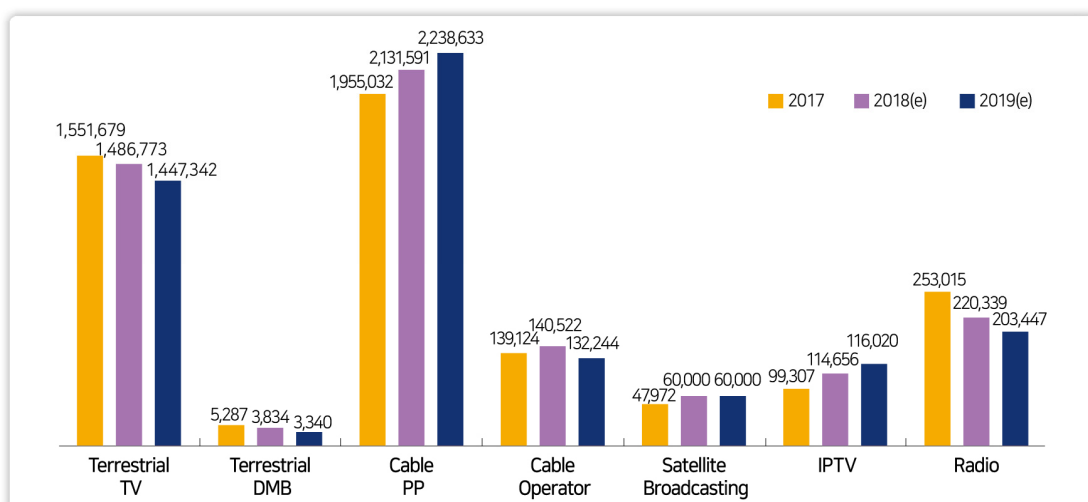
Note) e : estimate

Sources) Korea Advertising Expenditure Research (2018), Ministry of Science and ICT(MSIT), KOBACO (2018)

One of the main reasons for the worsening of broadcasting advertising market is a decline in sales of terrestrial broadcast advertising. Even though the transition of broadcasting to the online advertising market is also affecting a drop in sales of terrestrial broadcasting ads, it seems that another reason is terrestrial broadcasting service providers are losing the edge in the contents.

Figure I -5 | Broadcasting Advertising Market Volume

(Unit : KRW 1 million)



Note) e : estimate

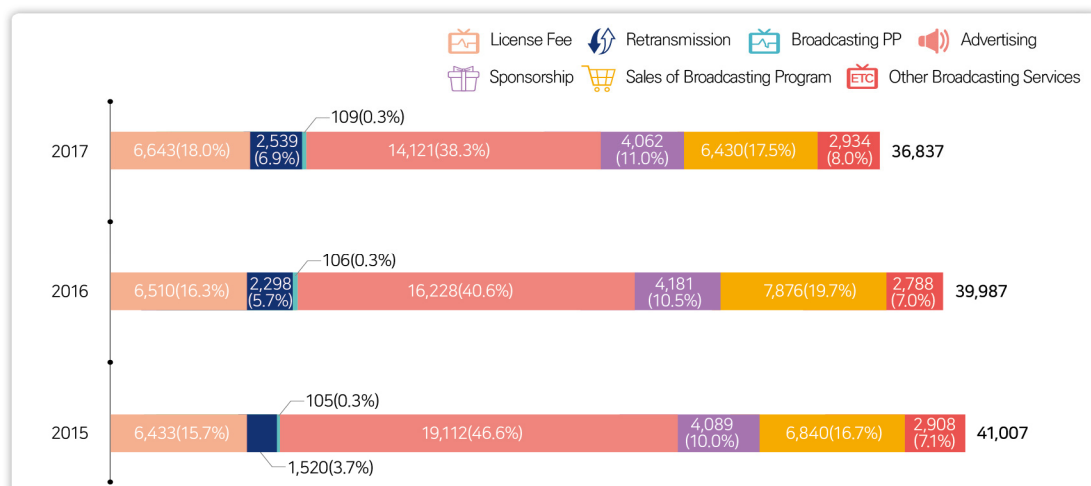
Sources) Korea Advertising Expenditure Research (2018), Ministry of Science and ICT(MSIT), KOBACO (2018)

It is obvious that a growing online advertising market has led terrestrial broadcasting market to lose its competitiveness. But paid broadcasting program providers' rapid growth is one of the reasons behind it. In the mid and long term, a shifting advertising market that goes around mobile ads will slow down the sales of paid broadcasting PP.

c. Status of Broadcasting Advertising by Type

Sales of terrestrial broadcasting businesses are deteriorating overall due to shrinking broadcasting and advertisement funds. The sales of advertising for terrestrial broadcasters, which accounted for up to 46.6% in 2015, have decreased to 38.3% as of 2017. The proportion of reception fees is meager but continues to increase. The revenues coming from program sales, which had grown significantly between 2015 and 2016, also dropped significantly between 2016 and 2017. The revenues from broadcasting programs decreased by KRW 40 billion in 2017 compared to 2015. On the other hand, the proportion of retransmission fee received from paid broadcasting platform operators is rising. The fee which stood at KRW 152 billion in 2015, rose significantly to KRW 253.9 billion as of 2017. It is predicted that the proportion of the cost of retransmission will continue to grow in the future. It seems that it is time to come up with measures to enhance the competitiveness of terrestrial broadcasting as sales of terrestrial broadcasting services are decreasing overall.

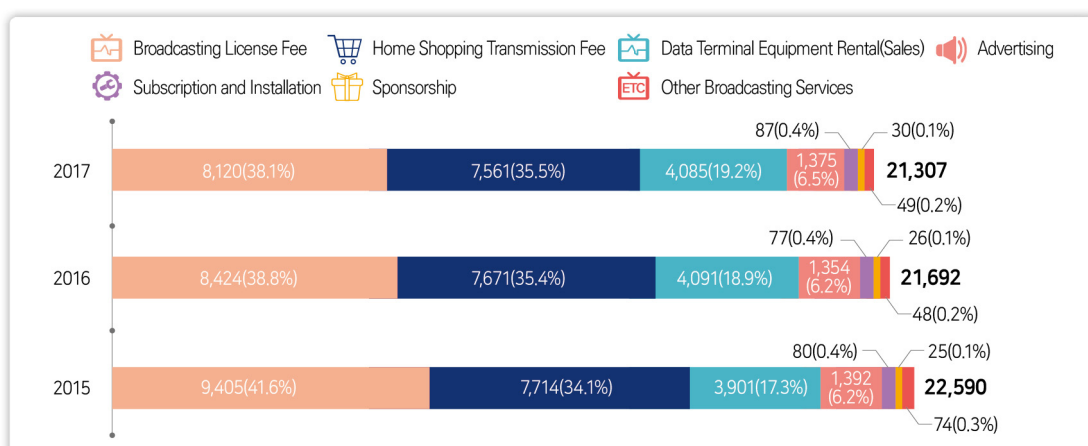
Figure I -6 | Trends on the Proportion of Terrestrial Broadcasting Sales (Unit : KRW 100 million)



Sources) Research on Broadcasting Industry(2018), Ministry of Science and ICT(MSIT), Korea Communications Commission(KCC) (2018)

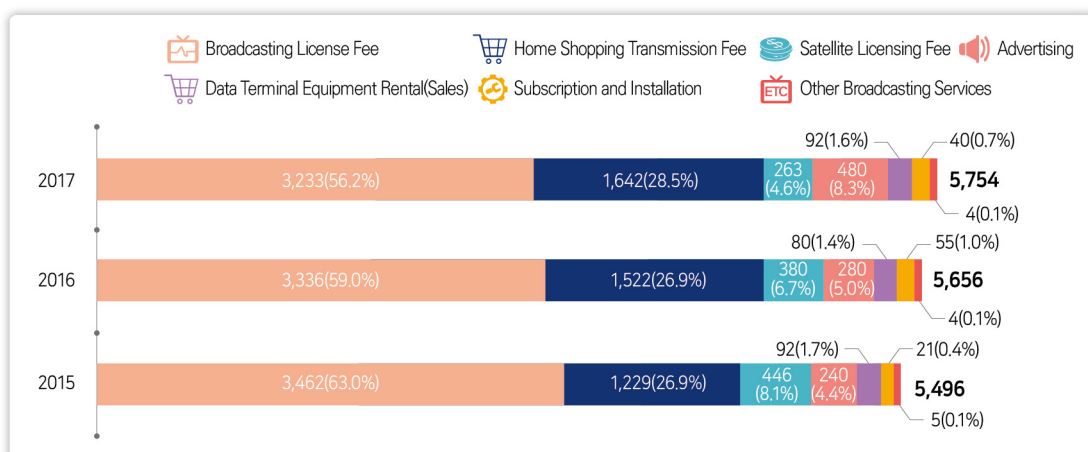
The cable TV system operators have seen a continuous decrease in sales of broadcast fees, the most important source of revenue. The fees which recorded KRW 940.5 billion in 2015, dropped significantly to KRW 812 billion in 2017. With the number of subscribers to cable TV SOs continuing to slip, it is probable that the cable TV SOs would see a steady decline in sales. Meanwhile, the sales of cable TV SO's home shopping fees which had been on the rise are also decreasing. Considering the number of cable TV subscribers which has been on a decline, the sales of home shopping fees is highly likely to drop continuously.

Figure I-7 | Trends on the Proportion of Cable TV System Operators Sales (Unit : KRW 100 million)



Sources) Research on Broadcasting Industry(2018), Ministry of Science and ICT(MSIT), Korea Communications Commission(KCC) (2018)

Figure I-8 | Trends on the Proportion of Satellite Broadcasting System Sales (Unit : KRW 100 million)



Sources) Research on Broadcasting Industry(2018), Ministry of Science and ICT(MSIT), Korea Communications Commission(KCC) (2018)

While the revenue from satellite television's license fee has been declining, that from home shopping fees have slightly risen. IPTV's license and home shopping fees are both significantly rising, which can be attributed to an increase in the number of subscribers. Since November 2017 when the number of IPTV subscribers surpassed that of cable TV SO, the gap has been widening.

Table I-4 | Number of SO and IPTV Subscribers

(Unit : Data Terminal Device, Port)

Classifications	Dec. 2015	Jun. 2016	Dec. 2016	Jun. 2017	Nov. 2017	Jun. 2018
SO	13,732,084	13,848,657	13,886,670	13,968,178	14,097,123	13,940,289
IPTV	11,358,187	12,196,432	12,889,408	13,632,000	14,220,281	15,015,907
SO-IPTV	2,373,897	1,652,225	997,262	336,178	△123,158	△1,075,618

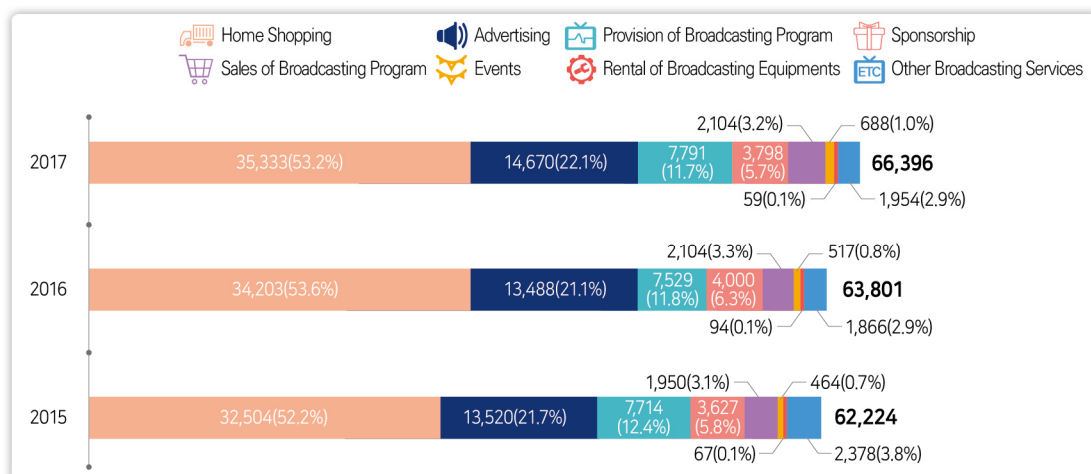
Note) Reduction : △

Sources) News release on the number of paid broadcasting subscribers and market share (2018), Ministry of Science and ICT(MSIT) (2018)

The advertising and program fees for program providers (PP) has been on a slight increase. However due to a rapidly growing online advertising industry, the sales in advertising would experience a possible decline.

Figure I-9 | Trends of Proportion of Program Providers Sales

(Unit : KRW 100 million)

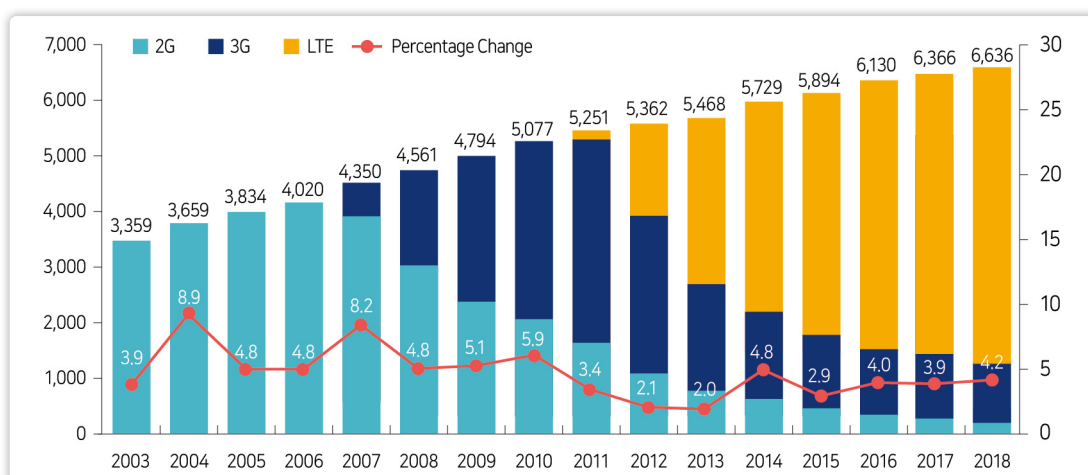


Sources) Research on Broadcasting Industry(2018), Ministry of Science and ICT(MSIT), Korea Communications Commission(KCC) (2018)

d. Status of Communications Market

The mobile communications market has been on a steady growth, but the rate tends to slow down. Even if the fifth generation network services(5G) would be commercialized, it seems unlikely that the number of subscribers to mobile communications significantly increase. Given this, the mobile communication market needs to diversify its profits by providing various services to users rather than focusing on increasing the number of subscribers. Also it is predicted that the B2B model would be enhanced.

Figure I -10 | Trends of the Number of Subscribers to Mobile Communications (Unit : 10 thousand, %)



Sources) Ministry of Science and ICT(2019)

The slowing growth of LTE subscribers has become more pronounced than that of mobile phone users. This can be seen as a phenomenon that occurs as communication markets are reorganized mainly in the wireless market. It could be elevated as 5G becomes commercialized.

e. Changes in the Broadcasting and Communications Policy Environment

1) Growth of New Types of Media

Over the top(OTT) media services and other new types are growing rapidly which raised concerns over how to approach the new types of media that are similar to the existing broadcasting services. The Korean 「Broadcasting Act」 has incorporated operators within

the legal system by dividing them into broadcasting, broadcasting businesses and broadcasting service providers and applying new definitions to the media whenever new media is introduced. In addition, outsourced production was included by borrowing the definition of 「Framework Act on the Promotion of Cultural Industries」 as the authority arbitration was introduced. This can be said to be part of measures to protect outsourced producers who have relatively less bargaining power than broadcasters.

A series of discussions are being held on whether new media such as OTT should be included within the broadcasting and communication law system. In the early days of the introduction, it was relatively obvious that OTT should be encouraged to grow further rather than having it under a regulation considering it is one of the new types of media different from the existing broadcasting. However as the OTT services became accounting for a growing part of media industry and the existing broadcasting communications business entities are venturing into the new types of media area, it became an issue that the new service should be under regulations. There have also been continuous calls for addressing reverse discrimination against local operators due to the growing influence of overseas service providers such as Youtube and Netflix. Accordingly, the Korea Communications Commission(hereinafter referred to as the Commission) announced that it would seek to improve the system, including the legal status of paid broadcasting VODs, through <the 4th Vision and Major Policy Tasks of Korea Communications Commission>.

The growth of non-traditional broadcasting services in the video market is expected to be more pronounced in the future. The improved network and the widely-used unlimited rate plans have eased the burden on users to watch videos in the mobile environment. In addition, access to a much more diverse range of content through online and mobile devices than traditional broadcasting service will serve as a foundation for future growth of new media such as OTT.

The US and Europe, which have seen much faster OTT growth than Korea, are responding to the rapidly emerging new services. However, due to frequent changes in the environment and the introduction of various types of OTT services, it is still difficult to put the new services into a complete regulatory framework. Given this, it is fair to say that Korea

which has been slow to respond the converging environment ought to cope with introducing new types of media and encouraging them to be widely used in the future.

Unlike what was expected at the early stage of introduction, the OTT market has not grown enough. It is deemed necessary to provide policy support and create an environment that will take the local operators to a global level. It is considered important to create a policy environment to further enhance the competitiveness of contents, which can be called the core competitiveness of the domestic media industry, and to combine them with original services.

Meanwhile, as information access through various channels becomes possible, much more information is also being circulated. While it is positive that users have access to a wide variety of information through media and platforms, the source of information that is difficult to identify is often distributed without going through any sanctions, which can lead to adverse effects in society. Therefore, it is time to come up with measures against the circulation of false information through the media in the near future.

The growth of the new type of media can be said to be beneficial in a way that it provides opportunities for new growth in the industry, and also it gives users various media contents. However, this could cause a confusion in the market and even social adverse effects. Thus, it is deemed necessary that the authorities to prepare a policy environment in which new type of media can be settled in a desirable way in the market.

2) Globalization

Globalization in the media market has been deepening. In particular, the growth of new media market is the most important factor in accelerating globalization. The Korean operators' overseas expansion, which has been seen as "Hallyu(or Korean Wave)", rather than overseas operators' entry into the country has been drawing more attention. However, there is a growing interest in foreign businesses in recent years thanks to the expanding influence of overseas operators such as Google, Facebook and Netflix.

Global operators such as Google, Facebook and Netflix have been expanding their influence in the local market with their own advantages. The strength of Google's Youtube

is that it not only has access to a variety of content, but it is also easy for users to participate in it themselves. As a result, not only is it becoming common for younger generations to use Youtube as a search channel, but Youtube is considered to create a foundation for revitalizing the local multi-channel networks(MCN) industry. The advantage of Facebook is that it is easy to exchange information including personal updates and news based on relationship-based services. As the issues related to fake news via Facebook became more aggravated in US, Facebook changed its algorithm, that shows the popularity of Facebook in exchanging information. Known as a platform features original content and customized services, Netflix has entered overseas markets and produced original contents in those countries to secure IPs and utilize them in global markets.

Recently, Netflix's massive capital injection in producing contents in Korea has emerged as an issue. There has been a series of discussion on the impact the domestic media market would have when Netflix which has an edge in finance over domestic operators has invested a large amount of capital in the local broadcasting content market.

Some say that Netflix would play a positive role as a large investor to the local broadcasting content market, but also have local broadcasting contents to enter the global market based on its worldwide distribution channel. However, others say that the domestic broadcasting industry would be hollow and undergo difficulties in producing broadcasting programs by itself.

The rising concerns over global operators' entry into the country are related to the conditions in the local broadcasting market. The domestic market of broadcast advertising is continuously shrinking while online advertising market including mobile is on a steady growth. Given the user preference on media type and the current broadcasting market, it would be difficult for the condition to improve easily.

Meanwhile, with the status of value added common carrier, the overseas providers operating in Korea could bypass the regulations because they are not local operators which are under strict rules and regulations. This has raised concerns that local operators are being reversely discriminated against. To deal with this issue, the committee has striven to implement the mandatory system that required overseas operators to designate their domestic agents.

The main contents of the amendment to the 「Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」 are as follows: Under the amendment proposed by the committee, operators without addresses or offices in the country are also required to designate local agents if they fall under the following conditions. These conditions include “over KRW 1 trillion in total sales of previous year,” “over KRW 10 billion in sales in the information and communication service sector,” “over the number of 1 million daily users on average are stored and managed” and “those who are required to submit data during the committee’s investigation.”

In the meantime, a number of disputes occurred between global and domestic operators specifically on payment of network usage for a long period until SKB and Facebook reached a settlement on paying the network fee to SKB.

As globalization is unavoidable, it is considered important to lay out the relevant policies that help local media businesses adapt to the environment. To this end, it is deemed necessary to create a foundation on which local businesses could compete fairly with global businesses and help the locals actively forge into the overseas markets.

3) 5G, Advances in Technology, Such as Accelerating Data-based Services

With the fourth industrial revolution, technology in the media sector has rapidly evolved, which affects the policy environment as well. Currently, even though regulating the media sector is important, there is a growing need to find new growth engines by invigorating the media sector.

The year of 2019 is expected to be the first year of the fifth generation network service (5G). The technology will serve as an opportunity for users to utilize the media contents more than before when 4G network service was provided. In particular, the most competitive technology related to the 4th Industrial Revolution in Korea is considered to be network technology, raising hopes for synergy effects between the 4th Industrial Revolution and 5G technology.

On the other hand, how data on the planet is utilized has become an issue in all areas

including the media sector. The core competitiveness of platform companies such as Google, Netflix and Facebook which are currently leading the world lays in utilizing the data. To meet the user expectations, they provide optimally customized contents and services to each user by utilizing the database they secured so that they draws user's attention and make them stay longer. Concepts such as data-based economy and platform economy have also gained attention in Korea, highlighting the need for institutional support for new technologies as well as institutional improvements to make good use of artificial intelligence and big data.

What is drawing attention in this regard is the application of "negative regulation" that minimizes regulations on new technologies and the "regulatory sandbox" system that provides opportunities for operators. A "regulatory sandbox" is a system in which companies seeking innovation are exempt from or waived existing regulations for a certain period of time when they release products.

The introduction of new technologies and the development of the media industry are expected to become a national issue in the near future beyond the broadcasting and communication sectors. It is time to take the media industry to the next level through rational and efficient regulatory improvements in the broadcasting and communication sector which serves as one of the nation's key growth engines.

II

Status and Policy Objectives of the Korea Communications Commission

II. Status and Policy Objectives of the Korea Communications Commission

1. Overview

The Korea Communications Commission (hereinafter referred to as ‘the Commission’ or ‘the KCC’), founded pursuant to the 「Act on the Establishment and Operation of Korea Communications Commission」, is responsible for regulating broadcasting and communications services, protecting their users, and dealing with other matters required for maintaining the independence of broadcasting services. Its mission is to contribute to promoting the freedom, public nature and public interest of broadcasting by actively responding to the convergence between broadcasting and communications sectors.

The key functions of the Commission include the formulation and implementation of policies pertaining to terrestrial broadcasting, general service and news-specialized Program Provider (Programming providing business operator, hereinafter referred to as ‘PP’), as well as the investigation and imposition of sanctions against violations conducted by broadcasting or communications business entities, the development and implementation of wide-ranging measures aimed at protecting users and their personal data, preventing the circulation of illegal or harmful information, the arrangement of broadcasting commercials, the formulation and enforcement of policies on programming and evaluation, and the development of policies for media diversification.

The Commission is composed of five standing commissioners including the chairman and the vice chairperson. Of the five standing commissioners, two, including the chairman, are directly appointed by the President of the Republic of Korea. The remaining three are nominated by the National Assembly and appointed by the President⁴⁾. The Commission deliberates and resolves key issues according to the characteristics of Collegiate System.

4) One of the three standing commissioners is recommended by negotiating group of the political group which the President is or was in and other two are recommended by other negotiating bodies

The Commission is responsible for the enforcement of the statutes listed in the table below:

Table II-1 | Laws Under Jurisdiction of the Commission

Law	Descriptions	Dates Enacted and Amended
「Act on the Establishment and Operation of Korea Communications Commission」	<ul style="list-style-type: none"> • Legal basis for the foundation, organization, and administrative structure of the Commission • Duties and operational methods of the Commission and organization of review committees 	Enacted on Feb. 29, 2008 Amended on Feb. 21, 2018
「Framework Act on Broadcasting Communications Development」	<ul style="list-style-type: none"> • Establishment of basic policy directions and plans for broadcasting and communications • Disaster management in broadcasting and communications and establishment of the Broadcasting Communications Development Fund 	Enacted on Mar. 22, 2010 Amended on Dec. 24, 2018
「Broadcasting Act」	<ul style="list-style-type: none"> • Freedom and independence of broadcast programming and public accountability of broadcasting • Licensing, re-licensing, approval/permission or re-approval of broadcasting service businesses 	Enacted on Jan. 12, 2000 Amended on Dec. 24, 2018
「Korea Educational Broadcasting System Act」	<ul style="list-style-type: none"> • Capital and investments of the Korea Educational Broadcasting System • Appointment of officers and composition of the board of directors 	Enacted on Jan. 12, 2000 Amended on Feb. 21, 2018
「Foundation for Broadcast Culture Act」	<ul style="list-style-type: none"> • Organization of officers for the Foundation of Broadcasting Culture • Legal basis for Culture Promotion Fund 	Enacted on Dec. 26, 1988 Amended on Jun. 3, 2014
「Special Act on Assistance in Development of Regional Broadcasting」	<ul style="list-style-type: none"> • Establishment of Plans for Regional Broadcasting Development and Support • Organization of Regional Broadcasting Development Committee 	Enacted on Jun. 3, 2014
「Act on Broadcast Advertising Sales Agencies, etc.」	<ul style="list-style-type: none"> • Licensing of broadcast advertising sales agencies and restrictions on their ownership • Balanced development of broadcasting advertisement 	Enacted on Feb. 22, 2012 Amended on Jul. 26, 2017
「Internet Multimedia Broadcast Services Act」	<ul style="list-style-type: none"> • Licensing of Internet multimedia broadcast services • Guarantee of fair competition 	Enacted on Jan. 18, 2008 Amended on Jul. 26, 2017
「Act on the Protection, Use, etc, of Location Information」	<ul style="list-style-type: none"> • Classification of business operators and system for market entry • Use of personal location data by emergency aid agencies 	Enacted on Jan. 27, 2005 Amended on Dec. 24, 2018

Law	Descriptions	Dates Enacted and Amended
「Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」	<ul style="list-style-type: none"> • Restriction of collection and use of personal data • Guarantee of information network security 	Enacted on May 12, 1986 Amended on Dec. 24, 2018
「Mobile Device Distribution Improvement Act」	<ul style="list-style-type: none"> • Prohibition on discriminative subsidization and announcement of subsidies • Restriction on making independent contract related to subsidies 	Enacted on May 28, 2014 Amended on Feb. 21, 2018
「Telecommunications Business Act」	<ul style="list-style-type: none"> • Classification of services and business operators, promotion of competition, and systems for fair competition • System for protecting network users 	Enacted on Dec. 30, 1983 Amended on Dec. 24, 2018
「Radio Waves Act」	<ul style="list-style-type: none"> • Procedure for distribution, allocation, recollection and reallocation of frequency bands • Procedure for use of radio stations, including their licensing and inspection 	Enacted on Dec. 30, 1961 Amended on Feb. 21, 2018

Note) Includes statutes that are jointly enforced by the Ministry of Science and ICT

2. Organization and Functions

a. Organizational Status

Figure II - 1 | The Standing Commissioners of the Forth-term Commission



Lee Hyo-seong, Chairman

Chairman Lee earned his bachelor's degree in Geology(1973) and master's degree in Journalism and Information Studies(1975) from Seoul National University and went on to complete Ph. D course in Journalism(1979) from the same University. He worked as a reporter from Munhwa Broadcasting Corporation and Kyunghyang Newspaper(1978) and professor of Journalism and Mass Communication, Sungkyunkwan University(1990~2016), head of Korea Research Society for Journalism(1991~1993), chairman and Policy Director of Citizens Coalition for Democratic Media(1998~2003), president of Korean Association for Communication and Information Studies(1998~2000), co-chair of People's Coalition for Media Reform(1998~2000), head of Korea Association for Broadcasting & Telecommunications Studies(2002~2003), vice chairman of Korea Broadcasting Commission(2003~2006), president of Graduate School of Journalism and Media, Sungkyunkwan University(2007~2011) and professor Emeritus of Sungkyunkwan University(2016~2017).



Kim Suk-jin, Vice Chairman

Kim majored in Political Science & International Relations at Kookmin University(1984) and completed Advanced Program at the Graduate School of Journalism & Mass Communication, Yonsei University(2010). Having started his career as a reporter at Munhwa Broadcasting Corporation(1984), his posts include politics reporter and editorial writer, director general of news reporting office of OBS TV(2007), head of news reporting bureau(2009~2011), director and head of news reporting bureau of Yonhapnews TV(2011), auditor of Construction Workers Mutual Aid Association(2013).



Hur Wook, Commissioner

Hur obtained B.S. in Civil Engineering from Sungkyunkwan University(1985), went on to earn M.A. in Broadcasting, Mass Communications Graduate School from Sogang University(1996), completed Ph. D. course in Business from Kyung Hee University(2016). Having started his career as a deputy head of News Department, Christian Broadcasting System(CBS)(1989~2000), he worked as head of Planning and Coordination Department, Christian Broadcasting System(CBS)(1999~2000), president of CBSi (2000~2003), editorial director of UpKorea online newspaper(2003~2004), deputy director, Editorial Department, Aju News(2008) and head of Research Center on Value Business, Expert Consulting (2011~2017) and more.



Pyo Chul-soo, Commissioner

Pyo graduated from Seoul National University with bachelor's degree in geology(1975). Having started his career at News Division of KBS(1975), he went on to work as deputy division head of Politics Division of KBS(1986), division head at News Division of YTN(1994), media director of YTN(1999), non-standing board member of Korea Expressway Corporation(1999~2001), managing director and executive director of Kyung-in Broadcasting(2000~2003), secretary general of Korea Broadcasting Commission(2003~2006), non-standing board member of Korea Press Foundation(2005), deputy governor of Gyeonggi Province(2007~2009) and senior advisor of New Politics Alliance for Democracy(2014).



Ko Sam-seog, Commissioner

Ko graduated from Chosun University with a BA in Political Science and Diplomacy(1993). He earned his MA in the same discipline from Sogang University(1996) and a Ph. D. in Journalism and Mass Communication from Chung-Ang University(2010). He served as the National Assembly assistant(2000), PR planning administrator in the Presidential Secretariat(2003), innovation officer in the Presidential Secretariat(2006), member of the Korea Broadcasting-Communication Convergence Commission under the Prime Minister's Office(2006), adjunct professor at the Graduate School of Mass Communication at Chung-Ang University(2012), Director of the Media Literacy Center at the Media & Future Institute (2013), the National Assembly Policy Researcher(2014), and KCC third-term commissioner(2014~2017)

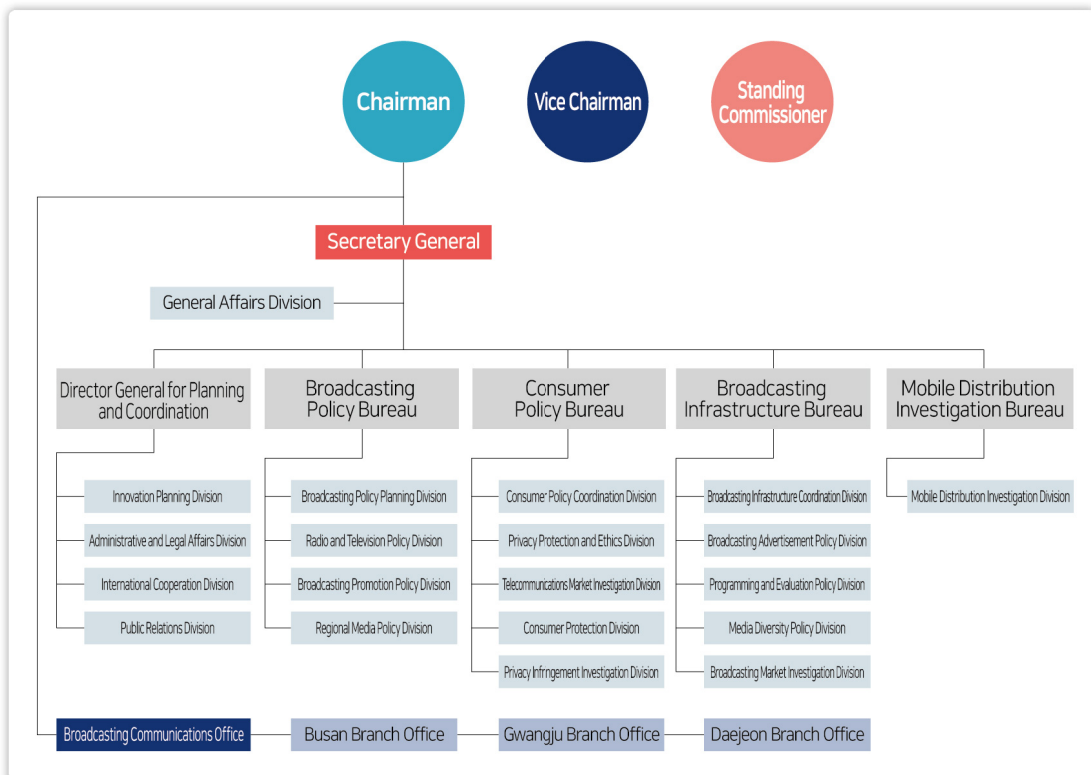
(Note) as of March 2019

Following the amendment of 「Organizational System of the Korea Communications Commission」(Presidential Decree No. 29192, enforced on September 28, 2018), the Commission, previously composed of one secretariat, three bureaus, one director general, and nineteen divisions has been reorganized with the current structure of one secretariat, three bureaus, one director general, twenty divisions and one office as shown in 〈Figure II-2〉.

Major amendments are as follows, the Commission has added two new members (one Grade 5, one Grade 6 civil servant) to protect broadcasting and communications users and enhance investigation capabilities, while public relations international cooperation division was shifted into international cooperation division, and public relations division was newly created by adding one member(Grade 4 civil servant).

In addition, the Commission established a broadcasting and communications office to directly carry out such tasks as violation of commercial advertisement information transmission for commercial purposes that the Commission entrusted to the Director of the Central Radio Management Service of the Ministry of Science and ICT(MSIT) and violation of the programming ratio of broadcasting service operators including terrestrial broadcasting service operators and other broadcasting service operators. The KCC newly established the Broadcasting and Communications Office and added one new member(Grade 4 civil servant) and transferred as many as 40 employees of the Central Radio Management Service who carried out the related affairs to the Commission.

Figure II - 2 | Organizational Chart of the Korea Communications Commission



b. Responsible Services and Division of Duties

Under Article 11 of the 「Act on the Establishment and Operation of Korea Communications Commission」, the following matters shall be duties under jurisdiction of the Commission:

1. Matters concerning policies on broadcast advertising, policies on evaluation of programming, planning for broadcasting promotion, planning for broadcasting policies, policies on terrestrial broadcasting, and policies on broadcasting channels
2. Matters concerning the overall control of research and planning, market surveys on broadcasting and communications, protection of users of broadcasting and communications, promotion of viewers' rights and interests, and ethics relating to personal data protection
3. Matters concerning the management of frequencies used for broadcasting services
4. Other matters determined as duties of the Commission by this Act or other Acts.

Under Article 12, The Commission shall deliberate and resolve the following matters from duties under its jurisdiction:

1. Matters concerning basic plans on broadcasting and those on the regulation of communications
2. Matters concerning the recommendation on directors and the appointment of auditors for the Korean Broadcasting System
3. Matters concerning the appointment of directors and auditors for the Foundation for Broadcast Culture
4. Matters concerning the appointment of chief executive officer, directors, and auditors for the Educational Broadcasting System
5. Matters concerning the research on and assessment of media diversity

6. Matters concerning the permission and renewal of permission granted to terrestrial broadcasting business entities and community radio broadcasting business entities.
7. Matters concerning the approval for program providing business entities using broadcasting channels for general programming or specialized programming in news report
8. Matters concerning the permission, renewal of permission, and permission for change granted to satellite broadcasting business entities, CATV broadcasting business entities, and CATV relay broadcasting business entities, as well as those concerning the consent to the enactment, modification, and repeal of related statutes
9. Matters concerning the permission, revocation, and approval for broadcast advertising sales agencies pursuant to the 「Act on Broadcast Advertising Sales Agencies, etc.」
10. Matters concerning investigation and restriction on prohibited acts by broadcasting business entities
11. Matters concerning the investigation into and restriction on prohibited acts by broadcast advertising sales agencies
12. Matters concerning the investigation into and restriction on prohibited acts by telecommunications business entities
13. Matters concerning the mediation of disputes between and among broadcasting business entities and telecommunications business entities, or disputes between business entities and users, etc.
14. Matters concerning the mediation of disputes between and among broadcast advertising sales agencies, etc.
15. Matters concerning the response to complaints from viewers as well as the protection of users of broadcasting and communications
16. Matters concerning the management of a Community Media Foundation
17. Matters concerning the guarantee of the universal watching and listening rights

18. Matters concerning the composition and management of the Broadcast Review Committee
19. Matters concerning the restrictions, etc. on the share of audience of broadcasting business entities
20. Matters concerning the disciplinary measures pursuant to the deliberation and resolution by the Korea Communications Standards Commission
21. Matters concerning the composition and management of the Regional Broadcasting Development Committee
22. Matters concerning the research and support with respect to the regulation of broadcasting and communications
23. Matters concerning the international cooperation with respect to the regulation of broadcasting and communications
24. Matters concerning the management of frequencies used for broadcasting services
25. Matters concerning the operation, organization, and sales of broadcast programs and broadcast advertising
26. Matters concerning the raising, management, and operation of funds related to broadcasting and communications
27. Matters concerning the enactment, modification, and repeal of statutes concerned as well as regulations of the Commission
28. Matters concerning the budget and budget planning of the Commission
29. Matters on which the Commission has deliberated and resolved pursuant to this Act or other Acts

Each department of the Commission is responsible for the specific duties provided in <Table II-2> :

Table II-2 | Division of Work by Department of the Commission

Departments		Key Duties
Director General for Planning and Coordination	Innovation Planning Division	<ul style="list-style-type: none"> Establishment and coordination of policies and major plans General management of the Commissions organization, personnel quota, and other committees Establishment of mid-term budget and planning, allocation and execution of budget Budget arrangement, expenditure, operation cost expenditure and closing Coordination of Government 3.0 duties and services for cooperation with the National Assembly and other external agencies Management of office services, office automation, and the establishment and operation of knowledge information systems Emergency, security-related services, and disaster management
	Administrative and Legal Affairs Division	<ul style="list-style-type: none"> Basic planning for performance management and administrative systems and trend analysis Services or duties related to the drafting or review of law bills, administrative decisions and regulations, and regulation reforms Appointment of officers for the Korean Broadcasting System, the Korea Educational Broadcasting System, and the Foundation for Broadcast Culture Coordination of agenda items for cabinet meetings and Vice-Minister meetings Meeting of the Commission, compilation and preservation of agenda Reception of review of meeting agenda of the Commission Coordination of tasks related to the National Assembly
	International Cooperation Division	<ul style="list-style-type: none"> Policies on international cooperation by region, including inter-governmental cooperation Negotiations related to broadcasting and communications, including those for the WTO and FTA Policies concerning international organizations Operation of international organizations related to broadcasting and communications, and their policy development
	Public Relations Division	<ul style="list-style-type: none"> Support for public relations or press briefings on key policies Analysis, evaluation of, and response to press report
Broadcasting Policy Bureau	Broadcasting Policy Planning Division	<ul style="list-style-type: none"> Coordination of broadcasting service policies Development of mid-and long-term broadcasting basic policies and public broadcasting policies Enactment of and amendment to broadcasting business law
	Radio and Television Policy Division	<ul style="list-style-type: none"> Policies and license of terrestrial broadcasting Policy establishment and implementation for new and additional services of terrestrial broadcasting Policy establishment and implementation for terrestrial broadcasting technology
	Broadcasting Promotion Policy Division	<ul style="list-style-type: none"> Policy establishment for general service and news-specialized PPs Policy establishment for welfare channels for public interest and the disabled Planning of broadcasting frequency operation by broadcasting media
	Regional Media Policy Division	<ul style="list-style-type: none"> Policy and license for regional broadcasting and terrestrial DMB Management of Community Media Foundation and media education Policy establishment and support for promotion of viewers' broadcasting participation

Departments		Key Duties
Consumer Policy Bureau	Consumer Policy Coordinations Division	<ul style="list-style-type: none"> • Policies concerning the protection of broadcasting and communications service users • Analysis, enactment or amendment of policies or statutes related to the protection of broadcasting and communications service users • Arbitration and mediation of disputes regarding communications services
	Privacy Protections Ethics Division	<ul style="list-style-type: none"> • Enactment or amendment of policies or statutes related to the personal data protection on IT networks • Measures for personal data protection by Internet Service Providers • Licensing and approval of location information services operators • Enactment or amendment of statutes related to the prevention of the distribution of unhealthy information on the Internet • Research, education, and publicity of cyber ethics and illegal information prevention
	Telecommunications Market Investigation Division	<ul style="list-style-type: none"> • Analysis of communications market trends and market monitoring • Regulation improvement for fair competition in the communications market • Investigation or imposition of corrective actions against violation of statutes by communications business operators
	Consumer Protection Division	<ul style="list-style-type: none"> • Policy improvement concerning the protection of broadcasting and communications service consumers • Education and promotion concerning broadcasting and communications service usage and damage prevention • Fact-finding investigations and correctional measures concerning interest violations of broadcasting and communications service users
	Privacy Infringement Investigation Division	<ul style="list-style-type: none"> • Measures to prevent privacy infringement incidents on information and communications network • Monitoring concerning information and communications providers' infringements on privacy issues • Monitoring, planning and investigating of the personal data protection information and communications network
Broadcasting Infringement Bureau	Broadcasting Infrastructure Coordination Division	<ul style="list-style-type: none"> • Establishment of systems for protecting the universal viewing rights and enactment or amendment of the statutes • Establishment and enforcement of policies concerning broadcasting language and support for establishment of broadcasting review policies • Signing of international agreement on joint production and international cooperation on broadcasting content
	Broadcast Advertisement Policy Division	<ul style="list-style-type: none"> • Improvement of policies or statutes concerning broadcasting advertisement and sponsorship • Matters concerning competition policies for broadcasting advertisement sales agencies • Support for SMEs broadcasting advertisement, establishment and enforcement of public advertisement promotion policies • Monitoring violations of broadcasting advertisement and sponsorship announcement

Departments		Key Duties
Broadcasting Infringement Bureau	Programming and Evaluation Policy Division	<ul style="list-style-type: none"> • Matters concerning enactment and amendment of laws on outsourcing production and policy establishment and implementation • Establishment of the basic planning for broadcasting assessment and implementation of broadcasting evaluation, enactment and amendment of laws on broadcasting assessment • Notice of broadcasting programming ratios and development of mid-or long-term policies related to broadcasting programming • Survey of receiver assessment and establishment and implementation of related policies
	Media Diversity Policy Division	<ul style="list-style-type: none"> • Establishment and implementation of basic plans concerning opinion diversity of broadcasting • Establishment and implementation of basic plans concerning the status of competition in the broadcasting market • Establishment and implementation of policies for the disabled and groups with limited access to broadcasting
	Broadcasting Market Investigation Division	<ul style="list-style-type: none"> • Investigating against illegal activities of operators and taking measures • Improving institutions to ensure fair competition in broadcasting market • Announcement the property of broadcasting operators and management analysis • Dispute settlement regarding broadcasting
Terminal Device Distribution Investigation Bureau	Terminal Device Distribution Investigation Division	<ul style="list-style-type: none"> • Monitoring of the mobile terminal device distribution market and establishment of investigation plans • Implementation of an emergency suspension order system concerning mobile terminal device subsidies • Investigation and sanctions against unfair practices of mobile operators or distributors concerning 「Mobile Device Distribution Improvement Act」
General Affairs Division		<ul style="list-style-type: none"> • Personnel affairs, prizes, punishment, education and training, employment management • Protocol, management and defense of complex • Audit of the Commission and relevant organizations under jurisdiction of the Commission

c. Public and Relevant Organizations Under Jurisdiction of the Commission

The Korea Broadcast Advertising Corporation(KOBACO) and Community Media Foundation (CMF) are the public organization under jurisdiction of the Commission, and three organizations - the Korean Broadcasting System(KBS), Korea Educational Broadcasting System(EBS), and the Foundation for Broadcast Culture(FBC) - are institutions relevant to the Commission. Their foundation bases, missions, and key functions are listed in <Table II-3 and 4>

Table II-3 | Public Organization Under Jurisdiction of the Commission

Name of agency	CEO	Name	Basis of Legal Foundation	Key Mission and Functions
Korea Broadcast Advertising Corporation (KOBACO)	President	Kim Ki-man	Article 24 under the 「Act on Broadcast Advertising Sales Agencies, etc.」	A brokerage and sales agency for advertisements sales and implementation of supporting projects for balanced development of broadcasting advertisement
Community Media Foundation (CMF)	Chairman	Shin Tae-seop	Article 90.2 of 「Broadcasting Act」	Duties regarding viewers' participation in broadcasting and the promotion of viewers' rights

Table II-4 | Relevant organizations to the Commission

Name of Agency	CEO	Name	Basis of Legal Foundation	Key Mission and Function
Korean Broadcasting System (KBS)	President	Yang Seong-dong	Article 43 of the 「Broadcasting Act」	Efficient operation of broadcasting services at home and abroad as the government-owned backbone broadcasting service, and relevant projects that promote broadcasting culture
Korea Educational Broadcasting System (EBS)	President	Kim Myeong-jung	Article 7 of the 「Korea Educational Broadcasting System Act」	Supply broadcasting content on education, knowledge, information, and culture, and R&D related to educational broadcasting
Foundation for Broadcast Culture (FBC)	Chairman	Kim Sang-kyun	Article 5 of the 「Foundation for Broadcast Culture Act」	Research and academic projects to advance broadcasting culture

d. Expenditure Budget in 2018

The expenditure budget of the Commission in 2018 was KRW 238.6 billion, which can be broken down into either the general budget account of KRW 56.4 billion and the Broadcast Communications Development Fund account of KRW 182.2 billion, or into the communication account of KRW 66.4 billion and the broadcasting account (including culture and tourism) of KRW 172.2 billion. Alternatively, the expenditure budget can be broken down into payroll expenses of KRW 19.3 billion, basic expenses of KRW 4 billion, and key service expenses of KRW 215.3 billion. The details are shown in <Table II-5> below:

Table II-5 | Details of the 2018 Expenditure Budget of the Commission

(Unit : KRW 100 million)

Classification		2017 (A)	2018 (B)	Fluctuation (B-A)	%
Total Expenditure (I+II)		2,393	2,386	△7	△0.3
(Total = Total Expenditure + Fund Management Costs + Internal Transactions + Surplus Funds)		(10,379)	(8,594)	(△1,785)	(△17.2)
By Fund Source	I. General Budget Account	545	564	19	3.5
	II. Broadcast Communications Development Fund	1,848	1,822	△26	△1.4
	(Total = Expenditure + Fund Management Costs + Internal Transactions + Surplus Funds)	(9,834)	(8,030)	(△1,804)	(△18.3)
	① Expenditure				
	Sub-total (a+b)	7,585	6,683	△902	△11.9
	① Korea Communications Commission(KCC)	1,848	1,822	△26	△1.4
	① Ministry of Science and ICT(MSIT)	5,737	4,861	△876	△15.3
	② Fund Management Costs	38	40	2	5.3
By Area	③ Internal Transactions(Commission Funds Deposited)	1,000	1,000	-	-
	④ Compensatory Expenditure(Fund Surplus Operated)	1,211	307	△904	△74.6
By Function	□ Communications	632	664	32	5.1
	□ Broadcasting(Culture and Tourism)	1,761	1,722	△39	△2.2
	□ Payroll	173	193	20	11.6
	□ Basic Expenses	42	40	△2	△4.8
	□ Key Service Expenses	2,178	2,153	△25	△1.1
	① Broadcasting Infrastructure Improvement and Enhancement of User Rights	1,202	1,119	△83	△6.9
	② Establishment of Conditions for Fair Competition and Secure Information Use	254	273	19	7.5
	③ Encouragement of Media Diversity and Broadcasting Contents Competitiveness	668	693	25	3.7
By Function	④ Support for the Operation of Broadcasting and Communications	54	68	14	25.9

Note) △ : Reduction

e. Status of Government Initiated Legislation in 2018

The amendment the Commission submitted to the National Assembly in 2018 are: amendment(proposal) to the 「Radio Waves Act」, and 「Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」 in order for

report system to be enforced; 「Act on Broadcast Advertising sales agencies, etc.」 to streamline regulations on administrative investigation; 「Telecommunications Business Act」 to protect users from recall services of mobile devices; 「Foundation for Broadcast Culture Act」 to legalize the licensing and approval institutions; 「Korea Educational Broadcasting System Act」 and 「Broadcasting Act」 to modify institutions on broadcasting dispute settlement and regulations regarding the assessment on the competition of the broadcasting market(July, September, November and December 2018).

3. Key Policy Achievements in 2017

Faced with the rapidly changing broadcasting and communications environment precipitated by widely used global contents platform and launch of the fifth generation network service(5G), the Commission implemented projects under the policy direction of: enhancing the impartiality and public interest of broadcasting; realizing a fair and secure broadcasting and communications market; vitalizing broadcasting and communications market; Reinforcing the public media literacy. The major policy achievements of the Commission in 2017 are as follows:

a. Enhancing Impartiality and Public Interest of Broadcasting

To enhance impartiality and public interest of broadcasting service, the Commission completed the evaluation of re-licensing on terrestrial broadcasting and community radio broadcasting business entity of which licensing would expire as of December 2017; the evaluation of re-approval of general service and news specialized program providers with approval expiration of 2017; and deliberation on re-licensing of PP and broadcast advertising sales agencies.

In addition, the Commission implemented “2017 Project to strengthen the competitiveness of Local and Small Broadcasting Contents” to support the regional and broadcasting stations and provide support for various regional broadcasters by developing customized education programs for regional broadcasters and by encouraging them to sign in overseas

forums and contents market.

The Commission announced the results on market share of broadcasting service operators in 2016 and provided a broadcasting statistics portal for users to utilize them more easily and conveniently. While announcing the results of N-Screen Viewer Survey in 2018, the Commission also held “2017 International Conference on the Promotion of Media Diversity” to strive to promote media diversity so as to establish a foundation for cooperative efforts with relevant experts.

b. Realizing a Fair and Secure Broadcasting and Communications Market

The Commission made efforts to prevent unfair practices of broadcasting service operators by opening an anonymous report center for prohibited acts, while helping to improve the conditions for outsourced manufacturers by holding meetings and seminars on outsourced production and taking comprehensive measures with the five relevant ministries. It also worked to create an environment for fair competition in the communication market by setting indicators and modifying the legal system for fair competition between telecom carriers and paid broadcasting service providers while operating a consultative body to expand support for small and medium retailers.

In order to prevent market confusion caused resulting from the abolition of the subsidy ceiling system under 「Mobile Device Distribution Improvement Act」(hereinafter referred to as 「Mobile Device Distribution Act」), the Commission has reinforced its monitoring activities and amended 「Enforcement Decree of the Mobile Device Distribution Improvement Act」.

The Commission has tried to prepare user protection measures on recall services to prevent users from additional damages because the procedure of recall services on mobile devices are complex. The introduction of a communication dispute settlement system was promoted so that users can efficiently resolve their problems regarding communication service as the number of users increases. The Commission amended 「Telecommunications Business Act」 to prevent the distribution of illegal harmful information, and exercised a

regular inspection on all businesses, while contributing to establishing a sound Internet environment where harmful sex crime contents are swiftly taken down by conducting a crackdown on illegal digital contents. Along with this the response system on illegal spam was reinforced by putting in place the real-time blocking service on voice spam with cooperative efforts with telecommunication carriers.

In line with the growing demands for privacy protection, the Commission has developed and revised “Guideline on Personal Data Protection of Smart Phone Application Access”, “Guidelines on Personal Data Protection of Customized Online Advertising”, and “Guidelines on Bio-information Protection” and also held policy meeting for stakeholders in an effort to take the lead in personal data protection. In addition, fact-finding inspections were conducted to prevent personal information leakage incidents, and a strict regulation was applied to prevent secondary damages.

c. Enhancing the Vitality of the Broadcasting and Communications Market

The Commission prepared a foundation for continuous production of high-quality content through improving the broadcasting advertising system including pursuing policy research and listening to opinions of stakeholders and academic experts. In order to enhance transparency in the operation of sponsorships by broadcasting service operators, the Commission inspected the related service operators, while intensive monitoring was carried out on the announcement of sponsors format regulation with an aim to protect viewers’ rights.

In addition, the Commission worked hard to enhance the competitiveness of Korean broadcasting contents by organizing and operating “Korean Wave Activation Research Team”. To strengthen cooperation in broadcasting and communication sectors, the KCC forged the foundation for the production and distribution of broadcasting contents by signing MOU and holding international forums.

In addition, the Commission launched the main broadcasting of terrestrial ultra-high definition (UHD) in May 2017 and pushed for the establishment of UHD broadcasting networks nationwide by 2021. In cooperation with the Ministry of Science and ICT, the

Commission has committed to introduce stable terrestrial UHD broadcasting by operating a “Checking Group on Preparations for Introduction of Terrestrial UHD Broadcasting.”

Furthermore, the Commission laid a foundation for new broadcasting and communication services by encouraging the introduction of the main broadcasting service of EBS 2TV, a multi-channel broadcasting service (MMS).

As the Commission is in line with the need to change the way personal data is protected and collected due to the spread of smart devices and convergence services, the Commission tried to ensure that the 「Information Communications Network Act」 is not hindering the innovative efforts and serves as a practical protection against any privacy leakage. In December 2017, the Commission conditionally designated seven credit card companies as verification organizations to address the imbalance in the use of identification and lay the groundwork for users to choose various identification methods and promoted the introduction and operation of a global personal data protection certification system with an increasing demand for data transfer between borders.

To cope with the rapidly changing broadcasting and communication environment, the Commission explored nine regulatory reform tasks, readjusted regulations, and discovered four administrative investigation maintenance tasks. To remove the pre-regulation method and to actively promote negative regulatory changes in order to activate new broadcasting and communication services, the Commission tried to lay the foundation for regulatory reform, in a way to raise the public awareness on new rules and regulations.

From February to November 2017, the Commission strengthened international cooperation in broadcasting and communication services by holding bilateral meetings with broadcasting and communication authorities of nine countries (Uzbekistan, Kazakhstan, Thailand, Indonesia, Belgium, the Netherlands, Portugal, Italy and France). In a meeting with government agencies from around the world, the Commission called for interest in the 2018 PyeongChang Olympics and supported the attendance on the Broadcasting Regulatory Agency Forum (IBRAF), the International Broadcasting Equipment Exhibition (IBC), and the International Content Market (MIPCOM) to take a look at the global trends in broadcasting and communication and to support the advancement of broadcasting contents to the overseas

market. In addition, the Commission provided an international conference on inter-Korean broadcasting and communication services and supported the production of unified broadcasting programs to lay the foundation for inter-Korean exchanges and restore national homogeneity.

d. Strengthen the Public Media Literacy

In the smart era where the media gap is widening by regions, social status and generation, the Commission established mid- and long-term plans to provide customized media education in order to enhance media literacy. In addition, as the influence and importance of media increased, the Commission strengthened universal media education, including free semester media education, club media education, and college student credit education courses, in order to enhance youth's ability to understand and utilize media and to find talented creative students on the early stage.

In order to promote freedom of expression on the Internet, the Commission streamlined the temporary measures and promoted ethics education tailored to each classes to improve the sense of ethics on the Internet, and tried to create desirable Internet culture through supporting various contests and campaigns. In addition, the government expanded the operation of cyber security zones while waging a public promotional campaign against the prevention of harmful media for teenagers.

In addition, the government prepared guidelines for improving the quality of broadcasting services for the handicapped, and conducted pilot broadcasting of smart sign language broadcasting services to improve the access for broadcasting services for the handicapped.

4. Major Policy Goals

With the development of digital technology, the Commission established “public centered broadcasting and communications” as its vision to actively respond to the convergence of broadcasting and communication, ensure freedom and public responsibility of broadcasting,

enhance the balanced development of broadcasting and communications and have a competitive edge in the international market.

The four policy goals are as follows: first, “Creating a fair and free broadcasting and communications environment” by enhancing the fairness and public accountability of broadcasting, promoting media diversity and regional aspects; second, “Encouraging the user’s participation and Strengthen the rights” by increasing the media literacy, and strengthening the protection of users in the intelligent information society; third, “Establishing sustainable broadcasting and communications ecosystem” by addressing unfair power dynamics and pursuing the mutually beneficial environment, laying the foundation for high-quality content production; forth “Vitalizing the future oriented new industry” by reforming regulations on new broadcasting and communications service and taking a regulatory balance in personal data protection and forth industrial revolution.

Figure II-3 | Vision and Policy Goals



III

Broadcasting and Communications Policy Outcomes of the year 2018

III. Broadcasting and Communications Policy Outcomes of the Year 2018

Chapter 1 | Create a Fair and Free Broadcasting and Communications Environment

1. Enhance the Impartiality and Public Interest of Broadcasting

a. Improve Governance and Licence System of Public Broadcasting

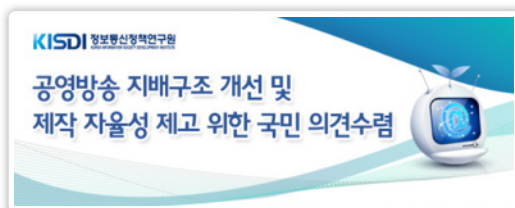
1) Improve Governance of Public Broadcasting and enhance autonomy of organizing and producing programs

The need for improvement of the system was continuously raised regarding the governance of public broadcasting, such as the appointment of directors and presidents and the autonomy of producing and organizing broadcasting services. Furthermore, the implementation inspection was required for major terrestrial broadcasting stations in 2017 by adding conditions related to public accountability and fairness of broadcasting upon re-approval of general public service. The Korea Communications Commission (hereinafter KCC) has prepared measures to improve the system by ensuring the independence, fairness and autonomy of public broadcasters as a top priority in broadcasting policies in accordance with the people's desire for media reform.

The Broadcasting Future Development Committee was formed in October 2017 with broadcasting, legal, management, accounting experts, and civil society organizations with the purpose of holding discussion to gather opinions from members of society, as the ruling and opposition political camps as well as the management of broadcasting stations, employees, and civil society are diverse. The ideas of academia, civil society, proposed bills and overseas cases were comprehensively reviewed. In August 2018, the Committee

came up with policy proposals after holding discussion gathered by broadcasters and civic society, and also opinions from the public.

Table III-1 | Discussions to Collect Public Opinions to Improve Governance of Public Broadcasting and Enhance the Autonomy



Discussions to Collect Opinions from Broadcasters and Civic Society

- Date : Mar. 29, 2018
- Venue : Korea Broadcasters Center
- Details : Held discussions to collect public opinions to improve governance of public broadcasting and enhance the autonomy

Collect Online and Offline Opinions on Policy Proposals

- Period : Jun. 8 to 18, 2018 (for 11 days)
- Posted key points of policy proposals on the official website and gathered public opinions (by e-mail and mail)

Based on the policy proposal suggested by the Broadcasting Future Development Committee, the Commission went through discussions among the commissioners(4 times) and arranged a statement of opinions containing measures to improve the governance and enhance the autonomy of programming and production of broadcasting services by policy tasks.

Under the agreement that acknowledges how crucial it is to establish governance which is not influenced by political environment to secure the independence and fairness of public broadcasting, the Commission, with a set of principles of less political patronage, decision making based on agreement, and enhanced transparency on operation, has suggested the proposals as follows: the introduction of the national board system, which is recommended by the ruling and opposition party's Commissioners; mandating the procedure for collecting opinions from the public upon the appointment of president; Granting discretion to the board of directors such as the introduction of president recommendation committee system, and whether to adopt a special multiple system; Upon the

adoption of the special multiple system, adopting a majority vote system to prevent the delay (after a certain period of time longer than 3 months).

Along with these efforts, it is necessary to reflect the opinions of employees in broadcasting sector, the Commission has come up with measures to make it mandatory the establishment of arbitration body with the considerations as follows: establishment of organizing committee on terrestrial, general service program, and new specialized program providers which is composed of same number of people from management and employees. The Commission has allowed the Committee to establish arbitration body to deal with disputes on the composition of management and employees, and to arrange measures to gather opinions from employees upon the violation of autonomy of organizing and producing programs; the revision of program organizing regulations; the appointment of the executive members in reporting, producing and organizing parts and to deliberate and resolve the issues including the recommendation of viewer group.

The committee submitted this opinion to the National Assembly in December 2018 and will fully support parliamentary discussions for the discussions on revising the broadcasting related act.

Table III-2 | Keys on Measure to Improve Governance of Public Broadcasting and Enhance the Autonomy of Organizing and Producing Programs

- (Improvement of Public Broadcasting Governance) Introduction of Board System recommended by the public, Mandating the procedure for collecting opinions from the public when appointing a president, etc.

- The KCC maintains its current role in recommending (appointing) directors, though introducing a board system recommended by the public in which the Commissioners of the KCC recommend the board member, reflecting the public opinion of more than a third (or a certain number of) of directors.
- Mandating the procedure for collecting opinions from the public on the appointment of president
- Granting discretion of the Board of Directors whether to introduce a president recommendation committee and a special multiple number system
- Upon the adoption of the special multiple system, developing the measures to select a majority vote system to prevent the delay in decision making

- (Enhancement of Autonomy of Production) Organizing Committee Composed of Same Number of People from Management and Employees, Strengthening the Function of Organizing Committee, Establishing the Arbitration Committee, etc.

- Requiring the establishment of organizing committee on terrestrial, general service program, and new specialized program providers composed of same number of people from management and employees
- The organizing committee is given the rights to deal with ① the violation of autonomy of organizing and producing programs ② the revision of program organizing regulations ③ rules to reflect the employees' opinion on the appointment of the executive members in reporting, producing and organizing parts ④ deliberating and resolving the issues including recommendation of viewer group
- Measures to establish arbitration body to deal with disputes on the composition of management and employees

2) Reform the Rules on Licensing Fees

Since 1988 when the 「Enforcement Decree of the Broadcasting Act」 was revised, there has been a growing need to improve the TV license fees system which has not changed much to adapt to changes in the media environment and ease the public burden. Accordingly, the Commission decided to develop the measures based on the analysis of the status and problems of the TV license fee system and gradually pursue upgrading the relevant system.

To this end, the Commission prepared a plan for improvement of the system through discussion by research team (four times) and the Broadcasting Future Development

Committee (two times), the stakeholders' opinions (six times), and consulting on relevant laws. The plan included the improvements to the system on the calculation and distribution of TV license fees, imposition and collection, and overall procedures for execution and evaluation such as establishing a committee to calculate TV license fees, separating accounting for public broadcasters. The Commission has gradually pursued the sixteen tasks for improvement of TV license fee system divided according to the importance and availability. The amendment to the 「Enforcement Decree of the Broadcasting Act」 in relevant to the exemption and reduction of TV license fee was pushed ahead as a priority agenda in order to ease the public burden.

The Commission came up with the amendment to the 「Enforcement Decree of the Broadcasting Act」 on October 31, 2018 to deal with the comments from the National Assembly and the complaints that the additional charge of unpaid fees is too high and the prepaid discount system is not being used. The Amendments are as follows: the additional charge of unpaid TV license fee is lowered from 5% to 3% out of the current additional charge, requiring the relevant authority to include the basis for the imposition of additional charges on the notice. In case of advanced payment, the viewers get 50%(KRW 1,250) discount per month as part of prepaid discount system which is required to be posted on KBS official website. The scope of the exemption from TV license fees without documents are included those who receive basic living expenses from the government, men of national merits, independence patriots, 5.18 democratic patriots and the visually and auditory disabled. Those who were exempted were supposed to submit the supporting documents before, but the Amendment allows KBS(or authorized Korea Electric Power Corporation) to refer to the Ministry of Health and Welfare's data system. To reflect on the complaints, newly devised law enables those who did not have TV reception system and mistakenly paid the TV license fee to get refunds. The Commission collected opinions from all walks of life through the announcement of legislation on the amendment in November 2018, and will announce it in March 2019 after going through regulatory review and review by the Ministry of Government Legislation.

The Commission will make a continuous effort in improving the relevant rules and regulations on TV license fees to ease the public burden, and strengthen the procedural

rationality, transparency and objectivity of the fee system by ensuring the public rights to know of the finances of public broadcasters. It is expected that this will enhance the people's benefit and stabilize the public broadcaster's finances so that the Commission will establish an institutional foundation for the broadcasters to carry out its public duties, including providing high-quality programs.

Table III-3 | Amendment to 「Enforcement Decree of the Broadcasting Act」 Related to Reform the Rules on License Fees

Classifications	Details on Amendment
Streamlined Exemption from TV License Fees 【Article 44】	<ul style="list-style-type: none"> • The scope of exemption from TV license fees without documents including those who receive basic living expenses, men of national merits, independence patriots and the visually and auditory disabled ※ Before Amendment : Business places with no consumption of electricity, households of which monthly electric consumption is less than 50 kilowatt and of which it is impossible to view all of the TV programs
Strengthened the Notice of Prepaid Discount System 【Article 45】	<ul style="list-style-type: none"> • To widely spread the prepaid discount system to the public, the discount system is required to be posted on KBS and authorized fee collector's official website
Devised a New Act on Refund of TV License Fee 【Article 46】	<ul style="list-style-type: none"> • To reflect complaints, enables those who did not have TV reception system and mistakenly paid the TV license fee to get refunds. ※ Before : Only legal basis on refund of over- and mistaken payment of those who registered TV
Lowered the Additional Charge of Unpaid TV License Fee 【Article 47】	<ul style="list-style-type: none"> • To consider the fairness of similar laws, the additional charge of unpaid TV license fee is lowered from 5% to 3% out of the current additional charge, and the relevant authority is required to include the imposition of additional charges on the notice based on the broadcasting legislature.

b. Inspect the Renewal and Re-approval of Licensing System

The Commission strictly inspected the performance of the conditions for re-licensing and re-approval to enhance public accountability and fairness of broadcasting. In October 2018, as many as 67 terrestrial broadcasters(KBS, MBC, SBS etc.) was monitored to meet the 199 requirements in areas of public accountability, independence of management and responsible management. Under the Article 99.1.2 of 「Broadcasting Act」, the Commission made a decision on correction orders to seven operators which violated the conditions for license reapproval in December 2018.

Table III-4 | Administrative Measures against Violation of Licensing Approval

Broadcasters	Details in Violations	Correction Orders
Korean Broadcasting System	Conduct an excessive reduction in the number of senior officials and not submit the organization quota table	○
OBS TV	not invest 2017 minimum production costs the operator reported	○
Kwangju Broadcasting Company	not executed the minimum amount of production cost compared to the revenue(12%)	○
Jiwon Corp.	not appointed multiple number of non-executive directors	○
Jeonju Television(JTV)	not appointed multiple number of non-executive directors	○
Jeju Broadcasting System (KCTV)	not appointed multiple number of non-executive directors	○
Kyung-in Broadcasting	not invest the minimum broadcasting facility cost the operator reported	○

In December 2018, the Commission also announced the results of its performance check on the conditions and recommendations for license re-approval of four general service PPs and two news PPs that received re-approval in 2017. Along with this, four general service PPs (TV Chosun, Channel A, JTBC, MBN) was checked to see whether they planed to enhance the program quality, comply with rules regarding the review of broadcasts, operate the verification authorities, and restrict the appearance of certain MCs and persons on air. The inspection results showed that Channel A and MBN did not meet the re-approval requirements of investment plan in content amounting around KRW 2 billion, and KRW 200 million respectively. Moreover MBN did not meet the requirement in management's professionalism, independence, and transparency(failed to hire non-executive directors who are professionals in the field). The Commission plans to impose a correction order to Channel A and MBN for failing to meet the conditions.

Table III-5 | Investment Made by General Service PPs

(Unit : KRW 1 million)

Classification	Channel A	MBN (as of Dec. 2017)	TV Chosun	JTBC
Planned Amount	84,396	6,090	80,000	122,903
Investment Performance	82,433 (short of 1,963, 97.7%)	5,879 (short of 211, 96.5%)	81,267 (exceeding 1,267, 101.6%)	134,920 (exceeding 12,017, 109.8%)

The Commission has contributed in improving the broadcasting programs by carrying out the inspections to see whether the terrestrial and general service PPs reach the conditions of licensing re-approvals in areas of public accountability and fairness of broadcasting, while encouraging the broadcasters to enhance the transparency and autonomy of management through the appointment of non-executive directors and professionals. By inspecting the operation of organizing committee and punishment procedure of employees, the KCC laid a firm foundation for resolving disputes among workers at an early stage and ensuring the autonomy of program producer and organizers.

Table III-6 | Conditions to Ensure the Independence of Management and Quality Broadcasting Programs

-
- (Terrestrial Broadcasters) Develop and implement measures to enhance management independence
 - Strengthen the regulation on appointing non-executive directors and auditory system to make sure the transparency and autonomy of management, etc.
-
- (General Service PPs) Plan to improve the broadcasting quality, comply with rules regarding the review of broadcasts, etc.
 - Follow the plans to improve the broadcasting quality, limit the number of violations against rules regarding the review of broadcasts (limit the number of legal sanctions under four cases), operate auditory body, restrict the MCs and persons who do not abide to relevant rules from appearing on shows
-

Table III-7 | Conditions for Re-approval in Organizing Committee and Personnel Management and Disciplinary Punishment System

-
- Develop and implement measures regarding the operation of the Organizing Committee
 - Open a meeting at the request from any part (management or employees), and announce the result of meeting
 - Hold a regular meetings in principle, but a meeting could be canceled under the agreement of both sides
 - In case of disagreements, refer to other groups including viewer's committee or arbitration and advisory committee
-
- Develop and implement measures regarding personnel management(disciplinary punishment) system
 - Include external personnel to disciplinary committee
 - Separate committee deliberate retrials
-

c. Fair Approval and Re-approval Evaluation

1) New Approval of Terrestrial Broadcasters

The Commission established “Basic Plan on New Approval of Radio Broadcasting Stations (FM)” related to FEBC Jeonbuk FM and CBS Gwangju FM in July 2018, and composed an inspection committee in August 2018.

Table III-8 | 2018 Newly Approved Radio Broadcasters(FM)

Applicants	Subject	Broadcasting Areas	Content
FEBC	• FEBC Jeonbuk FM (91.1MHz)	Whole areas : Jeonju, Iksan, Gimje, Gunsan si, Buan county Parts of area: Jeongeup si	Overall broadcasting and advertising programs centered on Christian evangelism
CBS	• CBS Gwangju Music Program FM (98.1MHz)	Whole area : Gwangju si Parts of area : Naju, Damyang, and Jangseong county	Music broadcasting focused on Christian missionary music, preaching, culture and advertising (News report, current affairs, commentary are excluded)

Under the Basic Plan, the Screening Committee consists of nine experts in law, business, accounting and technology and viewer inspected two broadcasters according to seven following assessment items: possibility to realize the public accountability, fairness, public interest of broadcasting; the relevance of programs planning, producing and organizing; the validity of regional, social and cultural necessity; the relevance of management plan in organization and human resources; finance and technology prowess; plan for the development of broadcasting; applicant's violation cases against the relevant law for the last five years.

The Commission granted a new approval to the broadcasters including FEBC Jeonbuk FM and CBS Gwangju FM which earned 667.43 and 661.98 out of 1000 points respectively on September 12, 2018. The effective period of approval runs until December 31, 2021, given it is a new contract and its time of completion. The approval conditions and recommendations were added to reflect the opinions of viewers, the results of the technical review and review committee of the Ministry of Science and ICT.

The strings attached to the approval conditions are the following 12 items: establish and implement the broadcasting development plan; resolve the confusion of radio stations; comply with the relevant policy regarding broadcasting frequency; abide by the rules on the qualifications of employees and personnel allocation. The Commission also added recommendations for securing expertise and diversity of viewer committees, reviewing measures to enhance the viewer's rights and expanding the job market among the locals.

2) Reauthorization of Terrestrial Broadcasters

By establishing “Detailed plan for reauthorization of terrestrial broadcasters” in May 2018 and forming a committee on reauthorization in December 2018, the Commission examined the 11 broadcasters of TBN and one broadcaster of Gugak FM which would see a expiration on December 31, 2018.

The examination focused on the accountability and fairness of broadcasters, and protection of viewer’s rights within the radio broadcasting industry is going through difficulties. It was decided to grant the reauthorization to operators who earned above 650 points out of 1000 but those who failed to meet the requirements would get either a decline of the permission or re-approval with conditions attached.

The Screening Committee composed of nine experts in law, business, accounting and technology and viewer conducted an evaluation in December 2018, as a result 12 broadcasters from two broadcasting companies acquired more than 650 points, granted the re-approval on December 26, 2018. Therefore eleven broadcasters of TBN with 700 points and one operator of Gugak FM with less than 700 points received the validation period of four and three years respectively. The approval conditions and recommendations were added to reflect the opinions of viewers, the results of the technical review and review committee of the Ministry of Science and ICT.

The approval conditions are 10 items as follows: establish and implement the broadcasting development plan; resolve the confusion of wireless stations; comply with the relevant policy regarding broadcasting frequency; abide by the rules on the qualifications of employees and personnel allocation. Also the Commission encouraged those stations to try to deal with the issue of areas where reception is poor and pursue the rules on composing the viewer’s group as recommendations.

Table III-9 | License Renewal Results of 2018 Terrestrial Broadcasting Business Operators

Point	Broadcasting Operators	License Validity Period
Over 700 points	<ul style="list-style-type: none"> • KoRoad TBN - TBN Jeju FM Radio Station, TBN Busan FM Radio Station, TBN Gwangju FM Radio Station, TBN Daegu FM Radio Station, TBN Daejeon FM Radio Station, TBN Incheon FM Radio Station, TBN Jeonju FM Radio Station, TBN Ulsan FM Radio Station, TBN Changwon FM Radio Station, TBN Wonju FM Radio Station, TBN Pohang FM Radio Station 	4 years (From Jan. 1, 2019 to Dec. 31, 2022)
650~700 points	<ul style="list-style-type: none"> • Gugak Broadcasting - Gugak FM station 	3 years (From Jan. 1, 2019 to Dec. 31, 2021)

d. Enhance the Immediacy and Accuracy of Disaster Broadcasting

Recently, the need to establish a broadcasting disaster management system and strengthen disaster broadcasting is increasing in order to effectively cope with various types of disasters due to the increasing number of natural disasters and social incidents. In September 2018, the Commission developed 2019 Broadcasting Disaster Management Basic Plan to enhance broadcasting disaster and disaster broadcasting response system. In addition, relevant regulations were improved for rapid and accurate disaster broadcasting to protect the lives in situations where the large scale disasters such as Gyeongju earthquake (September 2016) and Pohang earthquake (November 2017) has increased and disasters are occurring locally.

In January 2018, the Commission amended the notice of 「Disaster Broadcasting and Civil Defense Alert Broadcasting」 in order for rapid and accurate disaster broadcasting in accordance with Article 28.4 of the 「Enforcement Decree of the Framework Act on Broadcasting and communications Development」. The revised notice demonstrates that broadcasting service provider is required to conduct a disaster broadcast immediately upon request, and specified what should be expressed in the broadcast during the disaster (time of occurrence, disaster name, disaster area, practice, and issuing agency). In addition, in the event of an emergency disaster (earthquake with magnitude of 5.0 or higher and civil defense warning), the broadcasting companies were required to conduct a disaster broad-

casting immediately, excluding the intermediate verification process, and to use a different format than the existing subtitles to inform the public of an emergency situation. Meanwhile, the Commission required that the operators should send out a disaster warning signal set by the Korea Communications Commission so that the visually impaired persons and the general public could be aware of the disaster situation efficiently, and to conduct English subtitles for foreign viewers including the time, the name of the disaster, and the area of the outbreak. In order to reflect the revised notice and improve the method of subtitling for earthquake and other emergency disasters, in March 2018, the Commission amended the 「Comprehensive Guideline Standard on Disaster Broadcasting, etc.」. According to the stage of each disaster (earthquake, civil defense situation, floods and storms), the initiation time of subtitle and special notification, the number of subtitling transmissions, and maintenance of breaking news were prescribed, and the background color, font size and color of subtitles were standardized by magnitude, and the English subtitles standard plan was also prepared.

Table III-10 | Keys to Manual Guideline on Disaster Broadcasting

Classification	Mode	Stage 1 (Magnitude 3.0~3.9)	Stage 2 (Magnitude 4.0~4.9)	Stage 3 (Magnitude 5.0 or higher)
Subtitles	Start time	Aired immediately by skipping the check process ※ 10 major broadcasters	Aired immediately by skipping the check process ※ 10 major broadcasters	Aired immediately by skipping the check process
	Subtitle	-	Account for the entire width and over 170 pixels (1/6) at least	Account for the entire width and over 216 pixels (1/5) at least
	Example	Crawling subtitles or CG(subtitles)	<div>시간 00도 00지역, 규모4.0 지진발생</div> <div>Time 00DO 00SI, M4.0 EARTHQUAKE</div>	<div>시간 00도 00지역, 규모5.0 지진발생,</div> <div>Time 00DO 00SI, M5.0 EARTHQUAKE</div>
	Duration (5 minutes)	(For subtitle) Korean subtitle displays for 10 seconds, more than 5 times (including English subtitles more than one time)	Korean subtitle displays for 10 seconds, more than 5 times (including English subtitles more than one time)	Korean subtitle displays for 10 seconds, more than 5 times (including English subtitles more than one time)

Classification	Mode	Stage 1 (Magnitude 3.0~3.9)	Stage 2 (Magnitude 4.0~4.9)	Stage 3 (Magnitude 5.0 or higher)
Alert	Warning sound, announcement	Not designated	Not designated	Warning sound + Announcement
Breaking news	Breaking news	Not designated	Not designated ※ Within 30 minutes, longer than 10 minutes for KBS	Immediately air breaking news ※ Within 30 minutes, longer than 10 minutes for KBS

Meanwhile, the Commission sought to prevent disaster damages by allowing facility managers to conduct a radio and DMB reception inspection in areas such as tunnels and underground spaces to ensure the disaster broadcasting and civil defense alarm broadcasts smoothly. In these efforts, the fact-finding research was implemented on 3,856 national road, railroads and subway lines, and revealed in January 2018. According to the research results, the Commission has supported the maintenance technology consulting team to tackle the problems after analyzing the cause of poor reception in tunnel. In addition, the Commission is pushing forward the development of a special standard for reception of disaster broadcasting services in tunnels and underground spaces.

With aims to strengthen safety inspection of important broadcasting facilities (main control rooms, news production facilities, transmission facilities, etc), the Commission expanded the number of safety inspections for important broadcasting facilities to 104 locations and conducted regular inspections at least three times a year, including the thawing season (March), the summer season (June-July) and the winter season (November), to check the conditions of prevention, preparedness, response and restoration of broadcasting companies. Furthermore, the authority has taken necessary measures for safety management in accordance with the Broadcasting Disaster Management Plan by conducting inspection on the implementation of the above mentioned plan in November 2018, and encouraged the operators to meet the requirements. Through imposing fines on operators for failing to air disaster broadcasting for the first and second quarters of 2018, the broadcasting service operators were presented with the importance and awareness of disaster broadcasting, contributing to the rapid and accurate execution of disaster broadcasting.

Table III-11 | Safety Investigation of Major Broadcasting Facilities

Classification	Inspection Period	Subjects	Description
Thawing season	Mar. 12 to 28	32 broadcasting facilities	<ul style="list-style-type: none"> • Investigate broadcasting business operators' compliance with broadcasting disaster management plan • Investigate disaster broadcasting management status and automatic subtitle system
Summer season	Jun. 25 to Jul. 20	38 broadcasting facilities	
Winter season	Nov. 5 to 27	34 broadcasting facilities	

e. Improve the Regulations on Public Channels

The public service channel system has contributed to the diversity and public interest of broadcasting channels since it was introduced in 2001, but the annual selection review made it difficult for operators to operate stable broadcasting services and efficiently make administrative efforts. Accordingly, since 2016 the Commission has developed ways for dealing with problems of the public service channel system by operating a research team for improving the public service channel system. Through the results of the research team, the Commission amended 「Enforcement Decree of the Broadcasting Act」 in 2018 and enacted the relevant notices, based on 2017 Plan on Improvement of Public Channels(proposal) that was devised in 2017.

In order for the public channel providers to steadily operate the business, the Commission amended the Article 56.2 the 「Enforcement Decree of the Broadcasting Act」 on Selection and Operation of Public Service Channels so that the term of validity for the selection of a public channel became two years. As a result administrative procedures were streamlined in a way to resolve the issues that the results of the performance review of the performance plan submitted by the service operators are not reflected properly in the results of the performance review.

It is necessary to institutionalize matters concerning the selection of public service channels, which were set by the committee's vote each year, to enhance consistency of the review and the predictability of the service operators. The basis for delegation was provided to matters on the selection of public service channels as notice in Article 56.2.7 of the 「Enforcement Decree of the Broadcasting Act」. In July 2018, the Commission enacted the

「Notice on the Selection of Public Interest Channels and the Recognition of Welfare Channels for the Disabled」 based on the Enforcement Decree. The examination procedures, such as selection criteria and methods for public interest channels, were stipulated as the public notice, thereby enhancing consistency of the review and allowing operators to increase the predictability of the screening procedures. The Commission encouraged business operators to implement business plans by extending the validity period of the public service channels and enhancing consistency of the evaluation criteria. Also the authority has contributed to the promotion of viewers' rights by ensuring the diversity and public interest of broadcasting program contents through stable transmission of public service channels.

Table III-12 | Selection and Operation of Public Service Channels 「Enforcement Decree of the Broadcasting Act」

Enforcement Decree of the Broadcasting Act [Amended by Presidential Decree No. 28463, Dec. 12, 2017]	Enforcement Decree of the Broadcasting Act [Amended by Presidential Decree No. 28656, Feb. 13, 2018]
<ul style="list-style-type: none"> Enforcement Decree of the Broadcasting Act Article 56 Paragraph 2 (Selection and Operation of Public Service Channels) ④ <u>The term of validity of selection of a public channel under paragraph (3) shall be one year.</u> ⑤ <u>Except as otherwise expressly provided in Paragraphs (1) through (4), matters necessary for the specific procedures, methods, etc. for the selection of public channels shall be provided for by the regulations of the Korea Communications Commission.</u> ⑥ < This Article Newly Inserted > ⑦ < This Article Newly Inserted > 	<ul style="list-style-type: none"> Enforcement Decree of the Broadcasting Act Article 56 Paragraph 2 (Selection and Operation of Public Service Channels) ④ <u>Any person, who intends to be selected as a public channel entity for each field of broadcasting publicly announced by the Korea Communications Commission under paragraph (3), shall submit an application for such selection to the Korea Communications Commission.</u> ⑤ <u>Where the Korea Communications Commission receives an application for selection of a public channel under paragraph (4), it shall review the following matters and decide on such selection in the next year and issue a selection as public channel to the applicant:</u> <ol style="list-style-type: none"> 1. Conformity of the relevant channel with the applicable field of broadcasting; 2. Fairness, public interest and possibility of the relevant channel; 3. Appropriateness of the operational plan for the relevant channel; 4. Sense of social responsibility and ability to carry out business; 5. Status of the handling of audiences' complaints and civil petitions. ⑥ <u>The term of validity of selection of a public channel under paragraph (5) shall be two years.</u> ⑦ <u>Except as otherwise expressly provided in Paragraphs (2) through (6), matters necessary for the specific procedures, methods, etc. for the selection of public channels shall be provided for by the notification of the Korea Communications Commission.</u>

Meanwhile, the Commission plans to enhance the vitality of the system by lowering the entry barriers for new businesses through the selection of additional public service channels and expansion of public service broadcasting areas. Under the Article 70 paragraph 3 and 8 to 「Broadcasting Act」, the results of 2019-2020 research on selecting public service channels and screening for recognition of welfare channels for the disabled selected Multi-culture tvM, Korea Childcare Broadcasting, Worktv, RTV in social welfare area; Science TV, Arirang TV and ArtTV in science and culture promotion area; MBC NET, EBS1, EBS Plus 2 and EBS English in education and regional area. The RTV and MBC NET were finally selected as a committee vote, with the full consent of the judges of the screening committee, according to the Notice mentioned above.

f. Support Overseas Expansion of Broadcasting and Communications Services and Enhancing Inter-Korean Exchanges

1) Strengthening International Cooperation of Broadcasting and Communications

a) Inter-governmental Cooperative Activities in Broadcasting and Communications

The Commission committed itself to promoting mutual exchange with foreign governments and international organizations to strengthen cooperation in broadcasting and communications, supporting international collaborative initiatives in the private sector. It shared policy experience with advanced countries by holding high-level talks and exchanging experiences aimed at promoting international cooperation. Furthermore, the Commission attended international broadcasting and communications conferences to identify emerging global issues and exchange the policy measures.

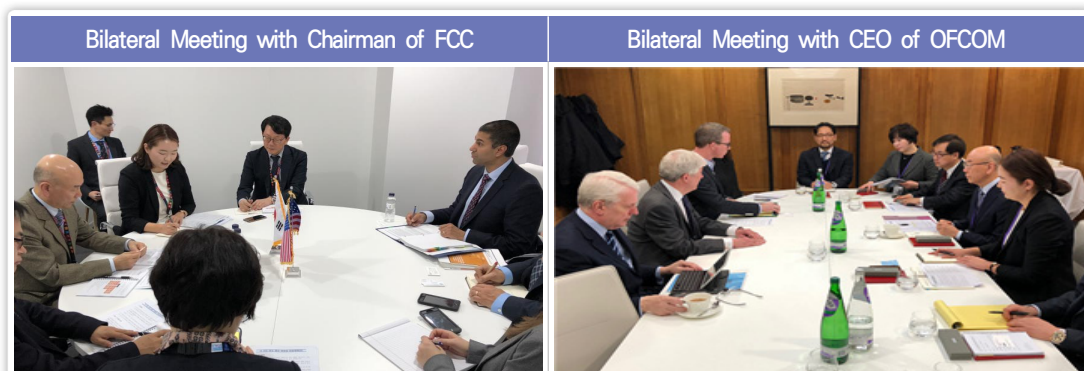
The Commission held bilateral talks with ARCEP of France, February 2018, during the Mobile World Congress(MWC) week held in Barcelona, Spain to share ideas on major issues on 5G frequency allocation and its establishment, network usage fee of global OTT businesses including Youtube and Facebook, platform policy and Net Neutrality, etc.

Figure III-1 | Bilateral Meeting with ARCEP of France



To identify the policy direction of broadcasting and telecommunication, the Commission further discussed the issue of next generation's broadcasting technology and Network Neutrality with Federal Communications Commission(FCC).

Figure III-2 | Bilateral Meeting with FCC and OFCOM



The Commission and the Office of Communications(OFCCOM) discussed the issue of responsive measures against the next generation's broadcasting technology and exchanged ideas on changes in broadcasting and telecommunications policy and regulatory measures on broadcasting and telecommunication convergence.

During a meeting with Spanish Data Protection Agency(AEPD) of Spain, the Commission explained the relevancy assessment on private information in Korea in related with General Data Protection Regulation(GDPR), sharing ideas of regulation on privacy of global operators.

Figure III-3 | Bilateral Meeting with AEPD



In a bilateral meeting with the Minister of Cambodian Ministry of Information, the Commission shared cases of Korea's digital transformation and listened to Cambodia's digital conversion plan. Based on Memorandum of Association(MoA) between Cambodian broadcaster(Apsara TV) and Educational Broadcasting System(EBS), they agreed to forge a further cooperation and discussed ways to increase broadcasting and telecommunications exchanges.

The Commission also visited the Info-Communications Development Authority(IMDA) in Singapore to strengthen inter-governmental cooperation by sharing key policies and pending issues concerning telecommunication services and personal information protection. In order to spread broadcasting contents and Korean Wave, the Commission visited a Singaporean entertainment company run by Koreans to understand the status of our broadcasting and communication contents and listened to opinions from local industry officials on our broadcasting content's competitive advantage.

Table III-13 | Major Activities for Inter-governmental Cooperation in Broadcasting and Telecommunications

Classification	Time/Nation	Details
Bilateral meeting with Autorité de Régulation des Communications Électroniques et des Postes(ARCEP)	Feb. France	<ul style="list-style-type: none"> • Discussion on 5G related frequency distribution and infrastructure establishment policy between Korea and France • Discussion on platform policy and network neutrality issues
Bilateral meeting with Federal Communications Commission(FCC)	Feb. USA	<ul style="list-style-type: none"> • Discussion on the Application of Next Generation Broadcasting Technology such as ATSC 3.0, UHD • Discussions on how network neutrality is applied and direction of development according to introduction of 5G

Classification	Time/Nation	Details
Bilateral meeting with Spanish Data Protection Agency(AEPD)	Mar. Spain	• Support for EU (EU) assessment and strengthening cooperation in personal information protection
Bilateral meeting with European Commission DG – Justice, Consumer and Gender Equality European Union(EU)	Apr. Belgium	• Strengthen cooperation in personal information protection, including the promotion of the European Union's assessment of appropriateness
Bilateral meeting with Cambodian Ministry of Information(MOI)	May Cambodia	• Discussions on Cooperation in the broadcasting and telecommunications sector between Korea and Cambodia
Bilateral meeting with Info-communications Media Development Authority (IMDA) on a visit	Jun. Singapore	• Discussions on Privacy and its Policies
Bilateral meeting with Federal Ministry of Economics and Technology(BMWi) on a visit	Sep. Germany	• Analysis of the status of economic support and policy for the broadcasting and telecommunications sector before and after the reunification of Germany
Bilateral meeting with EU DG REGIO on a visit	Sep. EU	• Analysis of the European Union's budget, financial support of structural assistance fund and policy
Bilateral meeting with Ministry of Communications and Information(MCI) on a visit	Dec. Singapore	• Discussion on ways to cooperate with Singapore and issue of regulatory policies

As the government's role in the international arena became more important for the spread of Hanllyu content, the Commission introduced its broadcasting policy issues and direction in cooperation with foreign governments and related agencies. In addition, the Commission actively revealed its commitment in making cooperative efforts with international counterparts by participating in international conferences as a panelist or speaker.

In particular considering that the stable UHD broadcasting was the main contributors in the successful 2018 Pyeongchang Winter Olympics in Korea, the Commission has made efforts to further promote Korea's broadcasting equipment and technology.

b) Strengthening the Broadcasting and Communication Networks

The Commission shared information on Korea's broadcasting and communication environment by attending the 2018 Asia Media Summit (AMS), while introducing the direction of Korea's media policy and examples of the activation of local media contents. In addition, the Commission attended Canada-Korea Conference on Science and Technology(CKC) and

shared broadcasting and telecommunication policies such as digital media, IoT, and privacy matters. During the Broadcasting and Communication Conference, the current status of the broadcasting and telecommunication industry in Canada was identified and ways to support the fourth industrial revolution was discussed.

Figure III-4 | Agenda Presentation at 2018 Asia Media Summit (AMS)



The Commission attended Consumer Electronics Show(CES) in January 2018, that showcased the various technologies including AI, automated vehicle, 5G, Internet of Things, augmented and virtual reality to identify the trends of technologies in broadcasting and telecommunications and listen to the ideas and opinions of participants.

At the Mobile World Congress in February 2018, the Commission had a chance to take a closer look at the current trends of cutting edge technologies in areas of Internet and mobile contents, while having a meeting with domestic corporations to identify the complaints and problems the local companies dealt with.

Figure III-5 | Attend 2018 MWC

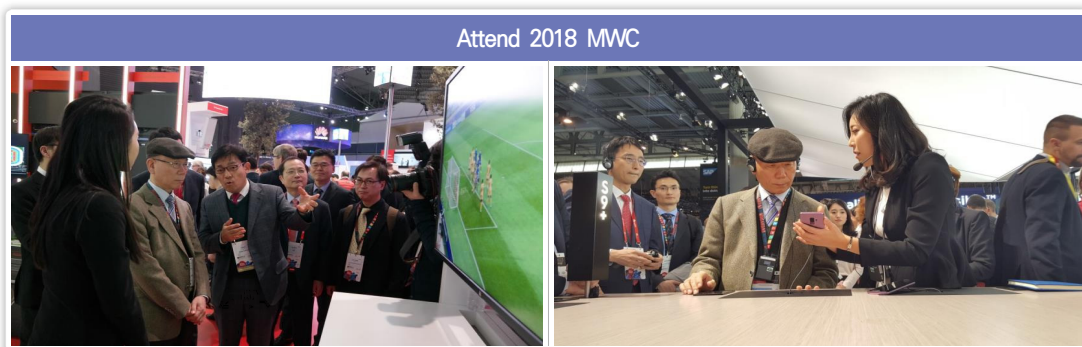
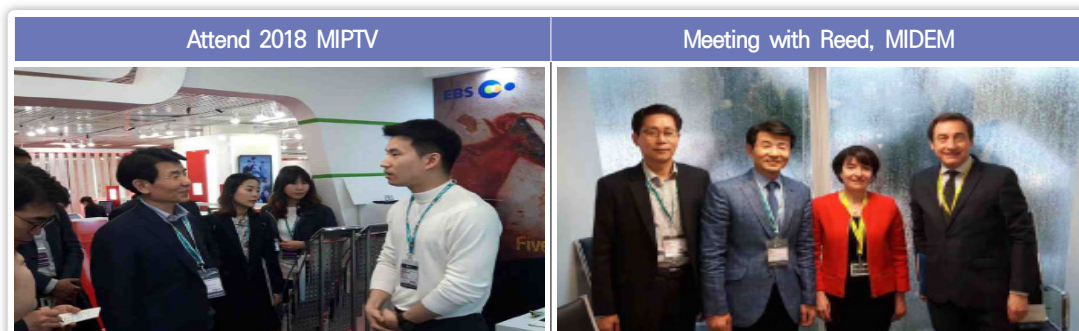


Figure III-6 | Attend 2018 MIPTV, and Meet with the Host



The Commission observed the International Broadcasting Content Market (MIPTV) and the largest National Association of Broadcasters' show (NAB) which is attended by distributors of content video production and digital content production around the world and had a chance to take a closer look at the current trends of broadcasting technologies and had a meeting with participants.

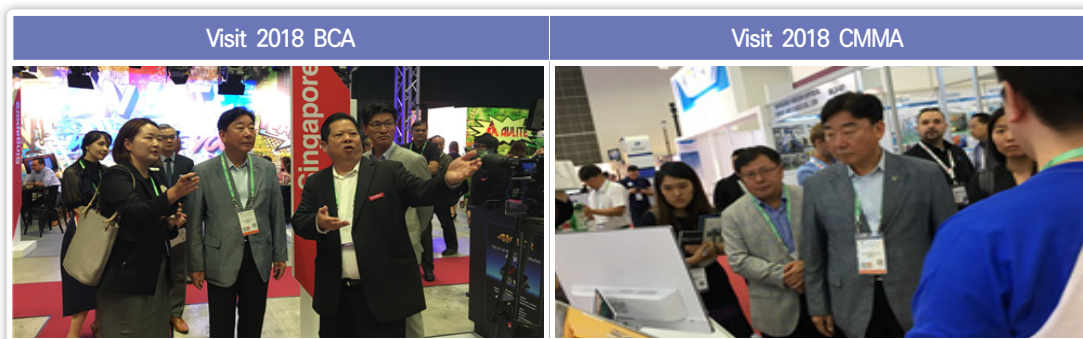
In addition, through a bilateral meeting with the director of the International Documentary Film Festival (IDFA) in Amsterdam, the current status of the international documentary film festival was identified, and the contents exchange cooperation measures and the direction of the new media were discussed. In particular, in order to promote the advancement of our broadcasting contents overseas, the Commission met with the directors of Reed MIDEM, the organizer of MIPTV to check trends in the global broadcasting contents market, and exchanged views on how Korean contents can advance beyond Asia to the European and American markets.

Figure III-7 | Visit 2018 NAB



The Commission visited Asia's largest international broadcasting equipment fair, Broadcast-Asia(BCA) in June 2018, an international information and communication exhibition, Communic Asia (CMMA) and Asia Television Forum (ATF) in December 2018, and took a look at the items displayed by broadcasting equipment and content companies that have a chance to enter the Asian markets, and listened to the opinions of participating business officials at home and abroad.

Figure III-8 | Visit 2018 BCA and CMMA



c) Support the Overseas Advancement of Broadcasting Contents and the Spread of the Korean Wave

The Commission made efforts to support the advancement of Korean broadcasting contents overseas by establishing consultation channels for continuous communication with related agencies of broadcasting and communication services. In January 2018, the Commission visited the US based MBC America to listen to the operating situation and discuss how to respond the change in the media environment. In addition, the regulatory authority visited the Korean Cultural Center, LA branch of Korea Creative Content Agency(KOCCA), and CJ E&M located in LA, USA in order to see for itself the popularity of Korean culture as well as the interest in Korean contents, exploring the strategic support measures accordingly.

The Commission also shared its role as a public broadcaster through a meeting with the British Public Broadcasting Corporation (BBC). Along with this, the Commission identified changes in overseas markets for the advancement of Korean broadcasting contents, and exchanged opinions on policies for the promotion of independent producers and future plans for international broadcasting in the U.K. and broadcasting service platforms.

Figure III-9 | Meeting with BBC and mm2

In addition, the Commission also visited Singapore mm2 Entertainment to find out the status of broadcasting and communication contents market entry in Singapore and the broadcasting contents industry in Southeast Asia. Through the relevant meeting, we collected opinions for encouragement of the entry of Korean contents into the local market. In addition to these efforts, the Commission also tried to introduce the technical prowess of domestic broadcasting equipment companies through meetings with the president of the Advanced Television Systems Committee (ATSC) and the CTO of NAB, and contribute the promotion of domestic broadcasting equipment companies.

Figure III-10 | Meeting with the President of ATSC and CTO of NAB

2) Promote the Inter-Korean Exchanges

a) Host International Conference on Inter-Korean Broadcasting and Communications

The Commission held the international conference on inter-Korean broadcasting and communication at the El Tower in Yangjae-dong on November 16, 2018 to raise awareness of the current state of inter-Korean broadcasting and communication and to explore ways for broadcasting and communication exchanges for peace and co-prosperity on the Korean Peninsula. The conference was joined by more than 200 foreign correspondents from major daily papers such as China, France and Australia, experts on broadcasting and communication and Korean Peninsula affairs from major countries, diplomats, journalists from home and abroad, and those from academia.

Under the theme “The Broadcasting and Communication’s Contribution on Peace and Prosperity on the Korean Peninsula,” the conference contributed to identify the basis for promoting inter-Korean exchanges and cooperation by sharing the changes in North Korean society and the broadcasting and communication sector and discussing the direction and implications of future inter-Korean cooperation in the field. The details of the international conference are as follows:

In his welcoming speech to the conference, the chairman explained the importance of broadcasting and communication, referring to the historic inter-Korean summit held in April and September and the following Inter-Korean sports and cultural exchanges. He also added that the broadcasting and communication services are the core infrastructure that enables people to communicate and understand each other, serving a platform that reduces the physical and psychological gaps between the two Koreas formed by the division. He then expressed hope that the conference serves as an opportunity for broadcasting and communication to solidify peace and prosperity on the peninsula and become a catalyst for reunification.

The conference discussed ways to contribute to the co-prosperity of the Korean Peninsula after the presentation on the experiences and implications of joint production of inter-Korean broadcasting and communication services focusing on JTBC’s 「Story of Two Cities」 and international support for the sustainable development of the North. Also,

as part of the project, the best thesis award was announced at the Inter-Korean Broadcasting and Communication Academic Contest held to foster the rising researchers on inter-Korean exchanges and cooperation. The main theme was based on economic cooperative measures through inter-Korean communication exchanges relying on the establishment of an inter-Korean smart valley, the pending issues on media, broadcasting and communication, and the direction in responsive measures for the reunification.

The discussion sessions handled that it is needed to consider the political and social gaps between the two Koreas in broadcasting and communications field, at the same time it is required for the authorities to take into account of cooperation not only for public purposes but also a chance to produce economic values. In addition it was also suggested to expand cooperative efforts in overall areas including personnel, technology, equipment, program and contents exchanges.

Figure III-11 | 2018 International Conference on Inter-Korean Broadcasting and Communications

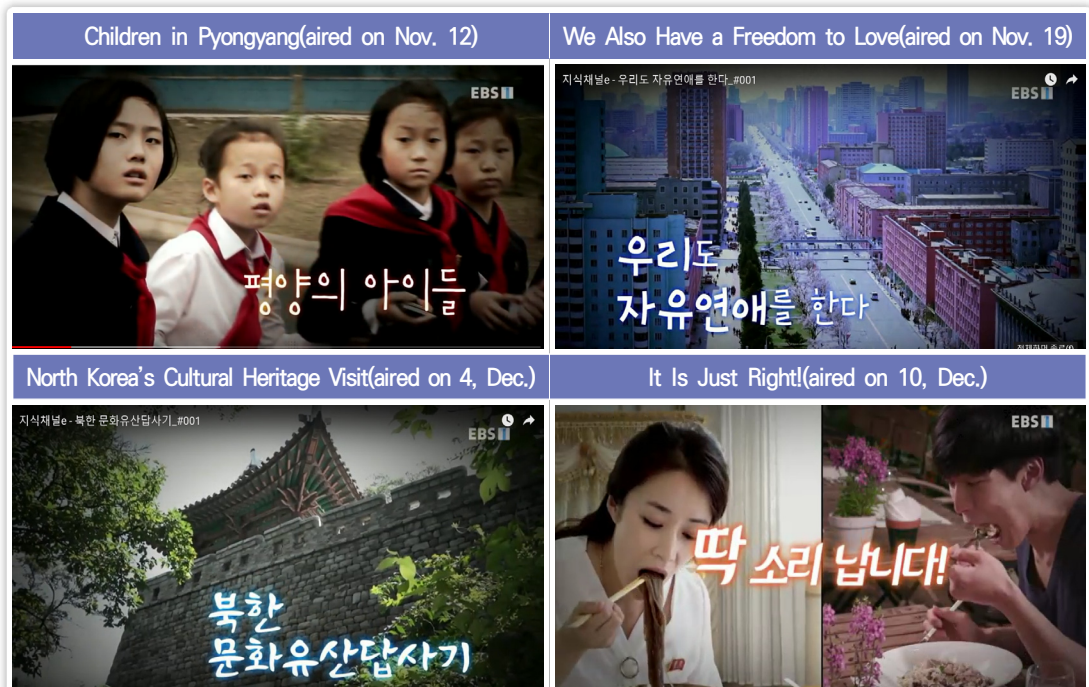


b) Support for the Production of Broadcasting Program on Reunification

The Commission supported the production of broadcasting programs related to unification in order to promote the public awareness on reunification and to contribute to the foundation for promoting inter-Korean exchanges and cooperation. Publications were made through Nara Market of Public Procurement Service to select broadcasting companies eligible for production support fairly from May 21 to July 3, including three advanced notices. EBS Knowledge Channel e was selected for the production support program. The political, economic, social, and cultural implications of inter-Korean exchanges and cooperation are covered in line with the view from the general public. It is designed to provide a clue to what to prepare and how to cope with changing environments.

A total of 10 films have been produced and aired from November 13 to December 12 to understand and related with the lives of North Koreans under the theme of education, language, love and marriage, ICT, broadcasting, the desire to openness, architecture, cultural assets, food and pop songs.

Figure III-12 | 2018 Major Scene of EBS Knowledge Channel e, Production of Reunification Broadcasting Program



g. Promoting Public Advertising and Supporting Broadcasting Advertising for Small and Medium-sized Enterprises

1) Reinvigorate Public Advertising

Through the Korea Broadcast Advertising Corporation (KOBACO), the Commission selects creative public advertisement topics in a timely manner that can contribute to solving social problems and produces high-quality public advertisements. KOBACO conducted the public surveys in May, August and November 2018 to widely collect public opinions on public advertisements. Based on the public survey, the KOBACO chose three pieces of <Fire/Safety>, <Election, Realization of Democratic Intelligence>, <Sharing and Consideration> in February 2018, and four pieces in May 2018 including <Pursuing a society with gender equality>, <Raising awareness on bossing around>, <Traffic safety>, <Etiquette in public spaces>, and another three in September 2018, <3·1 Independence movement spirit>, <Foster community value>, <Preventing date violence>.

The Commission held a public advertising council consisting of 19 outside experts, including media and academia, the advertising and broadcasting community, and broadcasting stations under the authority of KOBACO for efficient promotion of public advertising work. The Council deliberated and decided on matters concerning the selection and production direction of the public advertising.

Figure III-13 | Process on Selection of Public Advertising

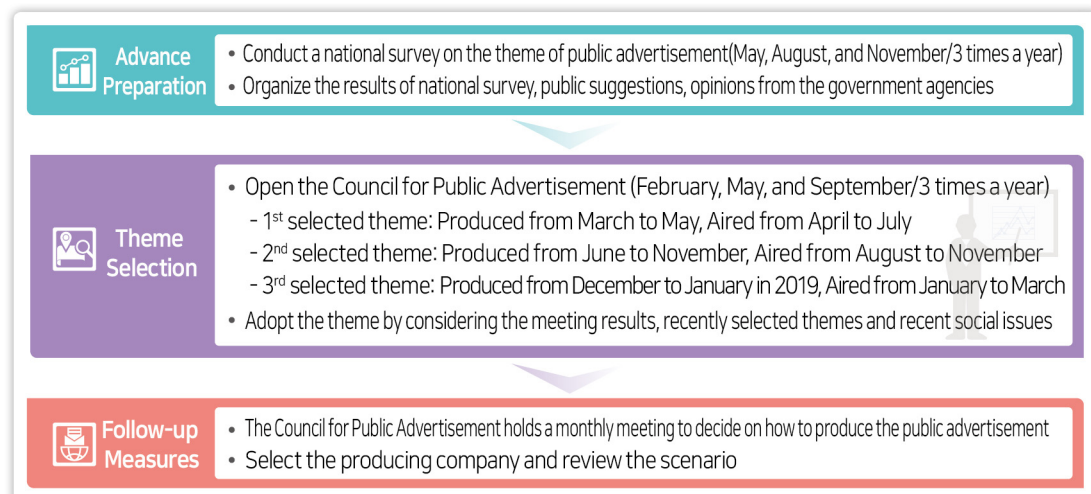
































Table III-14 | Public Advertising Production in 2018

Title	Subtitle	Remarks		
Safety (Fire/Safety)	Preview (Apr. 4~)			
Community Spirit (Election, Realization of Democratic Intelligence)	Role play (May 9~)			
Community Spirit (Sharing and Consideration)	Bag with Happiness (Jun. 12~)			
Social Community (Pursuing a society with gender equality)	Someone has to say (Aug. 14~)			
Consideration for Others/Public Manner (Raise awareness on bossing around)	Government Position (Sep. 13~)			
Traffic Safety (Traffic Safety)	Safety starts from the Inside (Oct. 16)			
Consideration for Others/ Public Manner (Etiquette in public spaces)	Your Consideration (Dec. 18~)			
National Awareness & Patriotism (3·1 Independence Movement Spirit)	The Nation will continue (Jan. 7, 2019~)			
Sharing & Neighbor (Foster Community Value)	Neighbors' Sign (Feb. 4, 2019~)			
Consideration for Others/Public Manner (Prevent Dating Violence)	Pretend to Love (Mar. 12, 2019~)			

A total of 10 themes were produced and aired through various channels in 2018. Under Article 73.4 of 「Broadcasting Act」 and Article 59.3 of the 「Enforcement Decree of the Broadcasting Act」, terrestrial television broadcasting service operators are required to organize public service ads for more than 2/1000 of their total broadcasting time per month for each channel, while other broadcasting service operators are needed to air public advertising for more than 5/10,000 of the total broadcasting programs hours.

The public advertising were aired through Internet, theater, transportation, mobile, IPTV, and VOD advertisements. It maximized the effectiveness of public advertising exposure through Internet, mobile, outdoor etc. of which media influence is growing. By developing free media leading to active media donation, the plan created media cost substitution effects in a way that more public advertising were aired.

In addition, a total of 1,469 students from 50 schools nationwide were engaged in a public advertising campaign through the education program utilizing public ads (AIE). The effect of public advertising was assessed four times a year to diagnose the effect of the of public advertising and the changing attitude of the public as a result.

In addition, the government held a public advertising festival for 11 days from October 24 to November 3, 2018 to create public consensus on various social issues and enhance the sense of social practice through public advertising contests, exhibitions and events participated by the general public.

2) Support for Small and Medium Sized Companies in Advertising

The Commission carried out the “2018 Advertisement Support for Innovative SMEs” to support small and medium-size enterprises with excellent technological prowess but low marketing capability and brand awareness. Innovative SMEs included certified businesses such as venture firms, innobiz (technological innovation), main biz (management innovation), outstanding green management and green certification SMEs, and global IP (knowledge property) star business.

In 2018, separate bonus points were granted to companies that were recognized by the local governments, etc. for creating many job opportunities.

The status of Advertisement Support for Innovative SMEs provided TV commercials with 50% of the total production cost (up to KRW 50 million) and radio ads with 70% of the total production cost (up to KRW 3.5 million).

Table III-15 | 2018 Advertisement Support for Innovative SMEs

Classification	TV Ads	Radio Ads
Limited Amount	KRW 50 million (KRW 50 million out of 100 million in production cost)	KRW 3.5 million (KRW 3.5 million out of 5 million in production cost)
Exceeding the Limit	KRW 50 million (KRW 50 million out of 120 million in production cost)	KRW 3.5 million (KRW 3.5 million out of 8 million in production cost)
Below the Limit	50% of the total production cost (KRW 40 million out of 80 million in production cost)	70% of the total production cost (KRW 2.1 million out of 3 million in production cost)

In addition, the Commission enhanced the utilization of broadcasting advertisements by reducing the burden of transmission costs by 70 percent off the cost of transmitting broadcasting advertisements through KOBACO, apart from the measures to support the production cost of broadcasting advertisements for SMEs that are eligible for the benefits.

Prior to supporting the production cost of broadcasting advertisement for innovative small businesses, the Commission held a preliminary briefing session in February 2018 to inform them of basic procedures for broadcasting advertisement, average time and cost, and precautions for submitting applications, signing an agreement with the relevant companies in March 2018.

Along with this, the Commission offered an advertising education session and consultation services to encourage them to produce ads for themselves. Around 39 companies received customized consultations ranging from planning, producing, and exercising according to their level. To those companies which lacks expertise in broadcasting advertising, the Commission offered educational programs on ads production in March and June.

From 2015 to 2018, the Commission supported the production of broadcasting advertisements to 388 companies, including 183 TV commercials and 205 radio ads. In 2018, the government spent a total of KRW 2.85 billion to support 97 SMEs, including 52 TV

commercials and 45 radio ads. The support for the production of broadcasting advertisements is expected to contribute to the growth of SMEs by increasing awareness of innovative SMEs, and strengthening marketing capabilities.

Table III-16 | Status of Advertisement Support

(Unit : Number of companies, KRW 1 million)

Classification	Number of companies			Est. Subsidy
	TV ads	Radio ads	Total	
2015	32	78	110	2,000
2016	45	40	85	2,540
2017	54	42	96	3,000
2018	52	45	97	2,850
Total	183	205	388	10,390

h. Ensure the Universal Viewing and Listening Rights

The Commission held the General Viewing and Listening Right Guarantee Committee four times in 2018 to analyze the status of the broadcasting programs that were organized for the national events, including the PyeongChang Winter Olympics, the World Cup in Russia and the Asian Games in Jakarta.

By hosting the General Viewing and Listening Right Guarantee Committee in August 2018, the Commission recommended the relevant broadcasters to air the 2018 Jakarta-Palembang Asian Games held from August 18 to September 2 in 2018, in an organized manner so that viewer could enjoy the variety of program selections on the Asian Games. Under the Article 76.5 of 「Broadcasting Act」, the Commission conveyed its recommendations reviewed by the members of the Commission to the Korean Broadcasting System (KBS), Munhwa Broadcasting Corporation (MBC), and Seoul Broadcasting System (SBS) and urged them to faithfully carry out broadcasting of the Asian Games to ensure maximum public viewing rights. In addition, the three terrestrial broadcasters were asked to provide information in various ways so that viewers can be fully aware of the events that are not broadcasted in advance due to the technological issues on international signals, such as canoeing and rowing games, in which a single South and North Korean teams participate.

The 6th General Viewing and Listening Rights Guarantee Committee was formed in October 2018 professionals with expertise and experience in broadcasting, media, culture, sports, management, economy and broadcasting and communication services. The members appointed to the 6th Committee are following: Kim Suk-jin, a standing commissioner of the Korea Communications Commission, Song Jong-hyun (Professor of Media Communication at Sunmoon University), Kang Hyun-hee (Director of Human Aid Media Policy Institute), Kim Hwa-jin (former Head of SBS Golf Channel Broadcasting Station), Lee Ji-yoon (Lawyer of the Korea Sports Promotion Foundation), Kim Kyung-ho (non-executive member of the Korean Sports Council's public relations and media committee), and Lim Soon-hye (People's coalition for media reform). The 6th Committee will review the selection of public interest events and recommendations for sequential programming of broadcasting services over the next two years, and is expected to contribute to ensuring universal viewing rights of the general public.

i. Excellent Program Award

The Commission selects Broadcasting Awards of the Korea Communications Commission (hereinafter referred to as Broadcasting Awards) to foster sound broadcasting culture and morale of broadcasting producers. The Broadcasting Awards marked its 10th anniversary this year with an award ceremony to select "individuals and organizations that contributed to the development of outstanding programs and broadcasting culture in Korea throughout the previous year." The award ceremony was gathered by around 300 people including members of the National Assembly, the representatives of the government and broadcasters in April 2018 to congratulate the winners and encourage the hard work of broadcasters in producing the programs.

Figure III-14 | 2018 Korea Communications Commission' Broadcasting Awards



A total of 321 excellent broadcasting programs were submitted to the 2018 Broadcasting Awards, and as a result, as many as 22 high-quality programs and broadcasters were awarded. The honor of “the Grand Prize” was given to the Korean Broadcasting System’s tetralogy UHD documentary, 2017 KBS’s grand project, ‘Journey on Foot’ (planned by Park Bok-yong, Lim Ki-soon, directed by Yoon Chan-kyun, Shin Jae-kook, and Kim Han-seok. The documentary showed the story of a variety of people on the pilgrimage route through bold production and cinematic development, and not adhering to the traditional documentary format. In particular, it received high marks for bringing a stunning display of Mother Nature to the viewers with 4K UHD cameras on the pilgrimage route to Pad Yatra of Tibetan Buddhism for the first time as a Korean broadcaster.

The best award was given to KNN’s Busan ‘Refuge capital of Busan, the sound of 1000 days’ (planned by Moon Ji-yong, directed by Bae Byung-min). The tetralogy radio documentary was also recognized for its work during the Korean War, which shed a new light on Busan as a place that created a musical Renaissance rather than just a place for refugees. The KNN won the best award in radio programs for the second consecutive year.

The “Web Content” section was newly established in 2018 that awards video contents provided through additional telecommunication services to reflect the broadcasting trends that watch videos through OTT and MCN. As a result, SKB’s web drama ‘The best moment I quit the job’ was chosen as the winner of the award. In order to promote local broadcasting, “Regional Development on Radio Broadcasting” was established and the award was expanded to three (Two TV and one radio) in total. The award went to ‘Booksound with Dad’ of Ulsan Munhwa Broadcasting Corporation.

In addition to this, the Commission also awarded “Excellence Awards” for a total of 12 works, including “Creativeness and Development” and “Social and Cultural” sections, and “Special Award” in seven categories for those in the broadcasting field who contributed to its development.

The chairman of KCC, Lee Hyo-seong stressed that “the content industry is the best area to foster job creation in the era of the fourth industrial revolution” and added that “the Commission is committed to building a broadcasting communication environment that are related to the general public by keeping the communication channel open with the broadcasters”.

2. Promote Media Diversity

a. 2017 Results on the Market Share of Broadcasters

At the 37th General Meeting held on July 18 2018, the Commission resolved and announced “media exchange ratio of 2017” and the “result of the audience rating of broadcasting service providers of 2017” pursuant to Article 69.2 of the 「Broadcasting Act」, Article 52.3 of the 「Enforcement Decree of the Broadcasting Act」, and Article 8.5 「Criteria, etc. for the Calculation of Audience Share」.

Share of audience is the percentage of viewing hours of a particular channel out of the total viewing period of TV broadcasting and it should not exceed 30%. However, this shall not apply if a business operator is fully invested in by the government or a local autonomous entity.

Share of audience among broadcasting business operators is calculated by adding share of audience of a broadcasting operator to that of special interest groups. In case that a daily newspaper is also a broadcasting business operator, or owns stocks or shares thereof, the subscription rate of the daily newspaper shall be converted into the share of audience before being added to that of the broadcasting business operator.

Media exchange ratio refers to the difference of influence between TV broadcasting and daily newspapers. It is calculated by setting the influence of broadcasting at 1, against a relative ratio of influence by daily newspapers. For example, the media exchange ratio between TV and daily newspapers in 2017 was 1:0.38

The Commission has contributed to preventing monopoly in journalism and ensuring media diversity by announcing the results of its annual audience share. As many as 271 broadcasting business operators (legal entities) which run 397 TV channels were tallied and reflected in the final calculation. The survey found that no business operators had an excessive audience ratio share.

The Evaluation results of audience share of major broadcasting operators in 2017 are as follows: in terrestrials, 26.890% for KBS, 12.465% for MBC, 8.661% for SBS, 2.180% for EBS, in category of general PPs and news specialized, 9.453% for JTBC, 8.886% for TV Chosun, 6.056% for Channel A, 5.215% for MBN, 2.492% for YTN, 2.187% for Yonhap TV.

In terms of SO and satellite TV, 11.000% for CJ E&M (CJ family), 2.970% for T cast (t-broad family), 1.589% for IHQ(C&M family), 0.832% for Hyundai Media (HCN family), 0.106% for CMB holdings (CMB), and 1.257% for KT Skylife.

Table III-17 | 2017 Results on Audience Share of Major Broadcasting Operators (Unit : %)

Classification	Broadcaster	Share of Audience	Remarks
Terrestrial Broadcasting	Korean Broadcasting System(KBS)	26.890	Terrestrial broadcasting and PP
	Munhwa Broadcasting Corporation (MBC)	12.465	Terrestrial broadcasting and PP
	Seoul Broadcasting System(SBS)	8.661	Terrestrial broadcasting and PP
	Educational Broadcasting System (EBS) ^(Note)	2.180	Terrestrial broadcasting and PP
General Service and News-specialized PP	JTBC(Joongang Ilbo family)	9.453	General service PP and daily newspaper
	TV Chosun(The Chosun Ilbo family)	8.886	General service PP and daily newspaper
	Channel A(Dong-A Ilbo family)	6.056	General service PP and daily newspaper
	MBN (Maeil Business Newspaper family)	5.215	General service PP and daily newspaper
	YTN	2.492	PP
	Yonhap News Television	2.187	PP
Major CATV Broadcasting Business Operator PP and satellite	CJ E&M(CJ family)	11.000	PP·SO
	T cast(t-broad family)	2.970	PP·SO
	IHQ(C&M family)	1.589	PP·SO
	Hyundai Media(HCN family)	0.832	PP·SO
	CMB Holdings(CMB family)	0.106	PP·SO
	KT Skylife	1.257	Satellite

Note) Audience share of Educational Broadcasting System(EBS) included 0.031% of EBS 2

b. Results on 2017 Viewing Record of Broadcasting Media

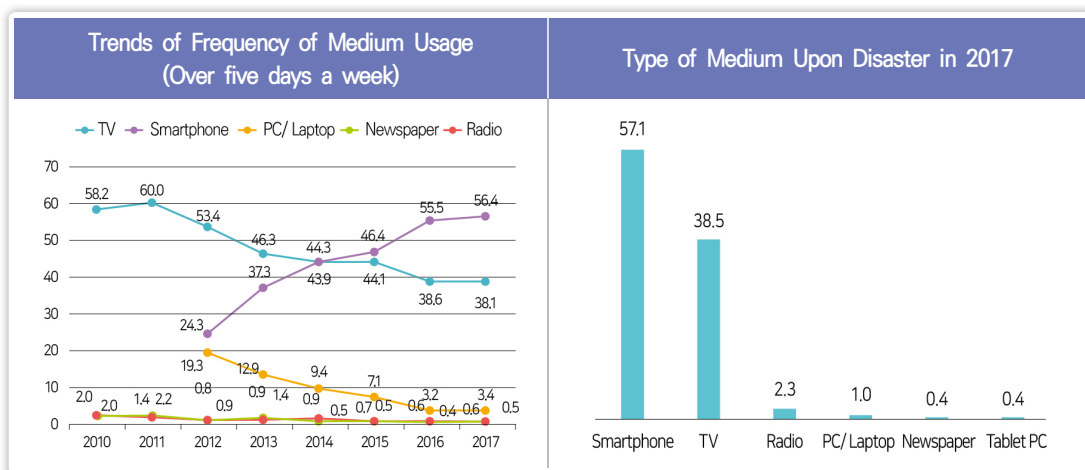
The Commission conducts a survey on viewer's perception on broadcasting media and the changes in viewership on a regular basis with an aim to utilize those results when it devises policy measures. The 18th viewing record of broadcasting media was announced in February, 2018.

The 2017 survey was conducted on about 7,416 people(from 4,378 households) aged over 13 across the nation from June 5 to August 18, 2017 by Korea Information Society Development Institute(KISDI). The viewing record of broadcasting programs was surveyed in areas of the status of type of media they possess, use, and frequency of usage, importance of media, and the use of OTT services through assessment application.

According to the committee's findings, the TV ownership rate during the survey period was 96.0%, the same as in 2016. On the other hand, smartphone, a multi-functional medium, recorded 87.1%, up 3.8%p from 83.3 percent in 2016, the survey showed.

The ratio of people who chose smartphone as the most important essential medium in their daily lives reached 56.4%, surpassing the 38.1% who chose TVs, while those who relied most on smartphone (57.1%) upon disaster were also higher than those of TVs (38.5%).

Figure III-15 | The Rate of Viewers by Broadcasting Service Platform and that of Disaster Situations (Unit : %)

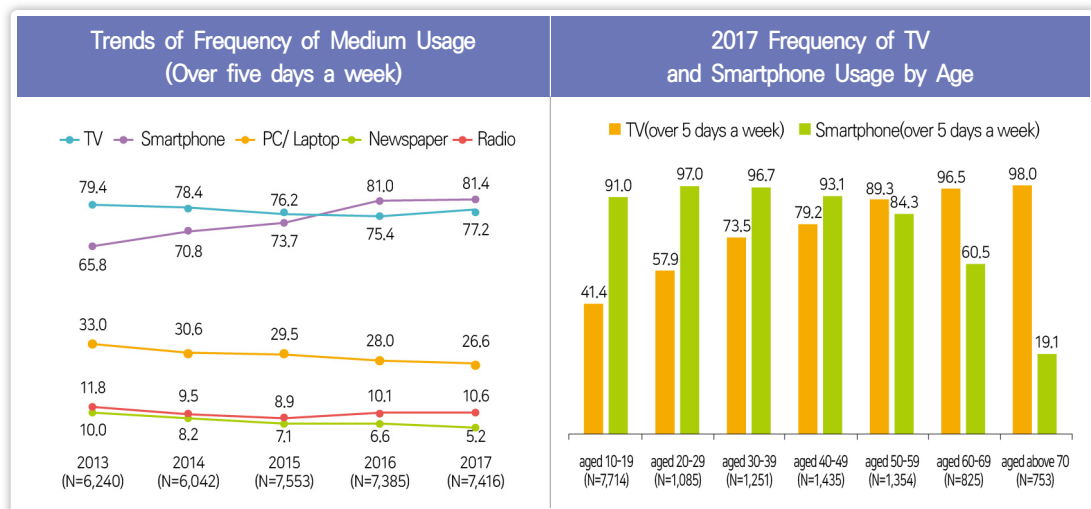


According to a survey of usage time by media, average viewers watched TVs for two hours and 48 minutes per day, longer than smartphones (1 hour 21 minutes) excluding voice calls and radio (18 minutes). The survey showed that 81.4% of respondents uses smartphones and 77.2% watched TVs almost every day (more than five days a week). Those who rely on PC/Laptop and newspaper dropped to 26.6% and 5.2% respectively. It has found that the older someone was, the more they tend to watch TV, while the younger the more rely on smartphone and PC/Laptops.

Among those who watch TV, the rate of people who use smartphone is the highest of 52.9% followed by PC/Laptop of 5.9%. The reason why they use more than two devices is using chatting and messaging at 63.6%, using habitually at 42.7% followed by searching information at 23.5%.

Figure III-16 | The Rate of Viewers by Broadcasting Service Platform

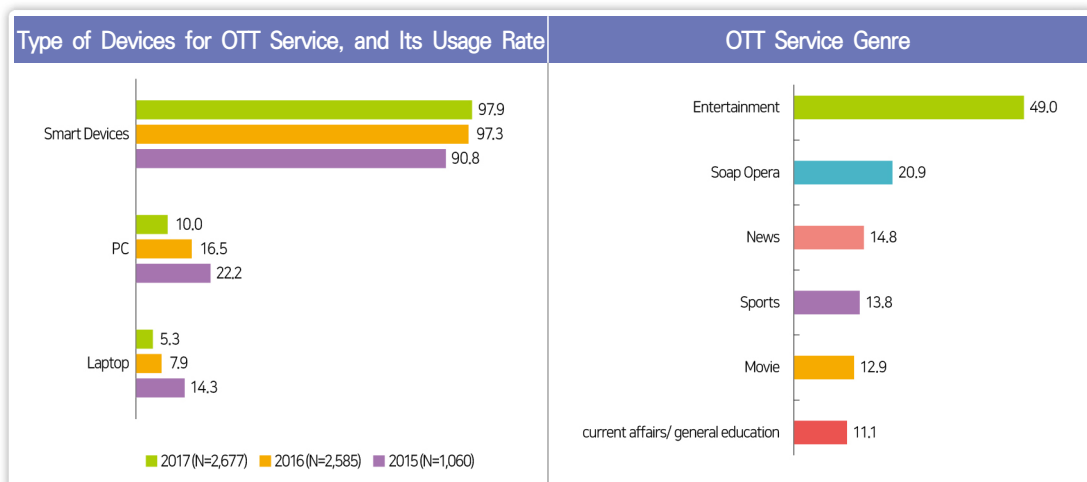
(Unit : %)



In addition, over the past three months, the service utilization rate of terrestrial DMB services decreased to 8.4%, down from 9.6% in 2016, and the service was mostly watched by mobile phones (80.6%). During the period, the rate of OTT use was 36.3%, a slight increase from 35.0% in 2016, a significant rate of 97.9% of viewers tap into the service by using smart devices. The most favorable category for the OTT viewers was entertainment (49.0%) followed by soap opera(20.9%), news(14.8%) and sports(13.8%).

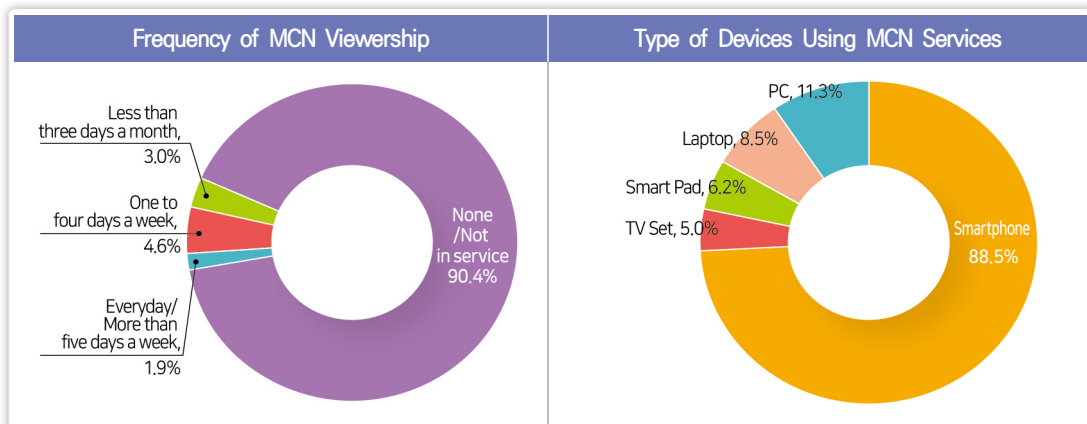
Figure III-17 | OTT Service Usage

(Unit : %)



In addition, those who recognize the multi-channel network (hereinafter referred to as “MCN”) has slightly risen to 22.3% from 20.1% in the previous year. About 6.5% of viewers uses MCN service more than one time per week, mostly tapped into by smartphone (88.5%) followed by PC(11.3%), laptop(8.5%) and smart pad(6.2%).

Figure III-18 | About MCN Service Usage



The result paper and specific statistical data are revealed by broadcasting statistics at www.mediastat.or.kr.

c. Establishment and Operation of Broadcasting Statistics Portal and Value Information Analysis System of Broadcasting Contents

1) Broadcasting Statistics Portal

The Commission started its broadcasting statistics service on January 2, 2018 by establishing the Broadcasting Statistics portal(www.mediastat.or.kr) which combined the relevant statistical data so that the public can easily access to broadcasting survey information such as the viewers' rating.

The Broadcasting Statistics portal provides statistical information in seven areas as follows: the results of broadcasting media usage; the evaluation of competition of broadcasting service operators, audience share by channel, status of broadcasting industry, KI viewer evaluation index, status of formation of broadcasting service providers, and property situation of broadcasters.

The Broadcasting Statistics portal focused on charting statistics that users were interested in, improving readability, while providing subject-specific (broadcasting recipients, its industry, and its service providers) of various broadcasting statistics and enhancing user convenience, such as direct link to the official website of the Commission. The Commission hopes that the newly opened portal will make it easier and more convenient for the public to use broadcasting statistics, and will continue to improve the new site.

Figure III-19 | Screen Capture of Broadcasting Statistics Portal(mediastat.or.kr)



2) Value Analysis System

The broadcasting content value information analysis system (hereinafter referred to as value analysis system) was launched on January 11, 2018 with an aim to analyze the value of broadcasting contents by surveying the viewer's responses on the Internet such as articles, postings and comments.

The value analysis system is a website(www.racoi.or.kr) that provides results that collect domestic and international viewers' responses to Korean broadcasting contents on the Internet. The website allows viewers to receive additional indicators to evaluate broadcasting contents along with the ratings.

The system consists of three main area of Internet buzz, comprehensive responses and overseas responses. "Internet Buzz" refers to all kinds of Internet responses which offers weekly survey results on 29 broadcasting channels (five terrestrial channels, four general PP channels, and 20 general PP channels) and domestic broadcasting contents (drama and entertainment), composed of "Viewer's Buzz" and "Media Buzz".

The "Comprehensive Response" provides information such as the monthly results of broadcasting content, TV viewing rates and VOD viewers on a screen so that the viewer could compare each date. Lastly the "Foreign Response" section offers the results of a survey by four foreign countries(China, Japan, Vietnam and Indonesia) where Korean dramas are popular, making it available to learn about the overseas responses of Korean broadcasting content.

In addition, through the system renewal in November, some new functions were added such as search for broadcasting contents, inquiry for weekly rating, and cross-analysis graph, as a result the system has improved the overall design including main screen to make it easier for viewers.

The Commission regards the system as a meaningful step for developing an evaluation indicator that can measure the value of domestic content.

3. Support for Revitalization of Regional and Small Broadcasting

a. Support for the Content Production of Regional and Small Broadcasting

Due to the rapidly changing broadcasting environment including the emergence of new media and the shrinking advertising market, the need to strengthen the competitive edge of regional and small broadcasting stations and create a foundation for self-reliance is

increasing. The Commission strengthened support for enhancing the competitiveness of local broadcasting services and implementing regional characteristics and diversity in accordance with the “2nd Regional Broadcasting Development Assistance Plan (2018-2020)” devised in December 2017.

The Commission implemented the “2018 Project to Support for Regional and Small Broadcasting in Enhancing Content Competitiveness” to upgrade the production prowess of programs of local and small broadcasting service operators and to support the production of excellent programs, especially pilots, regular programs and UHD broadcasting programs.

By supporting the production of programs by TV and radio field, the program quality and competitiveness is enhanced in order to develop regional culture and protect the viewer’s rights. The Commission has played an active role in the multi-media era by encouraging the broadcasters to discover new genres and interesting topics and supporting production of content exclusively for new media services. By screening production programs for about 40 local and small broadcasting service providers, the Commission spent a total of KRW 3.4 billion in supporting these productions. In March 2018, as many as 29 programs from 18 broadcasting companies were selected to receive the government support.

For the 2018 project, the Commission has encouraged the broadcasters to produce programs of their own originality by expanding support for the regular programs productions of TV, radio, and DMB areas (more than 60% for regular programs). In particular, the Commission created a support sector for production of excellent UHD programs to encourage local broadcasting companies to invest in producing UHD broadcasting programs while newly formed a support sector for Pilot Program⁵⁾ to shore up the regional broadcasters to identify new genres, themes and make them regular. The Commission supported the production of one to 10 minutes clip-video series that can be serviced on SNS, portal, and mobile services to help local broadcasting companies to cope with new media.

5) Before being organized as regular programming, it is a sample program that was created to reveal one or two episodes in advance to determine whether the program should be organized as a regular.

Table III-18 | Support for Regional and Small Broadcasting Program Production in 2018

Category		Supporting Amount	Supporting Maximum	Production Period	Conditions	Note
Excellent Programs	Regular	TV, Radio, DMB: KRW 2.8 billion	KRW 300 million per program	Up to 1 year	Self-funding ratio more than 10% ※ Over 50% for regular programs (producing costs for the last three years are required)	<ul style="list-style-type: none"> • Stick to the program standard on regular programs • New genre, themes preferred • Regular programs eligible for application • Joint production with central broadcasting station preferred
	Special					<ul style="list-style-type: none"> • Series programs preferred • Themes available for overseas market preferred • Co-production with foreign counterpart • Joint production with central broadcasting station preferred
UHD Program		UHD KRW 250 million	-	Up to 1 year		<ul style="list-style-type: none"> • Themes available for overseas market preferred • Co-production with foreign counterpart
Pilot Program		TV KRW 200 million	-	Up to 1 year		<ul style="list-style-type: none"> • Programs available for the regular preferred • New genre, themes preferred
New Media Content		Content KRW 150 million	-	Up to 1 year	-	<ul style="list-style-type: none"> • New platform·channel available for launch • Existing platform·channel operated • New content preferred

The Commission laid a foundation for producing excellent contents to produce high-quality broadcasting contents with global competitiveness and voluntarily discover new genres and topics through support for production of regional and small broadcasting programs. According to the survey of 29 contents of 18 companies selected for production support programs, a high satisfaction level of 86.4 points was recorded on average. The excellence of the programs produced through production support was recognized and received a total of 10 awards in an external evaluation. Among them Ulsan MBC 「Whale」 won the Best Picture Award in regional TV documentary at the Korea Broadcasting Awards.

Table III-19 | Support for Marketing and Promotion of Excellent Content of Regional Broadcasting in 2018

Regional broadcaster	Program	Award	
MBC Gangwon- Yeongdong	Black Harmony	• Japan's Tokyo Docs Award for Best Planning (Nov.)	
MBC Gyeongnam	Minority	• Gold prize in Local Program of Foundation for Broadcast Culture (Nov.) • 28 th Special Prize for the Democratic Press (Nov.)	
Busan MBC	Our Village	• Best Local Development Award in Korea Communications Commission (KCC) Broadcasting Award (Apr.)	
Ulsan Broadcasting	A Stopover in My Life	• Best Camera Director Award in Korea Broadcasting Camera Director Association (Jul.)	
Ulsan MBC	Whale	• Best Picture Award in Local Documentary TV Sector for Korea Broadcasting Award given by Korean Broadcasters Association (Sep.)	
Daejeon MBC	Spices of Asia	• Best Picture Award in Local Documentary TV Sector for Korea Broadcasting Award given by Korean Broadcasters Association (Sep.)	
Gwangju MBC	A Thousand-year-old Jeolla Province	• Bronze prize in Local Program of Foundation for Broadcast Culture (Nov.)	
BBS	The Age of Anger, The Art of Anger	• Producer of the Month Award in Korean Producers & Director's Association (Nov.)	
Chuncheon MBC	Ally's Three Kingdoms	• Silver prize in Local Program of Foundation for Broadcast Culture (Nov.)	





b. Promotion and Marketing Support for Regional Broadcasting programs

The Commission has supported regional broadcasters to actively participate in domestic and overseas contents market, and global forums, and also striven to find the way of overseas distribution channel and forging a global network. The Commission set up Local Broadcast Pavilion at Busan Contents Market, Broadcast Worldwide, and Asia Television Forum, introducing excellent local contents to buyers and visitors from home and abroad. As a result, by applying for the pitching forums(Guangzhou Documentary Pitching Forum,

Tokyo Docs and others), the Commission helped to take their competitiveness to the next. In addition, the Commission promoted support for re-production of programs for overseas sales (14 programs for 10 companies) to promote overseas sales and distribution.

In the meantime, through participation in foreign and domestic broadcasting stations' channel and content exhibitions, outstanding programs (Travel Backpackers, Spices of Asia, and Sketchbook Trip) were sold in 2018 to generate total sales of KRW 825 million. One-on-one business meetings with 21 domestic and 23 foreign companies at BCM made about KRW 400 million in sales while at ATF about KRW 50 million in sales were made by having 21 bilateral business meetings with 18 companies from nine countries. The Commission plans to continue to find new sources of revenue for local broadcasting stations and expand distribution channels through participation in domestic and foreign content market forums and international pitching forums.

Table III-20 | Participate in Domestic and Overseas Content Market and Pitching Forums

2018 BCM Participation Support for Local Broadcasting Business Operators <ul style="list-style-type: none"> • Date : May 9 to 11, 2018 • Venue : Busan BEXCO • Details : Promoted excellent regional broadcasting programs in Korea Content Village (42 programs from 20 operators exhibited) 	
ATF Participation Support for Local Broadcasting Business Operators <ul style="list-style-type: none"> • Date : Dec. 5 to 7, 2018 • Venue : Marina Bay Sands Convention Center in Singapore • Details : Promoted excellent regional broadcasting programs in Korea Content Village (68 programs from 22 operators exhibited) 	
Tokyo Docs Participation Support for Local Broadcasting Business Operators <ul style="list-style-type: none"> • Date : Nov. 5 to 7, 2018 • Venue : Tokyo, Japan • Details : Attended International Documentary Festival and enhanced global producing capability 	
GZDOC Participation Support for Local Broadcasting Business Operators <ul style="list-style-type: none"> • Date : Dec. 10 to 13, 2018 • Venue : Guangzhou, China • Details : Attend the pitching forum of Korea Content Night, reinforce global content production capabilities, such as investor discussions on complementary issues 	

c. Educational Program for Local Broadcasting Staff

The Commission has provided a series of customized practical training, advanced curriculum for overseas broadcasting, and mentoring services to help local broadcasting staff to be equipped with the capabilities to produce high-quality broadcasting content. To actively respond to changes in broadcasting environment and professional education in areas such as producer, writer, filming, editing, and special filming, the education for new media was strengthened. Based on the survey results of local demands for education conducted, the Commission developed and offered 'Customized Educational Program for Local Broadcasting Staff'. It conducted 15 regular, 8 special courses and 11 mentoring programs in each field to strengthen the production capacity of local broadcasting workers. Among 159 participants, a total of 146 people (PD education, special effects shooting, and color-compensation) completed the class by achieving 90.9 on average. Customized special courses provided customized field training such as online media platform operation strategy, SNS marketing strategy, while experts mentoring programs offered comprehensive editing practice and strategies to advance the overseas content market. Specialized education courses were conducted, including meetings between Korea and Japan's broadcasting companies, the status of broadcasting in Japan, and the trend of advanced broadcasting technologies, with 11 employees of 11 local broadcasting companies who participated in the overseas broadcasting program held in Osaka and Tokyo, Japan. from November 12 to 16, 2018.

Figure III-20 | Support for Education, Production and Distribution of Local Broadcasting Companies



4. Ensure Freedom on the Internet and Cope with Adverse affects

a. Ensure Freedom on the Internet

1) Promote the Improvement of the Cyber Defamation System to Ensure Freedom of Expression on the Internet

The Commission promoted the improvement of the cyber defamation system to protect victims from cyber defamation, and to make sure that freedom of expression could not be excessively suppressed due to temporary measures. To streamline the system, the Commission formed a public-private consultative body and also conducted “Basic Research on Cyber defamation” (Communication Policy Research KCC-2018-27). The 「Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」 (hereinafter referred to as 「Information Communications Network Act」) was drawn up to improve the cyber defamation system.

Table III-21 | Public-private Consultative Body to Reform the Cyber Defamation System

Meeting Date	Details
Aug. 1, 2018	Comparison of domestic and foreign laws on cyber defamation, Analysis of the current status and problems of the cyber defamation system in relation to freedom of expression
Aug. 30, 2018	Discussions on the improvement of the cyber defamation system for freedom of expression
Sep. 17, 2018	Amendment to the 「Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」

To gather various opinions from all walks of society on the government's agenda to improve the cyber defamation system with an aim to promote freedom of expression on the Internet, the Commission held a discussion session on December 11, 2018 which was joined by the Office of Lee Chul-hee of the Democratic Party of Korea, the Korea Legislation Research Institute and the Korea Institute of Criminology at the National Assembly building. The forum introduced measures to improve the cyber defamation system (Justification newly added) and collected opinions from civic groups, the related experts and stakeholders.

Figure III-21 | Discussion Session on Reforming the Cyber Defamation System



2) The Improvement of Temporary Measures for Freedom of Expression on the Internet and Establishment of Foundation for Self-regulation

The Commission promoted revision of the 「Information Communications Network Act」 so that the freedom of expression and the guarantee of personal rights are balanced while providing counter-opposition opportunities for information publishers to unilateral temporary measures⁶⁾. The commission supports the revitalization of self-regulation among Internet operators so they can make voluntary efforts before government-led regulations. The 「Information Communications Network Act」 was revised to provide legal grounds for the establishment of government support and initiatives for activate self-regulation. In the future, the government will pursue policies through collecting opinions from Internet operators and others so that the accountability of self-regulatory bodies can be strengthened.

b. Address the Adverse Effects of Internet

1) Block the Distribution of Digital Sex Criminal Content

a) Improving the Legal System and Technical Measures for Rapid Blocking of Digital Sexual Criminal Content

As the distribution of digital sexual content has become a social issue including serious human rights violations, the Commission came up with legislation and countermeasures.

6) In case of a victim who has been defamed by an online posting demands a portal operator to delete the information, the portal operator temporarily deletes or blocks the material.

The Commission amended the 「Telecommunications Business Act」 to implement measures such as deletion and blocking of connection when value added telecommunication service providers clearly recognize the distribution of digital sexual criminal content. In addition, the Commission amended the 「Information Communications Network Act」 to ensure that Korea Communications Standards Commission makes a deliberation on deleting and preventing digital sex crime content immediately upon request from the relevant investigative agencies.

The Commission amended and distributed “Technical Guidelines for Preventing the Distribution of Illegal Information with Obscene Content” reflecting the application of DNA filtering technology⁷⁾ and technical measures to mobile Web hard to effectively block the distribution of digital obscene information on web hardware.

The Commission also introduced a Server Name Indication (SNI)⁸⁾ system that can block illegal information related to Https and other security bypass connections on the Internet to seven Internet network operators such as KT, SKB, and LGU+.

The Commission will continue to come up with measures to improve the legal system and technical issues to protect victims’ personal rights by swiftly tackling digital sexual criminal content.

Figure III-22 | Policy Briefings and Meetings on Prevention of Distribution of Digital Obscene Content



7) This technology prevents illegal video clips that are edited or modified by comparing the video's DNA values.

8) Identifies and blocks domain information in the SNI field that is sent and received during the mutual authentication process between the user and the web server.

b) Intensive Inspection of the Distribution of Digital Sexual Criminal Content

The Commission conducted regular monitoring and intensive inspections to eradicate illegal activities that earned unfair profits by distributing obscene videos on Web hard and aggravated victims' pain.

The Commission has taken down a total of 154,215 cases by monitoring technical measures to block digital obscene and illegal pornographic materials from distributing among all special types of telecommunication service operators on a regular basis. In addition, an on-site inspection was conducted on suspected businesses (36 operators) that failed to implement technical measures, and an administrative disposal (administrative fines, request for cancellation of registration) and request for investigation was given one operators respectively. Due to such intensive monitoring and on-site inspection, distribution of digital sex crimes videos on web hard decreased by 97% (3,092 cases in July 2018 to 90 cases in December 2018).

Table III-22 | 2018 Statistics on the Number of Illegal Web hard Videos Deleted (Unit : Case)

Classifications	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Obscene materials	14,182	12,105	11,901	11,507	15,817	9,302	9,216	9,321	10,956	11,263	11,988	12,263
Sexual criminal materials	595	345	656	1,019	1,688	2,086	3,092	2,047	2,106	419	251	90

In particular, from May 29 to September 5, 2018, a digital sexual criminal content inspection was conducted on the web hard to delete 8,310 cases by the Commission and to ask the National Police Agency to investigate those who regularly distributed them(as many as 333 IDs).

The Commission plans to take strong measures to block the distribution of illegal content on the Internet and to create a sound distribution environment in the future.

2) Establishment of a Sound Internet Culture by Implementing Contests and Campaigns

To prevent cyber violence and foster a sound Internet culture with the National Information Society Agency (NIA), the Commission will run a weekly declaration ceremony

for “Beautiful Internet World” (6 September, KBS Art Hall, 323 participants) and a weekly event (6 to 20 September), under the slogan of “You and I, all we can laugh” and conducted intensive Internet ethics education, five major metropolitan city street campaigns, and online and offline campaigns using social media such as Kakao Plus friends and Facebook.

Along with this, the Commission has made a joint effort with the press as follows: M-clean (Maeil Economy) and U-clean campaign activities(26 May, at Cheonggye Plaza with 1,000 people attended), Sevashi(15 minutes to change the world), a theme lecture (CBS, 6 September, at kt Chamber Hall with 600 people). It also waged a campaign with the relevant institutions (Korea Youth Activity Agency) by operating a booth for A Beautiful Internet World at Korea Youth Fair (24 to 26 May at the Saemangeum Convention in Gunsan where 21,000 people participated in the event).

In addition, the Commission held a contest for “Internet Dream Song Festival (final contest on 14 September), at the National Gwacheon National Science Museum which 500 people participated in (up to 103 applicants) and “Creative Content and Teaching-Learning Guidance” (up to 3,559 applications from August 31 to October 19).

Through this, the Commission prepared an opportunity to promote “Internet Ethics Education” projects, and the winners (Teams) selected from “Creative Contents and Teaching-Learning Guidance” were awarded at “Internet Ethics Contest (November 30, National Museum of Korea, 400 participants)” together with their distinguished scholars who worked on creating a sound Internet ethics culture and used the content as educational promotional material.

Figure III-23 | Internet Ethics Contest and Campaigns



Figure III-24 | Joint Campaign with the Relevant Organizations and New Media



The Gwangju Internet Ethics Center was relocated from Gwangju Community Media Center to Gwangju National Science Museum and held an opening ceremony on 4 May, 2018. In the Gwangju center, attendees could learn about the Internet ethics through providing “Welly highfive”, “Beautiful Internet world bubbles” and other hands-on experience opportunities.

To bridge the gap in Internet ethics education by region, three Internet ethics experience centers are in operation throughout the year. The National Busan Science Museum, the National Gwangju Science Museum and Korea Job World experience center attracted as many as 567,962 people up about 28 percent from 443,471 in 2017.

Figure III-25 | Internet Ethics Centers

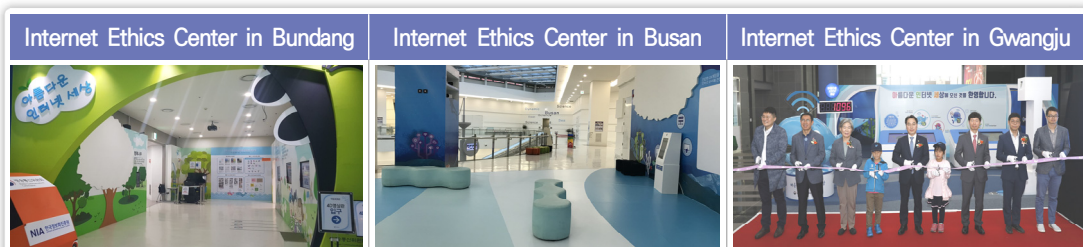
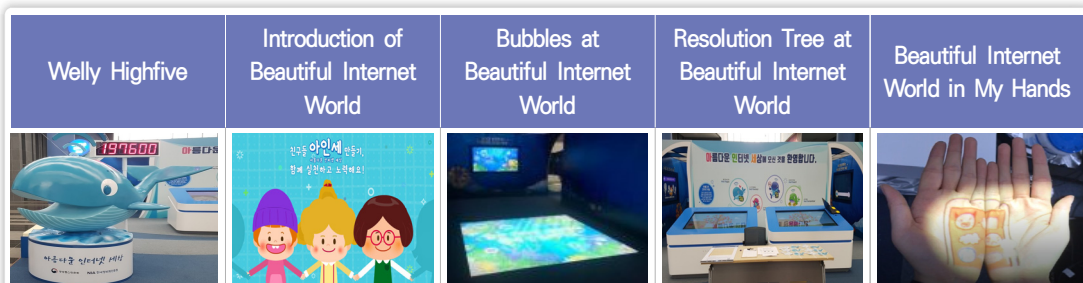


Figure III-26 | New Content of Internet Ethics Center in Gwangju National Museum



A cup holder which won the 2018 Creative Content Contest was distributed to four government building including Seoul City Hall, six schools including Hankuk University of Foreign Studies with 80,000 participants. Promoting subway screen doors (three stations including Seoul Station for one month) and promoting bus rides in Busan, 1,846 times a day for two months, in Daegu, 3,360 times a day for two months, in Daejeon, 367 times a day for four months. And also radio campaigns on two programs including songs requested at noon were performed 15 times, and social media programs were used to help the public recognize the relevant policy.

- * Bus Campaign comment: The beautiful Internet world that you draw with your happiness, the Korea Communications Commission and the National Information Society Agency(NIA) are here together. Beautiful Internet world, Save only the happiness.
- * Radio Campaign comment: A day for modern people, beginning with a login and ending with a log out. We meet, we talk to people, we draw our own worlds. What does your Internet world look like? (the rest is omitted)

Figure III-27 | Promotional Campaign to come Closer to the Public



3) Promoting Customized Education by Life Cycle for Improving Internet Ethics

With the National Information Society Agency (NIA), the Commission operated nine “Customized Internet Ethics Education Course” for students, parents, teachers, soldiers and general public (middle-aged and senior citizens) in order to prevent cyber bullying and foster a sound Internet culture.

In 2018, “Internet Ethics Education Program for the Vulnerable People” was established to promote hands-on education for disabled and vulnerable youth that can enhance their ability to empathize with others.

In a joint effort with the Community Children Center Central Support Group (Ministry of Health and Welfare) and the After-school program (Korea Youth Work Agency of Ministry of Gender Equality and Family), the Commission provided “Internet Ethics Training Using Educational Tools” and “Art Experience Performance Training” in the form of a musical.

The schools and teachers subject to Internet ethics education were allowed to preliminary apply for the program in January before the new semester begins, and attend the education from March. In 2018, 3,810 schools applied for Internet ethics and cyber-violence prevention education, with 171,676 students completing the education.

* The number of schools subject to Internet ethics education were 3,810 in 2018, up 113% from 2017 of 1,786 schools, while the number of people who complete the training was 171,676, up about 3.05% from 166,600 in 2017

Table III-23 | Internet Ethics Education According to Developmental Stage

Program Title	Details
Proper Use of Internet School for Preschoolers	Education for preschoolers using puppet shows and digital education materials with the aim of promoting proper Internet use
Korea Internet Dream Group (Primary and Secondary School Students)	Education to enhance understanding of Internet ethics and to create a healthy cyber culture through after-school club activities
Nationwide Lecture by Professional Lecturer (Primary and Secondary School Students)	Education for cultivating healthy Internet ethics
Performance-type Education (Primary and Secondary School Students)	Musical-based education on cases of cyber violence
Education for Cyber Violence Prevention Using Education Materials (Primary School Students)	Creative hands-on experience and activity-based education using education materials
Internet Ethics Education at Dining Table Campaign (Parents)	Education for cultivating ethics through proper communication between parents and children
Internet Ethics Education for Adults	Education for the general public on Internet ethics

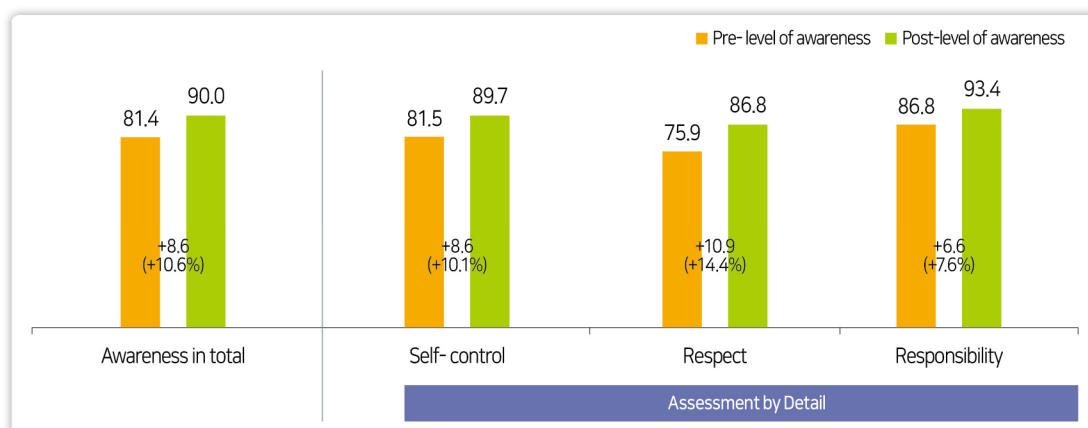
Program Title	Details
Online and Offline Education for Internet Ethics and Cyber Violence Prevention (Leaders in Education Field)	Capacity building program for educational leaders including principals, vice principals, and school commissioners
Internet Literacy for Disabled Youth (Disadvantaged Group)*	Special schools and special classes (integrated classes) education to enhance awareness of Internet ethics among disabled youth
Regional Youth Center and After-school Program on Preventing Cyber Violence (Disadvantaged Group)**	Training on the use of hands-on tools to prevent cyber bullying and to improve Internet empathy among the vulnerable

*** Newly developed education on Internet ethics designed for the disadvantaged groups in 2018

The overall score of Internet Ethics Education Satisfaction was 87.3 points in 2018, up 0.2 point from 87.1 points in 2017 as a result of customized education.

Among a total of 931 students from 60 schools of Korea Internet Dream, after the education the score those students gained went up 8.6 points, recording 90 points, 10.6% higher than pre-conception level of 81.4 points. In particular, the category of the value of Internet use was 10.9 points (75.9 points for the education, 86.8 points for after education, up 14.4%) which shows the largest increase compared to other categories⁹⁾.

Figure III-28 | Improvement of Internet Ethics Awareness (Cases : Total n=931, Unit : Point -100 points converted)



9) Research on Internet Ethics Education, Behavioral and Formal Change, Korea Communications Commission/National Information Society Agency, Dec. 2018, NIA V-RBE-C-18021

Chapter 2 | User's Active Participation and Rights Enhancement

1. Enhance User's Media Literacy and Participation

a. Expand Viewer Participation

In response to the changing environment of media, the Commission has been committed to facilitating viewer participation in broadcasting. Therefore, the Commission has provided various media education programs and broadcasting equipment and facilities of the Community Media Center free of charge, and supported the production of viewer participation programs and activities of the Viewer's Assessment Board. Also, the Commission raised the budget for supporting local terrestrial media and community radio stations (from KRW 310 million in 2017 to KRW 350 million in 2018) to expand programs for a close engagement of viewers, and led institutional improvement for the better operation of the Viewer committee.

In efforts to encourage viewers to have ownership for programs through user created broadcasting contents, the Commission held the ceremony of "Community Media Award" to present awards for the best contents while identifying and introducing creative works directly planned, shot, and produced by viewers themselves. The Award Ceremony of Viewer Media was aimed at securing the Public Access that ensured viewers to produce and broadcast contents by themselves. In 2018, with a newly adopted award of Smart Media Video Contents, the contents on Facebook, Youtube, and other SNS platform were awarded by the judging committee composed of movie directors, programmers, and experts in academia related to media. Based on two sectors of Best Contents and Special Awards, a total of 22 contents won the award of the Best Contents including the 1st(presented by prime minister) and 2nd prize(presented by Korea Communications Commissions Chairman) among 500 contents(video and radio contents) submitted for the competition. Also, two groups were awarded the Special Awards for the contributions to media education.

In the meantime, the “2018 National Community Media Festival” was held in seven Community Media Centers across the nation to celebrate media related activities during the year and promote the culture of sound understanding and usage of media. The Festival was held being comprised of three parts: Award(Sisang Madang), Passion(Yeoljeong Madang), and Participation(Chamyeo Madang) in seven local centers located in Busan, Gwangju, Gangwon, Daejeon, Incheon, Seoul, and Ulsan. During the Festival, participants were able to enjoy some citizen participation events such as the ‘Viewer’s Day’ and the ‘2018 Network Party of Viewer Production Groups’, that provided the centers with opportunities of sharing and offering experiences on projects to improve viewers rights.

The Commission enabled the Community Media Centers to offer facilities and equipment needed for broadcasting production and enhanced media education for all citizens to make contribution to improving the public access to media and encouraging viewers’ engagement in broadcasting. Viewers had chances to take courses of media education at the Community Media Center and were able to produce programs (covering local news, life style information, social issues) televised through broadcasters including KBS, which resulted in contributing to encouraging viewers’ engagement and communications. By strengthening media training programs for the elderly and housewives producing groups, the contents created by the trainees themselves and televised in broadcasters have increased by 88% compared to the previous year (892 contents in 2017 to 1,681 contents in 2018) leading to the expansion of viewers’ engagement.

Figure III-29 | Program Produced by Trainees of Media Education at the Community Media Center



b. Facilitate Community Radio Station

Before amendment, the 「Enforcement Decree of the Radio Waves Act」 stipulated that permission was valid for five years for broadcasters, while limiting the duration of that to three years for community radio stations. Regarding the duration for the validity of the permission, issues of equality were raised, so the Act was requested to be amended. Accordingly, the Commission was committed to the modification of the 「Enforcement Decree of the Radio Waves Act」 to expand the permission duration from three to five years with the purpose of encouraging community radio stations.

To that end, reasonable alternatives were drawn from discussions with stakeholders, and a proposal for the amendment of the Act was forged in consultation with relevant Ministry of Science and ICT. The partly amended 「Enforcement Decree of the Radio Waves Act」 was approved by the Commission in September 2018 and was announced and enforced from 18 December, 2018 after going through regulatory review and deliberation by the Ministry of Government Legislation. The amended 「Enforcement Decree of the Radio Waves Act」 enabled to improve regulations unfairly applied to different business operators to enhance the equality and to lift administrative burdens on the community radio broadcasting business entity to pursue stable management. By doing so, the Act is expected to contribute to the development of the operation of community radio.

Table III-24 | 「Enforcement Decree of the Radio Waves Act」 Related to the Permission Duration for Community radio broadcasting Stations

Enforcement Decree of the Radio Waves Act [Presidential Order No. 29192, Sep. 28 2018, Revision of other law]	Enforcement Decree of the Radio Waves Act [Presidential Order No. 29390, Dec. 18 2018, partially revised]
Article 36 (Term of Validity of Authorization to Establish Radio Stations) ① (omitted) 1. ~ 2. (omitted) 2 of 2. Broadcaster: five years. Provided, however, that, a Ultra Shore-wave Broadcasting Station (hereinafter referred as to "community radio broadcasting station"), as FM broadcaster, established by a community radio broadcasting business entity in pursuant to the Article2 Subparagraph 3-5 of the 「Broadcasting Act」 shall be limited to three years(five years for the radio stations established during the period between July 1, 2016 to June 30, 2018) for the durations of the business permission.	Article 36 (Term of Validity of Authorization to Establish Radio Stations) ① (As is) 1. ~ 2. (As is) 2 of 2. --- five years <cue deleted>

3. (omitted) ② ~ ③ (omitted) ④ Minister of Science and ICT may allow to shorten the duration for the permission to a maximum extent that does not exceed two years taking into account the deliberation results in pursuant to the Article 10.1. or 17.3 of the 「Broadcasting Act」, in spite of the Paragraph (1)2-2 of the Act, in case that the allowance is deemed necessary for promoting public welfare through the effective usage and management of radio waves. ⑤ (omitted)	3. (As is) ② ~ ③ (As is) ④ Minister of Science and ICT(to include the Korea Communications Commission that grants the permission for the establishment in accordance with the Article 34 of the Act)··· the Article (1)2-2······ ······ ······ ······ ······ ······ ⑤ (As is)
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In addition, the Commission organized a study group composed of one expert from the academy, two from the media industry, one from a legal entity and one from the Korea Radio Promotion Association (RAPA) running from March to December 2018, in order to enhance the status of the community radio as citizen media. By operating the study group, the Commission came up with ‘ways to facilitate community radio broadcasting’ in December 2018. The Commission will also put diverse efforts by organizing a policy council, staffing up promotion activities, publishing a white document, and others to encourage the community radio broadcasting.

c. Customized Media Training

Production, critical understanding and capability of utilization of media has emerged as one of critical elements in promoting the quality of life and social engagement in intelligence information society. Therefore, the Commission conducted a customized media training as to improve understanding, usage and participation based on life cycle and class and expanded a media training to enable the youth, the elderly, housewives, the disabled to obtain media capabilities. Moreover, the media training for all the public enabled the Commission to narrow media gap among regions and generations and to create an environment that allows for free communication.

In efforts to nurture media creative talents, the Commission expanded the media training at elementary, middle and high schools and universities, and diversified programs.

Additionally, the Commission spread out the media training at schools to include free-semester system media training(opened at 201 to 230 schools), students' community media training(opened at 68 to 70 schools), and training course with credit admitted at universities(opened at 30 to 33 universities) and increased the number of supported from 299 in 2017 to 333 in 2018, in purpose of educating the media creative talents equipped with core capabilities in the intelligence information society. Especially, the Commission provided the adolescent with an opportunity to early explore their aptitude and career path during diversified media training programs through a smart media training employing single-person media, virtual reality (VR), and drone.

Table III-25 | Current Status of Support for School's Media Training

(Unit : Number of schools)

Item	2016	2017	2018
Free-semester System Media Training	122	201	230
Students' Community Media Training	54	68	70
University Connected Course	25	30	33

In the meantime, town media training was intensified(21 towns in 2017 to 50 towns in 2018), so residents in towns were able to directly operate the life information media that enabled them to share interests and information of communities. Beginning in April 2018, specialized programs were developed and run to meet the educational needs of local Community media centers such as Gwangju(media training for the elderly), Gangwon(training for the visually disabled), Incheon(smart media training), which was shared in order to widespread culture of utilizing viewer media. Also, 'Islet Festival' and other events associated with media were held to enable residents to directly engage and get experience in. In July 2018, the Commission signed an MOU with the Rural Development Administration and conducted media training for government officers·farmers, by which it contributed to the development and better communication for the local agriculture industry. The town media training program is expected to bring residents together in one place and give them opportunities to share information, resulting in a better understanding on neighbors and deepened relations with each other. Also, the process that could combine media training and production activities together could spontaneously link the media and daily life.

The town media training covers various fields including town news, radio broadcasting, documentary productions, and others, and afterwards, provides a coaching section and even equipment and facilities for production activities. In hopes to meet the high expectations for the town media training programs, the Commission has intended to make the program more extensive by increasing the number of towns to be supported up to 100 by 2022.

Hence, the Commission contributed to narrowing the media disparities in remote areas and facilitating communication by carrying out “Visiting Media Training” for residents in remote towns of rural, mountain, and seashore areas. In 2018, the Commission launched “Visiting Media Sharing Bus” equipped with facilities for broadcasting production and heuristic learning in remote rural areas, thus, the bus visited 245 places of local children centers, the welfare centers for the elderly, and military bases, at which all 13,390 people visited. The Visiting Media Sharing Bus was launched in collaboration between the Commission and the Community Media Foundation in purpose of providing a public service for all citizens to address the media disparities of marginalized people. To that end, the bus is composed of various facilities such as booths for news studio, weather forecasting, video shooting, and editing that enable people to get direct experiences in broadcasting production. The Community Media Centers tend to be necessarily located in large cities, as a result residents in remote towns of rural, mountain and seashore areas and the elderly and the disabled inevitably have difficulties in reaching the centers. In this regard, with running the bus, the Commission was able to lay a foundation for promoting active social engagement by addressing media disparities among regions and enhancing media capabilities of marginalized classes.

Meanwhile, the Commission conducted diverse and abundant customized media training programs for different groups of students, housewives and the elderly and the visiting training service to create a viewer-oriented media training environment. As a result, the annual number of trainees increased from 163,282 in 2017 to 198,385 in 2018. Amid a growing trend of VR/AR·drone·single-person media, the Commission made a contribution to heightening understanding on new technologies and expanding the base by conducting smart media training. By working with local autonomous governments, the Commission supported town residents to operate their life media(video and radio broadcasting) by

themselves, therefore, it was able to play an important role in creating local cultures and recovering town communities. The Commission is also likely to get marginalized people involved in social participation and provide a new platform for lifelong learning through coming up with more customized media training programs by generations and classes.

Figure III-30 | Support Customized Media Training



Some suggested that opinions be collected from government agencies, academics, and educational institutions and a close cooperative system be built among them, in order to improve the effectiveness of policies for the media education. To that end, the experts of media education and policy were brought together to organize a media education council. Inputs from the council(held 6 times) were included to policy proposals, and also meetings(25 times) of the association for development were called to collect inputs from people from the field. The Media Education Conference, held in November 2018, was aimed at introducing the best foreign cases of media education, gathering opinions from experts, and providing a platform for the discussions on policy direction for better media education.

Table III-26 | Media Education Conference

	Media Education Conference <ul style="list-style-type: none"> • Date and Time : Nov. 22, 2018(Thu) <ul style="list-style-type: none"> - [Session 1] 10:15~12:00, [Session 2] 13:00~17:00 • Venue : Conference Room at National Bank Association • Participants : approximately 150 including foreign experts, lecturers, practitioners in media education • Main agenda : policy direction for promoting media education and action plans
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d. Expansion of the Community Media Center

The Commission has operated the Community Media Foundation and Community Media Center in 7 regions across the nation as part of efforts to expand viewer rights to media access and cope with disparity in using the media. Backed by the Broadcasting and Communications Development Fund, the Commission has been conducting diverse projects such as ‘supporting viewers’ video and broadcasting production’, ‘expanding the disabled access rights to the media’, ‘viewer media education’, ‘viewer group supporting activities’, and ‘media education for schools and the community.’ Additionally, the Commission has provided a free rental service of equipment and facilities for broadcasting production and operated education programs related to production and utilization of broadcastings. Even further, a project, in association with broadcasters, enabled viewers to directly produce and arrange broadcasting programs to be televised on broadcasters and the Viewer Media Contest and Media Festival were held as well, which were aimed at promoting viewers participation and reinforcing their rights. Following the opening of the Community Media Center in Busan in 2005, the Commission opened the center in Gwangju(2007), Gangwon·Daejeon·Incheon(2014), Seoul(2015) and Ulsan(2016) and is planning to launch the center in Gyeonggi (Namyangju) in the second half of 2019 as well.

In the smart era, media has been considered a core element to determine the quality of life in terms of communications, knowledge acquirement and network building. Also, there has been a necessity to layout customized media education to address media disparities. Therefore, the Commission has set the Community Media Centers across the nation as a hub to support the media education customized for all the public broadcasting, the Internet and mobile media. With the intention to expand the media education for enhancing understanding, usage, and participation, the centers’ broadcasting equipment and facilities were provided for free to children, the adolescents, the elderly, housewives, and the disabled. Centering at the Community Media Centers representing as the hub for a universal media education and protection of the rights and interests of the viewers, various events based on the citizens’ participation were held to build a social consensus on media production and usage and encourage an active content creation. As a result, TV programs produced by the production teams composed of the elderly, housewives and the

adolescents were televised through broadcasters including KBS. Also, the number of programs, produced by the center trainees and televised on broadcasters, grew from 892 in 2017 to 1,681 in 2018, up by 88%, and the number of trainees at the centers rose from 529,000 in 2017 to 576,000 in 2018 as well.

Figure III-31 | Customized Media Training Through the Community Media Center





2. Reinforce Media Accessibility of the Underprivileged

a. Improve the Environment of Broadcastings for the Disabled

During the 9th general meeting in February 2018, the Commission announced its ‘Plan for Commercializing Smart Sign Language Broadcasting Service’ in order to resolve inconveniences of the current sign language broadcastings. The smart sign language broadcasting service makes it possible to transmit a broadcasting video and a sign language broadcasting video through broadcasting and Internet networks respectively and combine the videos through the set-top box in households to simultaneously present both on TV screens, which enables users to freely adjust the size and place of the sign language video.

Accordingly, the system allows the hearing impaired to make the sign language video larger and view it without overlapping of screens of closed caption, sign language, and broadcasting. Also, the new system is expected to help broadcasters easily arrange the programs with the sign language at prime time by addressing general viewers’ complaints that the sign language screen blocks part of the broadcasting screen.

Table III-27 | Comparison Between Usual Sign Language Broadcasting and Smart Sign Language Broadcasting

Current Sign Language Broadcastings	Smart Sign Language Broadcasting
 <ul style="list-style-type: none"> • Fixed size of sign language screen • Closed caption covering the broadcasting screen 	 <ul style="list-style-type: none"> • Size and location of sign language can be freely adjusted • Addressing overlapping issue

Since the development of the smart sign language broadcasting technology in Korea in 2014, the technology standard(TTA standard) was set and the test run was conducted in 2015. Also, the pilot service was carried out from 2016 to 2018. During the period, some issues were improved or addressed: the place of caption was adjusted to make the caption and sign language screen easy to simultaneously watch, preparatory screen was made least exposed, setting the size and location of the sign language screen was simplified. Thus, the service is expected to be launched starting from 2019 in earnest.

After starting the full-fledged service from 2019, the service is likely to be gradually expanded to cover popular broadcasters viewed by most people such as terrestrial broadcasters, comprehensive programming·news channels and major cable·IPTV.

Furthermore, since March 2018, the Commission has run the 'Smart Sign Language Broadcasting Commercialization Promotion Council' bringing broadcasting business operators, people from the industry, and experts and professionals in the academia in order to promote the smart sign language broadcasting. Throughout the Council, participants had discussions on effective ways of expanding service providers, granting incentives for service providers, and reducing costs. In hopes to implement the publicity of broadcasting, the Commission is committed to getting the smart sign language broadcasting firmly established at the early stage. In this regard, the Commission is likely to endeavor to constantly improve the rights of the under privileged to broadcasting access by amending 'Notification on Ensuring Broadcasting Access Rights of the Disabled in Arranging and Providing Broadcasting for the Disabled'.

Table III-28 | Commission Plan for Commercializing the Smart Sign Language Broadcasting Service

Types	In 2019 (6 Channels, 3 Platforms)	Gradually Expanding Since 2020 (11 Channels, 9 Platforms)
Terrestrial Broadcasters	KBS1, MBC, SBS	KBS2, EBS
Comprehensive Programming	JTBC, TV Chosun	MBN, Channel A
News	YTN	Yonhap
Cable	CJ Hello	Tbroad, D'LIVE, CMB, HCN
IPTV	SKB	KT, LGU+
Satellite	Skylife	-

b. Enhance the Quality of Broadcasting for the Disabled

Starting from December 2017, the Commission laid out ‘Guidelines for Providing Broadcasting Program for the Disabled’ in purpose of ensuring the rights of the visually and hearing-impaired to broadcasting accessibility and enhancing the quality of broadcastings for disabled people. By doing so, the Commission provided basic requirements for providing broadcastings for the disabled and guidelines for producing programs by types of broadcastings for disabled people. As providing broadcasting business operators with the requirements for producing broadcasting programs, the Commission put efforts in enhancing broadcasting accessibility of all the visually·hearing impaired and viewers who may possibly have disabilities in watching TV in the future.

Also, in September 2018, the Commission disclosed the 2017 evaluation results of service performance (closed caption, screen commentary, Korean sign language) of the disabled’s broadcasting of mandatory business operators(155 companies).

According to the results, 149(96.1%) out of 155 mandatory business operators complied with the requirement for the allocation target of broadcastings for disabled people in 2017. A total of 6 broadcasters including Busan MBC, MBC Gyeongnam, MBC Gangwon-Yeongdong, Wonju MBC and Jeonju MBC, Chuncheon MBC turned out to fail to meet the requirement. The Commission assessed the mandatory system has quite well established throughout the

industry, and added it would endeavor to improve the quality of the broadcastings for the disabled while meeting a quantitative target as well.

With regards to the 6 operators short of meeting the requirement, the Commission issued administrative guidance in 2017. Also, the Commission announced the government subsidy be partly cut down for the operators taking into account the unaccomplished rate when granting the subsidy for broadcasting production for disabled people in 2019.

Table III-29 | Assessment Results of Mandatory Allocation of Broadcastings for disabled people in 2017
(Unit : Number of companies, %)

Types		Mandatory Broadcasters	Accomplishment	Short of Accomplishment	Accomplishment Rate
Designated Mandatory Broadcasters	Central Terrestrial Broadcasters	4	4	–	100.0
	Local Terrestrial Broadcasters	44	38	6	86.4
	Satellite Broadcasters	1	1	–	100.0
	Comprehensive Programming·News PP	6	6	–	100.0
	Total	55	49	6	89.1
Operators of Mandatory Notification	SO	84	84	–	100.0
	PP	16	16	–	100.0
	Total	100	100	–	100.0
Total		155	149	6	96.1


c. Increase Penetration of TV for Disabled People

In partnership with the Community Media Foundation, the Commission provided 15,410 TVs(hereinafter referred to as ‘TV for the visually and hearing impaired’), specially dedicated for the visually and hearing impaired, to the disabled from the low income families (basic livelihood security recipients and families just above the poverty line) in order to help them view broadcastings for disabled people(with closed caption, screen commentary) without any difficulties. By collaborating with 17 local autonomous governments, the Commission received applications from the disabled who wanted to receive the TVs for

the visually and hearing impaired by July. After that, the Commission distributed the TVs to the visually and hearing impaired from low income families primarily selected based on the applicants' income and disability level.

The TVs with 28-inch screen(69.5cm) distributed in 2018 were replaced with the ones with 32-inch screen(80cm) and remote-controllers were provided as well for a more convenient viewing of broadcastings for disabled people. In addition, for the visually impaired, all TV menus could be guided by voice information system and the partial screen enlargement feature was added for the disabled with low visual impairment. Also, some features were added to ensure the hearing impaired to freely relocate captions and to separate screens for the subtitle and broadcasting into upper and lower sections.

Figure III-32 | TVs Distributed for disabled people in 2018



**LG
80 cm(32 inch)
LED TV**

- ✓ **Separate subtitle/broadcasting video**
- ✓ **Partial screen enlargement for the disabled with a low visual impairment**
- ✓ **Voice guidance for all menus**
- ✓ **Free adjustment of subtitle location**
- ✓ **A dedicated remote control**

Features for the Visually Impaired	Features for the Hearing Impaired
<ul style="list-style-type: none"> ● Features for the blind with low vision Partial screen enlargement ● Voice guidance Voice guidance for all menus ● Providing dedicated remote control Setting short key for guide sound and speed tones 	<ul style="list-style-type: none"> ● Separation subtitles/video (upper and lower section) Prevention of overlapping between broadcasting and closed captions ● Free adjustment of location of caption Caption relocation in-real time ● Providing dedicated remote control Setting short key for adjusting caption size and separation

In the meantime, the Commission visited the site where the TVs for the visually and hearing impaired were distributed to encourage the relevant officials and those receiving the TVs.

From October to December in 2018, the Commission conducted a satisfaction survey on the TVs offered to the visually and hearing impaired, on which it is planning to improve the features of the TVs in 2019. If you have any inquiry on the distribution of TVs for the visually and hearing impaired, you could contact the Community Media Foundation (1688-4596) or visit the website(tv.kcmf.or.kr).

Figure III-33 | Visit the Site of Offering TVs for the Visually and Hearing Impaired



3. Enhance User Protection in Knowledge Information Society

a. Realization of User Protection and Damage Remedy

1) Introduction of Communications Dispute Settlement System

As the advancement of communications technology has resulted in making communications services more complicated and diverse, the dispute between users and business operators has also been on the rise. In the case of the dispute over the communications, the damage per person tends to be a small amount so it is effective to solve the case through a specialized organization rather than the court. Therefore, the Commission amended the 「Telecommunications Business Act」 so as to introduce the communications dispute settlement system.

According to the amendment, the Communications Dispute Conciliation Committee, composed of less than 10 experts, is established within the Commission, the period for the case review shall be within 60 days, and the period shall be extended up to 30 days for just one time.

The disputes subject to the settlement system were determined by the Commission: disputes related to compensation for damages incurred, disputes caused by providing different telecommunications services from contract, disputes occurred in the process of signing, using,

and terminating the contract of telecommunications service, disputes related to the quality of telecommunications service, disputes caused by the activities of business operators of the telecommunications service not notifying or explaining, or falsely notifying or explaining the important contents such as rates, the terms and conditions of contract, and discount rates. Also, the Commission empowered the settlement statement to be effective as same as the enforcement power.

The committee deals with disputes in a simpler procedure and resolves them more quickly than the lawsuit and litigation. Thus, users involved in disputes can be benefited in that they could save time and money spent for coping with the disputes. Under the system, disputes are solved through the committee composed of experts in communications, law, and account to ease the burden of proof of users in professional field, which enables an effective damage relief.

Table III-30 | Comparison Between Current and Improved Dispute Settlement Systems

Item	Contents	Current	Improvement
Composition	5 members of council	Less than 10 experts in law·account·communications	Expertise complemented
Duration	90 days, 90 days extension	60 days, 30 days extension	Cut 90 days in maximum
Subject for settlement	Compensation for damages incurred Disputes with business operators and others	Unduly charging Service quality Notification missing·false notification on important contents and others	Specified target subject for the settlement

2) Setting up the Criteria for Customized Damage Relief

The Commission signed the MOU on 'Criteria for Customized Damage Relief in Mobile Communications Area' with 3 carriers (SKT, KT, LGU+) and KMVNO in October 2018.

The Commission has considered setting some standards for addressing the disputes that occur frequently as part of efforts of government innovation for the users' voice to be properly reflected in policies. In doing so, the Commission analyzed complaints received from the public petition system and the customer service centers of the carriers.

The Commission came up with ‘Customized Damage Relief Criteria in Communications Service’ after going through a process of sufficient opinion collection through around 10 meetings with communications service providers, consumer groups, and experts from the law and academia from May 2018. Then, the Commission signed an MOU with the participants of the meeting in order for a sincere implementation of the damage relief criteria.

The criteria take the characteristics of the telecommunications service into account and divide disputes into 12 types based on 3 stages of subscription, utilization, and termination. Accordingly, the criteria contain the information of the contents that need to be confirmed and proved for resolving disputes and resolving standards by type.

Among newly introduced standards, especially the most noticeable one is regarding the return standard for the mobile phones purchased online. In terms of a terminal device, there have been some cases that consumers requested to return them because of non-satisfaction over features or changing minds over colors, and other reasons. According to the terms and conditions of contract of mobile carriers, however, it was difficult for consumers to exchange or refund terminal devices as long as the issues were not related to a remarkable defect in the quality of making calls.

The refund has been limited because of some complicated issues such as the party to take the responsibility between the manufacturer and carrier, the judgment related to decreased value of terminal device after using, confirmation procedures, and others related to activate mobile devices. The newly adopted criteria for the damage relief, however, allows a consumer who purchases a device online to refund it within 7 days when it is unopened after purchasing, even it is because the consumer changes their mind.

Provided that, however, in the case of the terminal device once activated on the system, the refund could be limited. Thus, the user considering a refund should have the terminal device activated after receiving it and the carriers should make sure to notice the policy to users when letting users sign the contract.

Moreover, the criteria specified necessary documents to be confirmed in the event of disputes related to the subscription and the utilization of communications service, occur the most, such as the contract of minor without consent of a legal representative, contract

on theft ID, and charging rates for non-requested additional services. By doing so, the Commission makes sure to prevent confusions among the users.

With regards to the procedure of service termination, when the family of a missing person submits the copy of the court's decision of the declaration of disappearance, the penalty and discount return could be exempted. Under the current policy, in case a user expresses the intention of termination to the customer's center even before submitting a request form for termination of the service, the rates is not to be charged within 14 days. Accordingly, the Commission improved the system so that the policy could be extensively applied to the service users provided by the mobile virtual network operator.

Besides, the criteria also contains the principles in settling disputes and contents to be confirmed in regarding complaints frequently raised by users: not or falsely notifying of critical information, charging rates for unused additional services, conversion to paid services without consent, and overcharging.

Table III-31 | Improved Contents related to the customized damage relief criteria(mobile communications areas)

Phase	Item	Current	Improved
Subscription	• Contract withdrawal on a mobile communications device purchased online	<ul style="list-style-type: none"> • (Fair Trade Commission) no existing principles • (Business operator) within 14 days, allowed only when it is due to issues in call quality 	<ul style="list-style-type: none"> • Within 7 days, withdrawal is allowed when the product is unopened
	• Non or false notification on critical information	<ul style="list-style-type: none"> • (Fair Trade Commission) no existing principles • (Business operator) obligation to notification is specified, however, no specific principles in place 	<ul style="list-style-type: none"> • In the event of non or false notification of critical information on mobile service and terminal device purchasing contract, penalty and discount refund is canceled
Usage	• Defect in call quality	<ul style="list-style-type: none"> • (Fair Trade Commission, business operator) Termination (within 14 days), 50% reduction for basic rates for one month before the termination(over 15 days, within six months), no limit on frequency 	<ul style="list-style-type: none"> • When the complaint is raised by a user, allowed up to three times
Termination	• Termination for the missing	<ul style="list-style-type: none"> • (Fair Trade Commission, business operator) no principles in place 	<ul style="list-style-type: none"> • Termination is possible without penalty when the decision of the declaration of disappearance is submitted.

The principles announced by the Commission could be commonly applied to complaints received by the carriers and the Commission and disputes cases. Therefore, it is expected to deal with complaints and dispute more quickly and effectively than before. Additionally, it is expected to present proper standards in dealing with disputes especially when it is implemented along with the communications dispute settlement system pushed for introduction.

Figure III-34 | Setting Principles for Customized Damage Relief

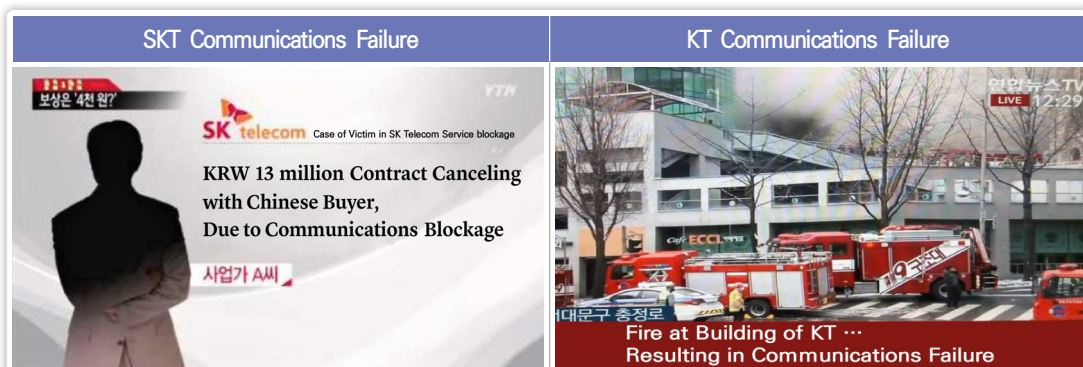


3) Taking Measures to Protect Users in Communications Disruption

In April 2018, the service of the SKT was suspended for 2 and half hours due to the system failure, then the corporation compensated the amount of KRW 21.95 billion (rates for two days) for 7.3 million users. On 24 November 2018, mobile and wired phone, broadband Internet, IPTV service, credit card settlement machines, and ATM by KT were paralyzed in 5 districts (Seodaemun-gu, Mapo-gu, Yongsan-gu, Jung-gu, and Eunpyeong-gu) of Seoul because of a fire that took out a key network equipment of the Ahyeon branch of the company leaving a large number of victims.

As a necessity was risen for establishing coordinated countermeasures against communications disasters mentioned above in order for the Commission to cope with the situation, it amended the 「Telecommunications Business Act」(December 2018) to stipulate an enhanced principle for the notification to users and compensation for damages incurred.

Figure III-35 | Media Reports on Communications Failure



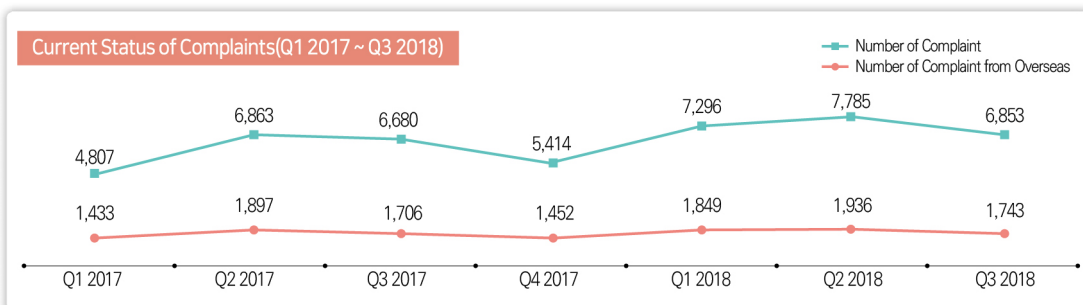
b. Dealing with User Damages·Complaints

1) Streamlining Procedures of Termination for the Bundled Products

The Commission came up with measures to improve the system for user rights protection by eradicating business operators' unjust practices that restrict users terminating the service even after apparently expressing their intention and enhancing the users' rights to choose.

Accordingly, the Commission put efforts in getting grasp on the degree of direct·indirect damages inflicted on users related to the business operators' restriction on the termination and estimating economic effectiveness that could be gained from streamlining the procedure of canceling bundle products. During the process, the Commission analyzed users complaints directly related to wired communication service providers(4 carriers, 5 top MSO), received by the Commission and service providers from January 2017 to September 2018.

Figure III-36 | Current Status of Complaint Analysis
(Tendency of Shares of Complaints Related to Terminations) (Unit : Number of case)



The Commission analyzed the complaints rising at the phase of the terminations of bundle products to understand the inconveniences and damage types that users were suffering from. The results of the analysis were used to provide ground for the Commission to make a decision on the direction (one-stop business operator transition system) and timing(July 2020) for introducing new policies.

Moreover, foreign and domestic cases were compared·analyzed so as to minimize the side effects and trials and errors that possibly take place in the process of the adoption of the new policy. By doing so, the Commission endeavored to review an effective way and procedure of the system adoption and to prevent possible issues in advance.

The mainly analyzed cases included domestic ones such as Mobile Number Portability(MNP) System and Fixed Number Portability(FNP) as well as foreign ones such as One-Touch System¹⁰⁾, adopted by the UK in June 2015, and GPL Type(Easy Switch)¹¹⁾ adopted by Belgium in July 2017.

With the newly adopted system, a total of 19.8 million users(high-speed Internet single product : 7.4 million, bundle product : 12.4 million) among all the users subscribing for the bundle product of 'high-speed Internet single product' and 'high-speed Internet and paid broadcastings' are expected to employ the One-stop Switch-System to change the service providers without going through complicated procedures.

Table III-32 | Number of Beneficiaries of Streamlined Procedure of Termination (Unit : 10 thousand)

Content	High-speed Internet Single Product	Bundle Product of High-speed Internet + Paid Broadcastings	Total
Number of Subscribers Subject to One-stop Switch-System	740	1,240	1,980

First, a pilot service will be implemented for the users of KT, LGU+, SKB and SKT subscribing for high-speed products and bundle products covering the high-speed Internet

10) Switching from LPL to GPL for Wireline, high-speed Internet and related bundle products on the open reach network

11) Users request a new service provider a new service without going through procedures of termination from the current service provider, the new service provider carries out all the process for the switch

and IPTV after July 2020. After that, a specific target will be finalized through discussions of a task force team.

During the pilot service period, for the switching among 4 carriers, the termination can be finalized by a user subscribe for a new service of a new provider without requesting cancellation.

In order to prevent the operator from being switched irrespective of the user's intention (slamming¹²⁾), however, the existing service provider will go through 'procedure of confirming termination' in which it confirms the user's intention before finalizing the termination, notification of penalty and the schedule of returning devices.

Additionally, with regards to the services of the operators of Cable TV and satellite broadcastings, the scheme is likely to be introduced around July 2021 and gradually expanded throughout targets considering the competitive environment among business operators and the results from the pilot service implementation.

In 2019, a link system among business operators will be established and a legal ground for the 「Telecommunications Business Act」 will be founded. Moreover, when introducing the termination streamlining system, monitoring over the behaviors of undermining the users' interests will be enhanced in order to minimize the side effects of intensifying competition.

The newly introduced system that has fundamentally improved procedures of termination in the Wireline bundle product market is expected to have a positive impact on the market: preventing damages on users caused by providers practices of restriction·omission and creating a virtuous cycle of an ecosystem by encouraging fair competition among operators.

12) Slamming refers to the case in which a service provider is changed without consent of a user, or rates for non-used services are charged. The way the slamming is done is getting a permission from a family member to change the service provider by making a call to a household, or if a user makes a call back after receiving a call requesting an answer to a survey, then, the record of the call is used as proof that the user agreed to an additional service.

Figure III-37 | Improvement from Streamlining Termination Procedures

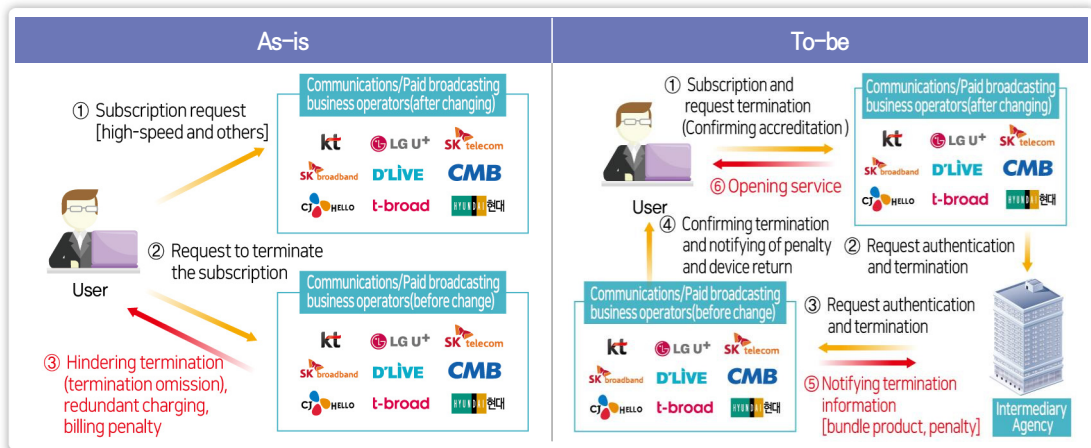
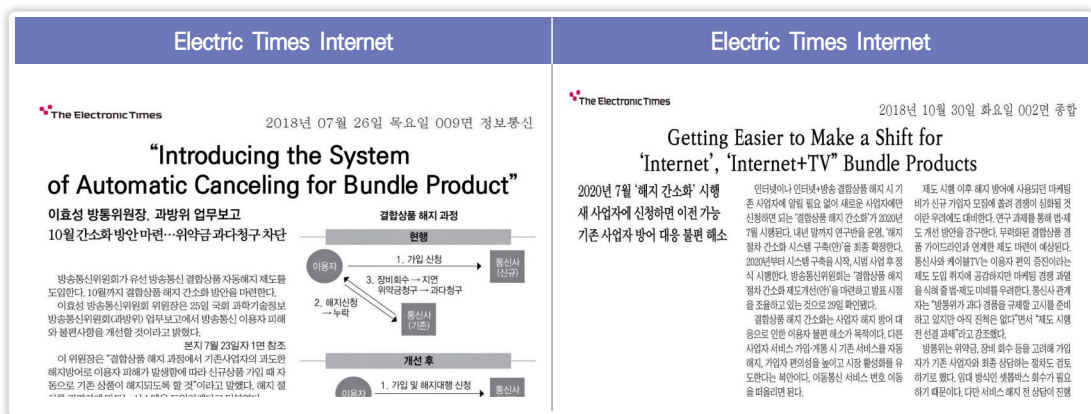


Figure III-38 | Media Report on Streamlining Termination Procedures



2) Internet Private Broadcastings Self-regulation

The Commission held the 1st ‘Clean Internet Broadcasting Council’ in March 2018. During the council, the Commission announced measures to prevent any dysfunctions of the Internet private broadcastings; adjusting the cap in payment for items, improving laws and institutions related to obscene material circulation.

Participants from 20 organizations including groups of Internet private broadcasters and relevant associations and organizations took part in the ‘Clean Internet Broadcastings Council’. During the in-depth discussion, they dealt with measures against the damages

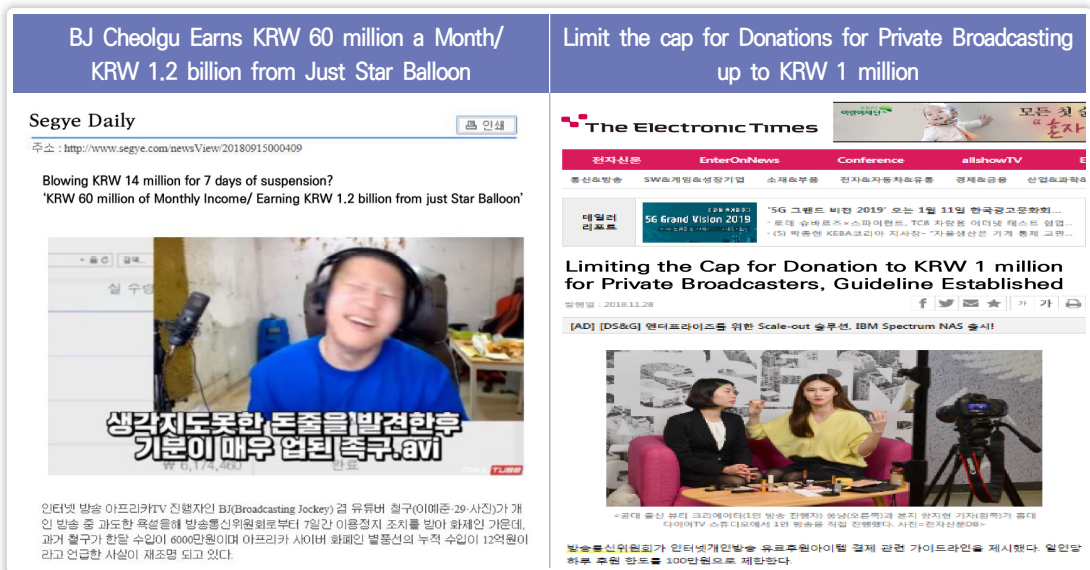
caused by an excessive payment for paid items of Internet private broadcastings that pointed out at the last State Administration Investigation.

Africa TV, one of participants of the council, said that it would reduce the maximum cap for charging for the item payment down to KRW 1 million per day during June 2018, and Kakao TV, Pop Corn TV, and others mentioned they would also do the same as soon as a proper system is established.

Table III-33 | Cap Adjusted for the Payment(charging or gift money) per Day for Paid Items in Internet Private Broadcastings

Broadcaster	Item	As-is	To-be	Effective Date
Africa TV	Star Balloon	-	KRW 1 million	1 Jun. 2018
Youtube	Super Chat	KRW 0.5 million	KRW 0.5 million	Jan. 2017
Popkon TV	Popkon	-	KRW 1 million	25 Jun. 2018
Kakao TV	Cookie	KRW 2 million/a time	KRW 1 million	6 Jul. 2018

Figure III-39 | Media Reports on Paid Item Settlement



3) Release ‘Guidelines for Online Selling of Mobile Communications Service and Devices’

In hopes to help mobile carriers, distributors, and sales outlets build a just and transparent online mobile communications market, the Commission announced the ‘Guidelines for Online Sales of Mobile Communications Service and Devices’ containing specific principles complied with by seller in the process of online sales.

The guidelines are applied to the activities of distributors to sell mobile services and devices or provide information through online (including text messages). Even though a contract is signed at an offline outlet, if the user of the contract is encouraged through online marketing and promotion, the case is considered being subject to the guidelines.

For the sake of users’ interests, the guidelines recommend sellers to ① provide a transparent seller’s information, ② put exact selling information online, ③ abide by the principles in collecting·using private information, and ④ comply with the publicly disclosed amount of subsidies.

First of all, the sellers ① are rendered to put the mark of prior consent and certification for the transparent disclosure of the seller’s information, so clicking the mark would help the users check out the information(sales store, distributor). Also, the offline stores are allowed to proceed with the contract through the online application for subscriptions only after getting online consent in advance.

② In order to present a precise seller’s information, a monthly payment plan, the seller intends to sell, needs to be compared to at least 3 other plans(highest·middle·lowest). According to the new scheme, it is not allowed to use an abbreviation, show false·exaggerating ads not objectively conformable, and to provide the information on illegal subsidies.

③ For the purpose of protecting the user’s personal data, the sellers should collect the least grade of personal data through online. Also, they should disclose their principles in dealing with the private information after getting consent from the users in advance when they collect and make use of the privacy. Moreover, they should promptly discard the users’ private information when they have achieved what they intended to with the information or users cancel the application for the subscription.

Lastly, ④ in compliance with the announced subsidy, the gifts(coupon, discount for the purchase on credit card included) given away by the sellers as promotion should be within the additional subsidy(15% out of announced subsidy) by the distributors and sales stores.

The Commission is planning to encourage the self-regulation by organizing the ‘Association for the Online Sales of Mobile Communications Service and Devices’ gathering major mobile carriers in order to make sure the guidelines set a firm root in the online market of mobile communications. Also, it is likely to keep monitoring on the sellers to ensure whether they abide by the guidelines through running the website(www.cleanict.or.kr) for receiving reports on the sellers that fail to follow the guidelines.

Figure III-40 | Website(www.cleanict.or.kr) for Reporting Failing Cases

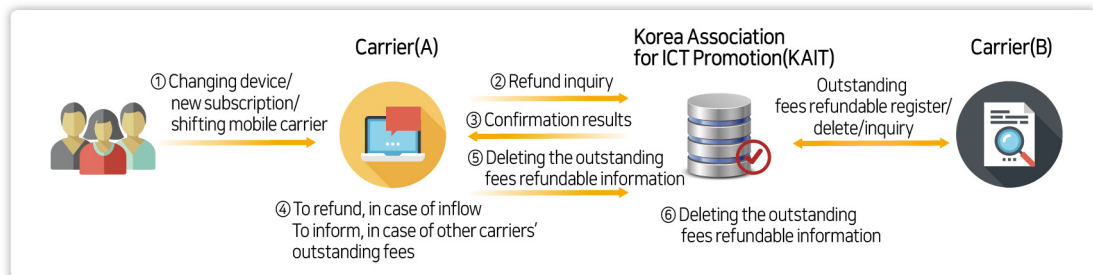


c. Reducing Burdens of Mobile Communications Service Costs

1) Improving the Plan to Refund Outstanding Fees Refundable

The Commission collected the information of accounts for refunding settlement balances and adopted a ‘dedicated channel’ through ARS for providing information on the refunding. Also, it sent SMS to those holding the outstanding fees refundable and forwarded DMs after updating the information of addresses of users in partnership with the Ministry of the Interior and Safety in order to enhance conveniences of users. With these efforts, 386,000 cases were dealt with from January to June 2018 and KRW 18.898 billion of outstanding fees were refunded.

Figure III-41 | Refunding Process of Outstanding Fees Refundable



2) Comparing·Posting Domestic and Overseas Net Price of Devices

For the purpose of promoting reasonable consumption and transparently disclosing terminal device prices, the Commission implemented the scheme of comparing·posting the domestic and overseas net prices of terminal devices from May 1, 2018.

The price information of 16 terminal devices in 17 countries has been surveyed every second week of a month, and the results have been posted on the portal of user information (www.wiseuser.go.kr) in the first week of the next month, through which users are able to receive reliable information on the prices of devices.

Figure III-42 | Comparing·Posting Domestic·Overseas Net Prices of Devices(www.wiseuser.go.kr)

정보광장		가격비교					
소식통							
휴대폰 가격 국내외 비교 +							
스마트폰							
이동전화 불공정행위 신고센터							
소식알림이							
자료실							
		<div> <div>삼성</div> <div>갤럭시 S9(64GB)</div> <div>이동통신사 출고가</div> <div>1위 사업자</div> </div> <div> <div>국가 선택(전체)</div> <div>2018년 12월</div> <div>검색</div> <div>엑셀 다운로드</div> </div>					
No.	단말기명 ■	국가 ■	구분	이동통신사	출고가/ 자급단말기가격	원화표시가격 ▼	추이
1	갤럭시 S9(64GB)	이탈리아	1위 사업자	TIM	EUR 879.99	1,125,252원	보기
2	갤럭시 S9(64GB)	프랑스	1위 사업자	Orange	EUR 859.9	1,099,563원	보기
3	갤럭시 S9(64GB)	스위스	1위 사업자	Swisscom	CHF 899	1,022,334원	보기
4	갤럭시 S9(64GB)	스페인	1위 사업자	Orange	EUR 799	1,021,689원	보기
5	갤럭시 S9(64GB)	미국	1위 사업자	Verizon	USD 868.31	980,668원	보기
6	갤럭시 S9(64GB)	캐나다	1위 사업자	Rogers	CAD 1151.47	971,806원	보기
7	갤럭시 S9(64GB)	아일랜드	1위 사업자	Vodafone	EUR 749.99	959,020원	보기
8	갤럭시 S9(64GB)	한국	1위 사업자	SKT	KRW 957000	957,000원	보기

This new scheme provided trustworthy information on the net prices, which makes it possible to build a sound public consent on the level of the net prices. Also, it is expected to enable manufacturers and mobile carriers to make a reasonable decision in setting the standard for the net prices.

Figure III-43 | Media Reports on Implementing Comparing·Posting System for Domestic·Overseas Net Prices of Terminal Devices



3) Encouraging to Diversify the Distribution Structure of USIM and Joint Investigation on the Distribution of Unauthorized Terminal Devices

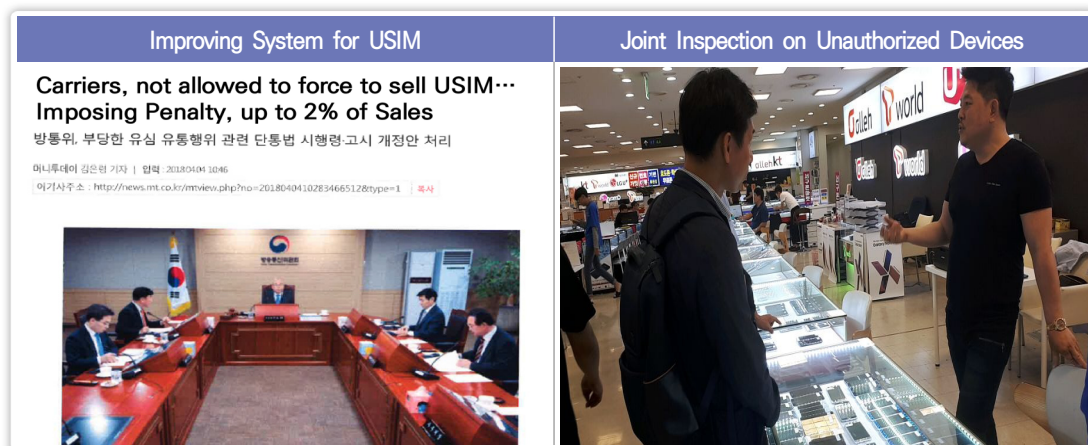
In efforts to eradicate the practices of mobile communication business operators to force distributors and sales stores to sell a specific USIM, the Commission amended the Enforcement Decree and Public Notice of the 「Mobile Device Distribution Improvement Act」(hereinafter referred to as the 「Mobile Device Distribution Act」) in May 2018.

First, the Commission determined the practice as a behavior to be reported to the authorities and encouraged the carriers to diversify the current exclusive distribution structure.

Also, based on some reports about selling unauthorized terminal devices (so called, 'Fake Phone'), an on-site inspection was jointly carried out by 5 relevant agencies(Korea Communications Commission, Ministry of Science and ICT, Ministry of Trade, Industry and

Energy, Korean Intellectual Property Office, and Korea Customs Service). Especially, a collaborative system was established to share information among associated authorities.

Figure III-44 | Improving System Related to USIM and Joint Inspection on Practices Related to Unauthorized Terminal Devices



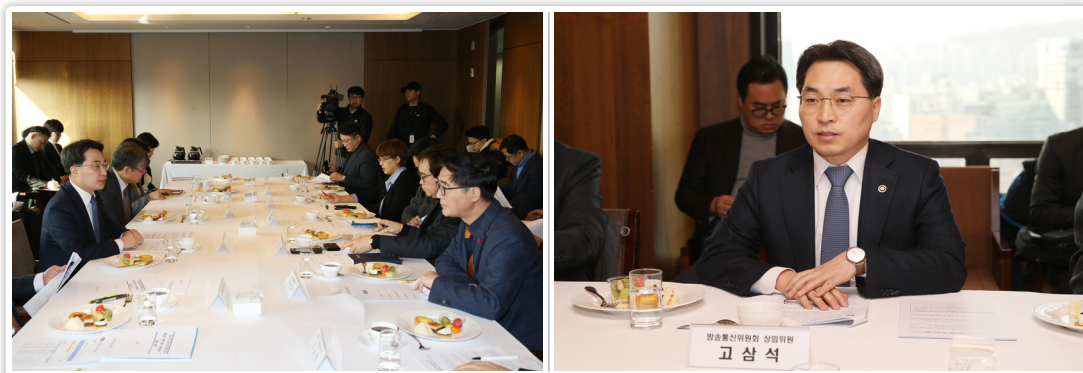
Chapter 3 | Creating Broadcasting Communications Ecosystem Possible for a Sustainable Growth

1. Create a Win-win Environment of Broadcasting Communications

a. Implement Comprehensive Measures for Outsourcing Production

In December 2017, the Commission came up with 「Comprehensive Measures to Address Unjust Practices In Broadcasting Programs Outsourcing Production Market(hereinafter referred to as ‘Comprehensive Measures for Outsourcing Production’)」 in working with 5 agencies(Korea Communications Commission, Ministry of Culture, Sports and Tourism, Ministry of Employment and Labor, Ministry of Science and ICT, Fair Trade Commission). For the implementation of the measures, the Commission has been aggressively working on declaration of human rights of independent producers and amendment of allocation posting·evaluation rules. The comprehensive measures contain reinforcing safety and human rights protection for production staff, improving the working environment, budgeting of outsourcing production costs and distributing copyrights in a reasonable manner, creating a just environment for the trade of outsourcing market, establishing, amending and extensive usage of standard contract in the broadcasting areas.

First, the Commission called a meeting to deal with the unjust practices of outsourcing production market with related authorities and broadcasters in January 2018. The meeting was attended by Korea Communications Commission, Ministry of Culture, Sports and Tourism, Ministry of Employment and Labor, Ministry of Science and ICT, Fair Trade Commission and 9 broadcasters including KBS, MBC, SBS, EBS, TV Chosun, JTBC, Channel A, MBN and CJ E&M. The government agencies and broadcasters of the meeting agreed to cooperate to help the measures firmly established in the market and to eradicate the issues of providing the payment as a gift card.

Figure III-45 | Meeting for Addressing Unjust Practices of Outsourcing Production Market

Also, the Commission supported the Declaration of Human Rights for independent creators in the broadcasting area to be proclaimed by the private sector. According to the results of an on-site inspection in 2017, there were some cases in which the officials of broadcasters such as PD inappropriately treated the staff of outsourcing production in the process of broadcasting production. Thus, a need for protecting independent creators was risen. Accordingly, organizations associated with broadcasting participated in a discussion with the Korean Broadcasters Association and Korea Independent PD Association at the request of related agencies. As a result, the 「Declaration of Human Rights of Independent Creators for Win-win Broadcasting Production」 was finally proclaimed in November 2018. The declaration contains the contents of ensuring the basic human rights of independent creators, creating an environment for a safe broadcasting production, preventing violence, protection, and others.

Figure III-46 | Declaration of the Human Rights for Independent Creators in Broadcasting Areas

Additionally, the Commission added a new item for broadcasting evaluation to make sure whether a given broadcaster has subscribed for injury·traveler's insurance and operated a council for co-prosperity in hopes to protect the safety of broadcasting production crews. The Commission amended the broadcast programming notification scheme to give a favorable rate for pure outsourcing production contents when the outsource producer holds the copyrights. Also, the Commission held an open discussion on the outsourcing production guidelines to collect inputs of experts and stakeholders from the related areas.

Additionally, the Commission has been encouraging the endeavors for the co-prosperity of outsourcing production by visiting the site of broadcasting production and collecting inputs. The officials of the Commission visited the production site of SBS in June, the drama production site of KBS in July and the entertainment program production site of MBC in August in 2018. Accordingly, as the broadcasters agreed to the governmental policy, they came up with some improvement by themselves. For instance, they have provided outsourcing production companies with the rights to use the original copy of programs or raised the payment for the outsourcing production.

Figure III-47 | Visit to the Site of Broadcasting Production



b. Come up with the Win-win Strategy for Internet

1) Organizing and Running the Council for the Internet Industry's Win-win Advancement

With the communications technology advancing and the environment changing, there have been constant requests from the National Assembly, media and industry to enhance social responsibility of Internet corporations and address reverse discrimination between domestic and foreign companies. In efforts to deal with the issues the Commission has organized·operated a council for the development of the Internet industry based on a win-win strategy.

Figure III-48 | Launching the Council for the Win-win Development of the Internet Industry



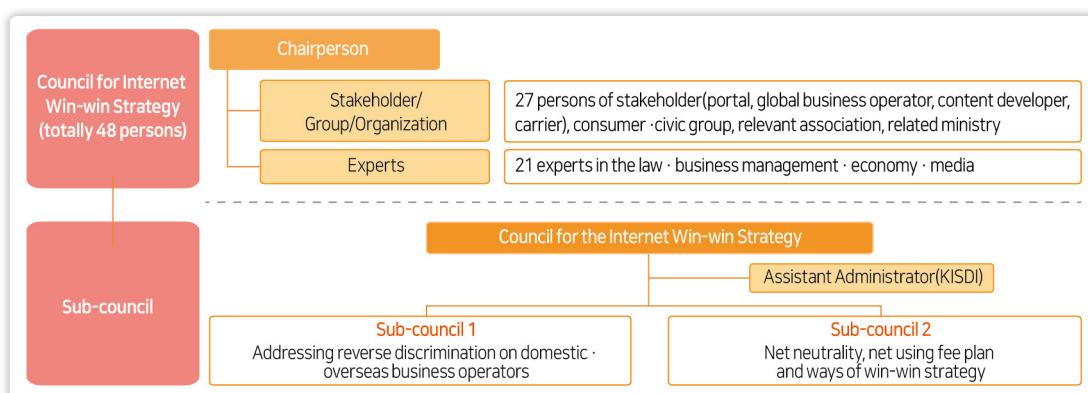
The council was comprised with of a total of 48 participants including 21 experts in Internet policy, 5 from consumer·civic groups, 12 from domestic·foreign Internet companies·carriers, 7 from related organizations and 3 from governmental agencies. During the council, an agenda requiring social consensus and agreement were selected for the discussion over securing the equality between the domestic and foreign regulations regarding Internet market, reasonable regulations and win-win cooperation with small and medium sized corporations. Two sub-councils were run for effective discussions. Therefore, the sub-council 1 dealt with the issues of resolving reverse discrimination on domestic business operators and reforming regulations on the communications business, while the sub-council 2 addressed net neutrality, zero rating policy, a fee plan for using the net, and win-win strategies. Furthermore, in order to aggressively collect the public opinions, a regular center for receiving inputs was run.

Table III-34 | Criteria and Ways to Organize the Council for the Internet Win-win Strategy

Status	Criteria and method
Experts(21 persons)	Entrusting private experts from the law·business management·economy·media
Consumer·Civic Group(5 persons)	Entrusting participants from consumer·civic group based on recommendations
Internet·Carrier(12 persons)	Entrusting one person per each company of portal(3), global business operator(2), contents developer(4), carrier(3)
Relevant Organizations(7 persons)	Entrusting one person per each organization of association composed of Internet stakeholders
Government·Related Agency(3 persons)	Director managers from the department of 3 ministries related to Internet

Source) Report on the Result of the Council of the Internet Win-win Strategy, KISDI, 2018

Figure III-49 | Way of Running the Council of the Internet Win-win Strategy



Source) Report on the Result of the Council of Internet Win-win Strategy, KISDI, 2018

The council went through 10-month discussion and, afterwards, submitted a bill for policies containing ① institutional improvement such as securing jurisdiction and enforcement for addressing the reverse discrimination, ② after-launching regulations of telecommunications business, ③ policy direction of net neutrality and fees for using the net and ④ win-win strategies.

First, in terms of the system improvement for addressing reverse discrimination, the bill proposed to adopt extraterritorial application rules, domestic agent system and provisional suspension order. Under the extraterritorial application of law, even a behavior carried out overseas should fall on the subject to the domestic law, if it has an affect on the domestic market or users. During the council discussion, the amendment of 「Telecommunications Business Act」 was passed through the National Assembly and will take into effect from June

2019. The domestic agent system allows foreign business operators to designate a domestic agent to be applied rules and imposed duties under the law, which will be effective from March 2019 with the 「Information Communications Network Act」 being amended. The provisional suspension order imposes a whole or partial suspension on some services, when a business operator fails to follow a corrective order or there are some concerns of extensive damages on users. During the discussion of the council, some suggested that it would be necessary to tighten the triggering requirements and limit the scope of subject to the suspension when the system is introduced. Also, some expressed an opinion that the jurisdiction should be clarified by addressing inconsistency between the entity of permission or registration and business, and an international collaborative system should be coordinated.

Second, regarding the reform of after-event regulations of telecommunications business, an opinion was suggested that an obligation of the current status inspection, material submission, statistics report on the value-added telecommunications business be imposed in order to get grasp the current status of the Internet market. The material needs to be submitted to the Commission as an organization of after-event regulations authority as well, small and medium sized CP would be excluded from the subject to the mandatory rules. Also, some indicated that a reform of the system was required in terms of unjust practices between key communications-additional communications and among additional communications in catching up with the ecosystem development of the Internet. In addition, an opinion was laid out that regulations needed to be cleared on the unfair practices in O2O and the online platform such as an app market. Also, some commented it needed to be cleared that those unfair practices were the subject to the OS regulations and to review ways to include manufacturers to the regulation subject as well.

Third, in association with the net neutrality and fees for using net, there were some disagreements over the principles of the net neutrality of a reasonable management·usage of network traffic and standards for the transparency of traffic management : ① maintaining¹³⁾ ② reinforcing¹⁴⁾ and ③ easing¹⁵⁾ the current system.

13) The new technology based on 5G could be flexibly applicable within the frame of current general principles and regulations. The managed service is considered for the services associated with life·safety that require super low latency after adopting 5G.

14) It is required to tighten criteria for permission for traffic management and establish a legal ground as well.

In the meantime, most participants agreed that somewhat unjust imposing of fees for the net usage within the scope that did not undermine the autonomy of the Internet ecosystem. Also they were on the same page in that some regulations were needed to prevent damages on users in the process of the negotiation on the fees for net usage. Some expressed an opinion that an inspection on the current status was needed in advance to establishing specific policies, unjust practices of CP had to be banned as well and guidelines were required to ensure a just contract for the net usage.

Last but not least, in regards to the win-win strategy, the discussion covered cooperation based on the co-prosperity of the Internet ecosystem. Therefore, the discount on the fees for net usage was proposed as a system to provide the net for startups free of charge and building a dedicated fee plan for startups was also discussed as well. The council suggested that regulations need to be eased rather than strengthened for seeking the development of the Internet ecosystem.

The Commission was able to realize a deliberative democracy by ensuring the participation of stockholders from diverse sectors, making sure opinions to be mutually shared and make settlement of conflicts. Also, as the Commission took the lead of the discussion on the issue of reverse discrimination between domestic and overseas business operators, it contributed to improving legal system by adopting the domestic agent system, coming up with rules of extraterritorial application, and laying a legal ground for the current status inspection on value-added telecommunications business operators.

The Commission plans to run a study group to thoroughly review the action plan for each project based on the proposed policies from the council and to support the pending proposed bills to be established as law. The full document of policy proposes from the council is available on the website of the Commission.

* Website of the Commission (kcc.go.kr) – policy/information – publications – other reports

15) To maintain the principle of transparency among the ones of net neutrality and stepping up the after-event regulation in case of an unjust behavior occurs. To alleviate regulations by allowing transmit latency to make sure global CPs bear the fees for net usage.

Table III-35 | Major Policy Directions Proposed by the Councils for the Internet Win-win Strategy

Sub-council 1		Addressing Reverse Discrimination Between Domestic and Overseas Business Operators and Reforming Regulations
Contents	Specific Agenda	Major Discussions
Reinforcing Jurisdiction on Foreign Business Operators and Enforcement	<ul style="list-style-type: none"> Stipulating Extraterritorial Application 	<ul style="list-style-type: none"> The domestic law(Amendment of 「Telecommunications Business Act」, to be effective in Jun. 2019) will be applied in case that a behavior, even if it were performed overseas, would affect domestic market or users.
	<ul style="list-style-type: none"> Adopting Domestic Agent 	<ul style="list-style-type: none"> Foreign business operators are able to designate domestic agents to make sure they are obliged to take responsibility for all the legal provisions on behalf of the operators. (Amendment of 「Information Communications Network Act」, to be effective from Mar. 2019)
	<ul style="list-style-type: none"> Adopting Provisional Suspension 	<ul style="list-style-type: none"> All-out or partial suspension, in case that the business operators fail to follow corrective orders or there are some concerns that damages on users are widespread.
	<ul style="list-style-type: none"> Addressing the Issue of Inconsistency Between the Subject of Permission·Report and Running a Business 	<ul style="list-style-type: none"> Clarify the jurisdiction to make sure that the headquarters have to directly report in case of the foreign business operators ※ Considering scrapping·easing the registration system for the value-added telecommunications business and changing punitive penalty to administrative sanction for the case of violation of the obligation of registration.
	<ul style="list-style-type: none"> Building Global Cooperation System 	<ul style="list-style-type: none"> Agreeing to the need of coming up with legal ground and building cooperation system
Reforming Regulations on Telecommunications Business	<ul style="list-style-type: none"> Understanding the Current Status of the Internet Market 	<ul style="list-style-type: none"> Impose obligations to carry out the current status inspection in the value-added telecommunications market, to submit materials and report the statistics to the Commission as well. ※ Current status inspection on value-added telecommunications businesses, imposing the obligations of submitting materials(Amendment of 「Telecommunications Business Act」, to be effective from Jan. 2021)
	<ul style="list-style-type: none"> Reform After-event Regulation System for the Internet Market 	<ul style="list-style-type: none"> Agreeing to the need of reforming the after-event regulation system on unfair behaviors between key communications – value-added telecommunications and among value-added telecommunications in line with the development of the Internet ecosystem. ※ Regulating unfair behaviors of value-added telecommunications business operators towards non-communications business operators in O2O, clarifying the subject to OS regulations and including manufacturers in the target of regulation

Sub-council 2		Network Neutrality, Policy of Fees for the Network Usage and Win-win Strategy
Contents	Specific Agenda	Main Agenda
Network Neutrality and Zero Rating Policy	• Network Neutrality	• In regards to 5G network neutrality principles, there were disagreements: ①Maintaining current system(guidelines), ②Strengthening regulations from the current system, ③Easing regulations
	• Zero Rating	• Disagreement: ①After-event regulations in case of any unfair practice ②Setting conditions of make the same condition compulsory and banning zero-rating for own services
Policy of Fees for Network Usage	• Understanding Current Status	• Required to collect materials to support the judgment on whether there has been discrimination over the fee for network usage
	• Unjust Behavior of CP	• Laying out a legal ground for the regulations on unjust behaviors of CP towards Carriers
	• Coming up with Guidelines	• Coming up with guidelines determining principles and procedures in order to promote just negotiations for the fees of network usage and to prevent user damages
Win-win Strategy	• Autonomous Win-win Strategy and Others	• Network fee reduction for start-up companies, proposing ways of newly creating a dedicated fee plans for start-ups

Table III-36 | Main Contents of Proposed Bill that was Proposed by the Council of the Internet Win-win Strategy and Passed Through the National Assembly

Act	Main Contents
「Telecommunications Business Act」	<ul style="list-style-type: none"> • Extraterritorial application* was introduced to enhance regulative enforcement power on foreign business operators, newly introduce the obligation of submitting materials** for the ground of current status inspection over value-added telecommunications business operators. (Dec. 2018) * The domestic law will be applied in case that any behavior, even if it were performed overseas, would affect domestic market or users. ** Impose obligation of submitting ground and materials of current status inspection in order to understand the market status of the value-added telecommunications business
「Information Communications Network Act」	<ul style="list-style-type: none"> • Adopting a domestic agent system* to enable foreign business operators to designate domestic agents to be applied by legal rules on behalf of the operators(Aug. 2018) * A foreign business operator, above a certain standard, assign a domestic agent to perform some duty of taking responsibility for private information protection and submitting required materials

Figure III-50 | Collecting Public Opinion Through the Council for the Internet Win-win Strategy and Holding a Discussion at the National Assembly



c. Check out the Current Status of Unfair Practices in Broadcasting and Communications Market

1) Inspection and Survey on the Current Status of Unfair Practices in the Broadcasting Market

The Commission held a meeting with TV home shopping channels and suppliers in order to improve unfair transactions in the market. Also, the Commission set guidelines proposing specific criteria for banned behaviors of home shopping broadcasting business operators. By doing so, the Commission has prevented unjust practices in advance and sought for win-win cooperation with suppliers made a contribution to creating fair competition environment between home shopping broadcasting business operators and suppliers

For the purpose of laying a foundation for co-prosperity of broadcasting ecosystem, the Commission organized a meeting with 7 CEOs of TV home shopping broadcasters, the chairman of the Korea Home-shopping Product Suppliers' Association(KHPSA) and the Korea TV Home-shopping Association in March 2018 in order to collect inputs from stakeholders. During the discussion, CEOs of home-shopping broadcasting operators expressed their difficulties related to the pre-production cost for promotional video which has recently ignited controversy. On behalf of suppliers, the chairman of KHPSA proposed an opinion that the ratio of cost to be borne by home-shopping broadcasting operators and suppliers respectively should be stipulated in the contract for broadcasting conditions.

The follow-up meeting was held in November 2018. Seven home-shopping broadcasting operators presented the current status of support for suppliers during the meeting. Also, participants discussed how to expand support for the suppliers in addition to the current ones such as operating win-win funds, exempting sales fee for micro business, providing a loan without interest, supporting pre-production cost of promotional videos and reducing fees for agricultural and marine product businesses with the best performances.

The Commission plans to have meetings with data home-shopping business operators to deal with current major issues and the win-win strategy with suppliers as well.

Figure III-51 | Meeting for Creating a Win-win Environment in Home-shopping Broadcasting Market



Starting from January 1, 2019, the Commission implemented “Guidelines for Creating a Win-win Environment between Home-shopping Broadcasting Operators and Suppliers” with the intention to establish just trade orders and promote win-win cooperation. The guidelines were forged through around a year of discussions among home-shopping broadcasting operators, suppliers and the academia and composed of 13 provisions as follows.

The guidelines ban the home-shopping broadcasting operators from unduly canceling·changing programming for suppliers, forcing the suppliers to bear the fees in a fixed amount plan or mixed plan (fixed rate + fixed amount) and passing all-out or the partial burdens of production costs for product sales broadcastings.

Furthermore, under the guidelines, the home-shopping broadcasting operators are recommended to set the criteria for sharing production costs for the pre-production of

promotional video and notify the suppliers of the criteria. Also, the guidelines prohibit the home-shopping broadcasters from changing the contents of the broadcasting agreement with the purpose of making the agreement unfavorable to the suppliers. Usually, the changed agreement includes conditions of raising fees in a case that the broadcasters bear the pre-production of promotional advertisement.

Lastly, in order to come up with standards not specified in the guidelines, the council decided to organize and operate the 'Council for the win-win cooperation of home-shopping broadcasters' composed of 11 members including 2 recommended experts each by the Korea TV Home-shopping Association·Korea T Commerce Association·Korea Home-shopping Product Supplier Association·relevant government officials and one person each from a nonprofit viewers' rights protection organization, law, and related government agency.

2) Inspection on the Current Status over Unfair Practices in Communications Market

A) Sanctions on Violation of the 「Mobile Device Distribution Act」 such as Wholesale and Online Marketing

The Commission held a general meeting in January 2018 and decided to impose a total of KRW 50.639 billion(KRW 21.3503 billion on SKT, KRW 12.5412 billion on KT, KRW 16.7475 billion on LGU+) on the mobile communications carriers for their violation against the 「Mobile Device Distribution Act」 regarding their wholesale, online and corporate marketing. Also, it was decided to levy a penalty of KRW 7.5 million on Samsung Electronics Co. and a total of KRW 192.5 million on 171 distributors.

As excessive incentives have been provided for wholesale and online distributors operating stores in complex malls, studio apartments and SNS and illegal incentives have frequently been offered from early 2017, the market competition has become overheated. Therefore, the inspection of the Commission was carried out for 3 carriers and 171 wholesale and online stores from January 1 to August 31, 2017.

The inspection results of the Commission appeared that the three carriers provided around KRW 300,000~680,000 of quite high discriminative incentives by types of subscription to distributors from January 1 to May 31, 2017. Also, according to the results,

163 distributors provided 174,299(violation rate 74.2%) users with over 115/100(over KRW 293,000 in average) of the posted subsidy.

As many as 166,723 out of the beneficiaries of the subsidy were unduly provided with discriminative subsidies(around KRW 166,000~330,000) by types of subscription(new subscription, shifting to a new carrier and changing a device). Also for 117,228 beneficiaries, the distributors were encouraged to provide the discriminative subsidies through excessive discriminative incentives.

Based on the inspection results, the Commission judged that the 3 mobile carriers were negligent in paying their attention and supervising on distributors in order to prevent distributors from violating the Article 3.1(offering unjust discriminative subsidy) and the Article 4.5(providing the subsidy not over 115/100 of the posted one) of 「Mobile Device Distribution Act」. Furthermore, the Commission ruled that the three carriers induced many distributors to provide undue discriminative subsidies to the users by offering excessively high discriminative incentives by types of subscription and that practice violated the Article 9.3 of the 「Mobile Device Distribution Act」.

Accordingly, the Commission announced that it finally levied the penalties of KRW 21.1 billion on SKT, KRW 12.5 billion on KT, KRW 16.7 billion on LGU+. With regards to the amount of the penalty, the Commission comprehensively took into account the degree of violation under the Article 15(penalty).1.2 of the 「Mobile Device Distribution Act」 and the 「Enforcement of Decree of the Mobile Device Distribution Act」[Appendix 2](Upper Limit of Penalty and Criteria on Imposing Penalty) and the violation impact on the market. The calculation of the penalty was based on the necessary weighted(adding KRW 60 million each for three carriers by the duration of the violation and 20% weighted on LGU+ for the frequency of the violation, 4 times), additional weight, and reduction(20% for SKT, 10% for KT, 10% for LGU+), resulting in SKT received KRW 21.1 billion, KT 12.5 billion, LGU+ 16.7 billion in penalty respectively.

Moreover, 171 distributors who violated the 「Mobile Device Distribution Act」 by offering 115/100 of the posted subsidies were imposed KRW 1 million to 3 millions of administrative fines each, totally reaching KRW 192.5 million of administrative fine.

In the meantime, on the same day, the Commission ruled that the three carriers breached the Article 3.1, 4.4, 5 and 9.3 of the 「Mobile Device Distribution Act」 by providing over 115/100 of the posted subsidies through their corporate marketing and Samsung Electronics Sales Co, LTD. and offering discriminative incentives by types of subscription leading to discriminative subsidies. Therefore, the Commission imposed a total of KRW 339 million of penalty surcharges on the three carriers (KRW 250.3 million on SKT, 41.2 million on KT and 47.5 million on LGU+) and KRW 7.5 million of administrative fines on Samsung Electronics Sales Co, LTD.

B) Administrative Sanctions on Violation of 「Mobile Device Distribution Act」 with regards to the Complaints of Public Petition System

At the general meeting held in October 2018, the Commission decided to levy an administrative fine on 56 distributors for their violation on the 「Mobile Device Distribution Act」 by paying excessive subsidies for mobile communications devices.

The punishment came as a result of the investigation conducted on 76 distributors on which complaints were received from the public petition system. In terms of the illegal behaviors of providing excessive subsidies, imposing an obligation of using a certain fee plan, false advertisement, absence of the prior consent document and rejecting and hindering an investigation, 56 distributors were faced with a penalty about KRW 700,000~15 million respectively for breaching the 「Mobile Device Distribution Act」.

C) Sanction on the Behaviors Undermining Users' Rights due to Arbitrary Changing of Facebook Access Route

During the general meeting in March 2018, the Commission judged that the Facebook Ireland Limited violated the 「Telecommunications Business Act」 by arbitrarily changing the access route from SKT, SKB and LGU+ and reducing the access speed of users through SKB and LGU+ network. The Commission viewed the behavior hindered users from using abnormal services and undermined the rights of users as well. Therefore, according to the decision, the company faced with punishment : ① to announce the fact that the company received a corrective order, ② to improve work process and ③ to pay a penalty of KRW 396 million.

The Commission identified that the disruption on service access and damages on users were caused by the Facebook's arbitrary changes on access route from SKT·SKB and LGU+. After that, the Commission conducted the investigation to confirm whether the violation on the 「Telecommunications Business Act」 indeed occurred from August 2017.

During the investigation, the Commission looked into the current status on the network accesses of 4 communications carriers, number of complaints as well as associated emails. Additionally, the Commission conducted a face-to face surveillance on Facebook headquarters personnel in the US and the on-site inspection on Facebook Korea, carefully listened to the inputs of Facebook on the corrective order(proposal), and went through the claims of the company.

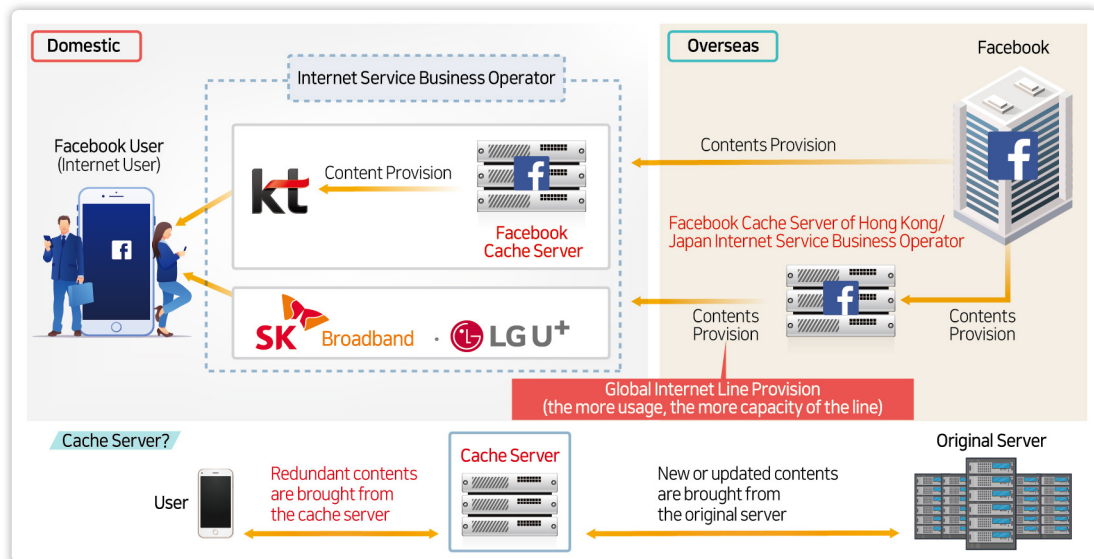
The investigation results indicated that Facebook had rendered SKT·LGU+ to get access through KT(however, SKB get access to the website through Hong Kong). Yet, in December 2016, Facebook changed the access route of SKT to detour Hong Kong without any consultation with or notification to KT, even though the contract with KT was not terminated. Also, it was confirmed that from January to February 2017, Facebook detoured the access route of LGU+ so that the link was done through Hong Kong and the US.

As the traffic that accessed through SKT was compelled to bypass Hong Kong, the capacity of the SKB got lowered and a bottle neck effect occurred with some parts of the traffic that accessed through the SKB was driven to bypass other global path. As a result, for the most crowded time slot from 20 to 24, the responding speed¹⁶⁾ of Facebook access increased by 4.5 times on average(29ms to 130ms in average) compared to that of before changing.

As such, as the wi-fi traffic was bypassed the foreign country, the LGU+ wi-fi response speed increased by 2.4 times on average(43ms to 105ms in average).

16) The time takes for receive the responding signal after the measuring terminal transmitting the signal

Figure III-52 | Contents Provision Route for Using Facebook



Source) The Hangyoreh Newspaper

Therefore, Facebook users who got access from the corresponding carriers were not able to access the website or had difficulties to using some services such as playing videos.

As a result, the number of inquiries and complaints related to the issue remarkably increased (by 12 times from 0.8 to 9.6 cases per day for SKB, by 172 times from 0.2 to 34.4 cases per day for LGU+), which left more than 300 complaints posted on the website of customer service and the online community.

Still, Facebook was not aggressively check out the issue raised by the mobile carriers in regards to the lowered service quality from changing access route to Facebook. Amid this, the service quality was not constantly maintained, which prompted domestic carriers to add the capacity for overseas access in order to address of lowered quality resulting in additional costs. Then, a controversy over the changing access route was raised across the nation and Facebook finally reversed the access route to the original state in October and November 2017.

With regards to Facebook's behavior, the Commission made a decision that it was considered 'A behavior of restricting or halting the subscription and utilization of tele-

communications service without any just reason' among other behaviors of undermining the interests of users under the 「Telecommunications Business Act」.

In the meantime, even though Facebook, a top business operator in global SNS market share with 1,200 domestic visitors a day, has had a significant influence on the market, it caused a short-term disruption on the market and critical damages on users as well.

On the other hand, Facebook claimed that it, as a content provider, did not have to take responsibility for the lowered quality of the Internet service. Also, it commented that it did not breach the 「Telecommunications Business Act」 because the degree of the slowed response was so subtle that users indeed did not feel it and the terms and conditions of the contract stipulated that it would not guarantee the service quality.

The Commission, however, did not accept the excuses offered by Facebook in that the Facebook should take responsibilities for the behavior as a main entity to directly change the access route, even if it was a content provider. Also, the Commission suggested that the response speed was an index of the overall network management and the speed lowered by 2.4 or 4.5 times could be viewed as that the access quality stayed even far away from the previous level. In the explanation, the Commission added that the unconditional exemption provision stipulated in the terms and conditions were not justified.

D) Issuing Corrective Orders on 20 Operators for Not-notifying the Communications Fees for the Wired-telephone Credit Card Payment

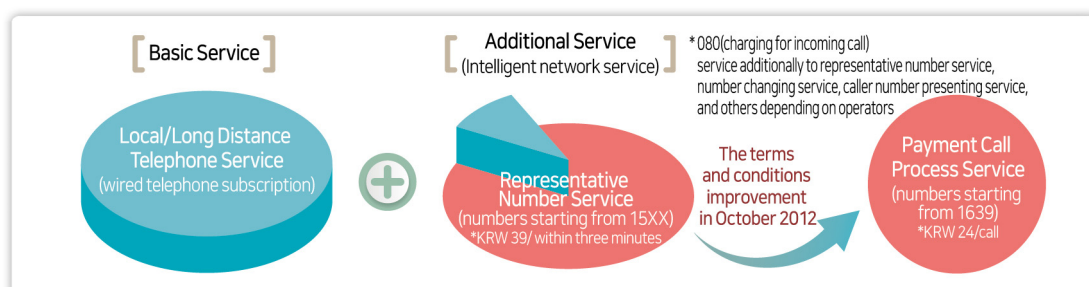
During the 55th council, the Commission decided to issue corrective orders against 6 mobile communications carriers and 14 VAN operators and impose the penalty of KRW 319.40 million.

In case that a micro business operator without Internet utility uses a credit card service employing a wired telephone, it has to bear KRW 39 per 3 minutes by making its credit card reader to call to a representative number starting from 15xx for settlement.

The actual duration of the call for the credit card payment was shorter than three minutes, so the government assigned the number starting from '1639' for 'credit card

payment call process service.’ Also, wired communications operators launched ‘credit card payment call process service(KRW 24/case)’, a dedicated service for VAN operators and specified the service in the terms and conditions.

Figure III-53 | Comparison Between the Representative Number Service and Credit Card Payment Call Process Service



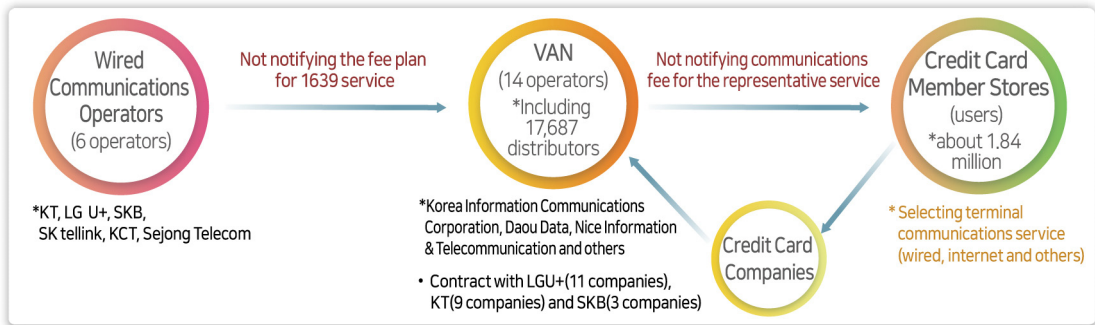
The National Assembly and media reports, however, pointed out that there has not been any micro business operator using the ‘credit card payment call process service’ a much cheaper service than the previous one, even five years after it was first launched. Therefore, starting from March 2018, the Commission carried out an investigation on 23 mobile communications operators and VAN operators whether they violated the 「Telecommunications Business Act」.

During the investigation, the Commission found out that, the 6 wired communications operators signed new or renewal contract for the service with 14 VAN operators, users of the 「Telecommunications Business Act」, since October 2012. Also, the wired communications operators, however, appeared to fail to provide explanations or notifications to 14 VAN operators of the availability of the much less expensive service, ‘Credit card payment call process service(KRW 24/call)’ based on the same service.

Moreover, it was confirmed that the 14 VAN operators neither explained or notified that additional communications fees(KRW 39/3 minutes) would be charged for credit card payment, during the process of signing on the contract for the service(including renewal of the contract) with users(credit card member stores) employing the credit card terminal through an assigned distributor. In doing so, the VAN operators have provided services in a way of

significantly undermining users' interests under the 「Telecommunications Business Act」.

Figure III-54 | Current Status of Contract by Business Operators Related to Wired Telephone Credit Card Payment Service



The Commission judged that the wired communications business operators and VAN operators breached the Article of 53.1 of the 「Telecommunications Business Act」 and the Article of 46.1[Appendix 6] of the enforcement decree of the Act by neglecting the obligation of notifying of fees and conditions that could directly affect the signing of the contract or constant using of the service. Therefore, the Commission decided to issue the corrective order, so the operators should promptly stop the violating behaviors, announce that it received the corrective order, improve work process and submit the action plan for the corrective measures. Also, a total of 19 operators faced with KRW 319.4 million of penalty.

Figure III-55 | Media Report Related to the Wired Telephone Credit Card Payment



2. Lay a Foundation for High Quality Content Production for Spreading Broadcasting Hallyu

a. Improve the System for Broadcasting Commercial·Notification of Sponsorship

1) Implementing the Institutional Improvement of Broadcasting Commercials

The Commission pushed ahead with the institutional improvement in order to respond to the changing environment of the commercial market, content production and media market and set up a comprehensive and balanced policy direction for TV ads.

The Commission collected inputs during a breakfast meeting, held in January 2018, attended by 30 executives of the Korea Advertisers Association. During the meeting, the target of the project of streamlining broadcasting commercials related institutions was shared along with the mid and long term plan for reforming unreasonable regulations on TV ads, making ads marketing and sponsorship system more efficient.

The Korea Advertisers Association proposed that asymmetric regulations should be addressed by adopting commercial breaks for terrestrial broadcasters, a foundation for a reasonable and scientific measurement of the effectiveness of ads should be built by introducing an integrated rating system, and a sound environment should be created for commercials and sponsorship.

Figure III-56 | Meeting with Korea Advertisers Association



In November 2018, the Commission announced a proposal for the policy direction of institutional improvement in broadcasting commercials including the regulative improvement of virtual commercials · product placements, relief of discriminative regulations over commercial breaks and institutionalization of sponsorship. That policy direction was set based on a changing trend of the media market environment in which the center of commercial market has been shifting to the Internet·mobile and content production costs have been on the rise. Therefore, the improvement of broadcasting commercial regulation is expected to allow creating a fair competitive environment among the media and securing content competitiveness, ultimately contributing to facilitating the broadcasting industry.

Table III-37 | Main Contents of Policy Direction(Proposal) for Broadcasting Commercials

Policy Target	Main Contents		
	〈Short-term Projects〉	〈Mid and Long-term Projects〉	〈Other Considerations〉
<ul style="list-style-type: none"> ① Creating a sound environment for commercial market and facilitating broadcasting industry ② Promoting the viewers' welfare by improving the public function and the entertaining rights to contents ③ Creating a fair competitive environment and building a foundation for balanced development for broadcasting commercials 	<ul style="list-style-type: none"> ① Improving regulations on virtual commercials · product placements ② Easing discriminative regulations on commercial breaks ③ System improvement for sponsorship 	<ul style="list-style-type: none"> ④ Improving system for broadcasting commercial marketing ⑤ Institutionalizing new types of commercials 	<ul style="list-style-type: none"> ⑥ Coming up with ways to protect viewers' rights

In December 2018, the secretariat of the Commission reported the amendment proposal of the 「Enforcement Decree of the Broadcasting Act」 to the Commission. After that, it implemented the pre-announcement of legislation based on the broadcasting commercial policy direction proposal announced in November covering the allowance of commercial breaks for terrestrial broadcasters. With the amendment, the commercial breaks would be allowed in 45 years since it was banned in 1973. Also, the amendment is expected to strengthen production capabilities for broadcasting contents and enhance the regulative equality among the media based on the same service-same regulation principle. Additionally, the Commission newly set up a rule of subtitle size for notifying of commercial

breaks in order to prevent infringement on the viewers' basic rights and enhance the viewer's rights to choice. The amendment of the enforcement decree is expected to go through the deliberation of the Korea Ministry of Government Legislation.

2) Improving the System for Notifying of Sponsorship

The Commission amended the 「Rules for the Notification of Sponsorship」 in March 2016 in hopes to improve transparency in running sponsorship system. Under the amendment, broadcasting business operators are required to come up with their own deliberation procedures for the notification of sponsorship and advertisers are prohibited from having an influence on contents and broadcasting programming. Additionally, in August 2016, the 'Guidelines for Enhancing Transparency for Sponsorship System' were established to make sure news·current event programs were not allowed to get sponsored.

The Commission amended the 「Rules for the Notification of Sponsorship」 in October 2018. In doing so, the Commission considered the results of monitoring of the sponsorship notification and collecting opinions from broadcasting business operators. The amended rules specified the timing of the notification and made the method more efficient in order to enhance the clarity and autonomous of the notification. The amended contents included that the caption location of a sponsoring entity, limited to the bottom of the screen before, was extended up to the right side as well and also the caption was allowed to include a website. Also, in terms of the frequency of 'the sponsorship notification', the allowed number increased from 1 to 2 times for terrestrial broadcasters and from 2 to 3 for local terrestrial broadcasters.

According to the policy direction(proposal) for broadcasting commercials announced in November 2018, the Commission is planning to enhance the 「Broadcasting Act」 because it is now stipulating the obligation of notification itself, not the regulations on sponsorships. Based on its plan, the Commission will newly add provisions regarding definition, the scope of allowance·prohibition and the obligation of notification to the 「Broadcasting Act」.

b. Push Ahead to Finalize an International Agreement on Co-production of Broadcasting Contents

As the environment for broadcasting content production and export has been remarkably changing, the Commission has been committed to stepping up its support for facilitating cultural contents, a starting point and the core area of Korean culture industries including content export, tourism, and consumer products. Especially, the Commission has been pushing ahead to sign up the International Agreement on co-production of Broadcasting Contents as part of the efforts to lower export barriers and help Korean cultural contents to successful settle in new markets including the hub nations of the new southern policy (Vietnam, Thailand, and others) and the new northern policy (China), and areas of Americas (Canada).

To that end, externally, the Commission organized a council composed of director managers of involved nations to discuss the necessity·usefulness of the agreement and the major contents·phrases to be included. Domestically, the Commission collected inputs of experts from the areas of broadcasting, production, related agency, and academia to organize the statements and come up with negotiation strategies. Also, the Commission put efforts to brace itself for an effective negotiation after confirming whether the counterpart had willingness to finalize the agreement and clarifying the necessary agenda to be prepared in advance to the closing the agreement.

As a result, the Commission agreed with the Vietnamese Ministry of Information and Communications (MIC) to get the Co-production Agreements signed by governmental officials at the level of director manager in Seoul in April 2018. Based on the comments from the two ministries, some amended provisions were agreed by the two ministries in July 2018 as well. After that, it is planned to complete the signing of the ministerial level after getting the approval of the Vice Ministers, Cabinet of Ministers and president by March 2019. Also, in September 2018, a council at the level of director manager held its first meeting in Ottawa, Canada, in order to negotiate the agreement with Ministry of Cultural Heritage of Canada. By restarting talks with Thailand's Ministry of Culture and National Broadcasting Telecommunication Committee (NBTC) on the agreement on the co-production

in December 2018, the Commission had the second meeting of the director managers' meeting to move forward the process. In response to the following discussions of 1st and 2nd negotiation on the Korea-China FTA held in March and July 2018 respectively, the Commission endeavored to take a turning point to make advancement into the Chinese Market that has been halted by Chinese anti-sentiment against Koreans. The Korea-China Broadcasting Contents Seminar was held in December 2018 to share the regulations on broadcastings and the current trends of the market in China, and collect inputs from broadcasters related to the Agreement on the co-production of Broadcastings between Korea-China. All these have been part of the attempt of seeking for a various ways to resume the efforts of making inroads to China in 2019~2020.

Figure III-57 | Signed by Director Managers on the Korea-Vietnam Co-production Agreement and 2nd Meeting of the Council at the Level of Director Managers of Korea-Thailand



c. Hold International Conference on Broadcasting Co-production

In hopes to draw international attention on the Korean broadcasting contents and enhance cooperative exchanges in broadcasting, the Commission held '2018 International Broadcasting Co-production Conference' in partnership with the Korea Information Society Development Institute in JW Marriott Hotel, Dondaemun, in June 2018. Under the theme of 'International Broadcasting Contents Exchange in the Era of the 4th Industrial Revolution' the conference brought 300 participants of governmental and international organizations and domestic and overseas broadcasters from 10 nations around the world including China, India,

Thailand, Indonesia and Vietnam. During the conference, they shared and discussed new challenges through broadcasting exchanges in the changing media environment.

Lee Hyo-seong, chairman of the Commission, said in his opening remarks “This conference will provide a platform to identify the current status of the media industry of each nation and enhance mutual understandings through vivid experiences of experts in the field change.” During the conference, there were 4 key note speeches delivered by 4 special guests including Supriya Sahu, chairman of the Asia Pacific Broadcasting Union and Doordarshan, a national broadcaster, and Ko Sam-seog, a member of standing committee of the Commission. Also, Lee Hoon-hee, CEO of SM C&C and Yu-Chuang Kuek, director of Netflix of the US made presentations as well.

In the first session in the afternoon, governmental officials from 5 nations including China, Vietnam, Thailand, Mongolia and India presented the current status of the co-production and future strategies of each nation under the theme of ‘Changing Broadcasting Landscape and Compelling Contents.’ At the following session, domestic and foreign experts from various fields presented and discussed the issues related to the co-production of broadcasting contents in the 4th industrial Revolution under the theme of ‘New Technology, Market and Co-production.’

Figure III-58 | Hold the 2018 International Broadcasting Co-production Conference



In the meantime, the Commission had a high-level meeting of ministers related to broadcasting contents cooperative exchanges with the Thailand’s National Broadcasting Telecommunications Committee(NBTC), Indonesian Broadcasting Commission(KPI) and Asia-pacific

Broadcasting Union. After that, the Commission pushed ahead to build a network for the co-production among strategic nations, broadcasters of emerging powerhouse in contents, and domestic broadcaster and producers. As a result, approximately 80 networks were established, MOUs were signed on site and broadcasting production experiences were intensively shared.

Figure III- 59 | Ministerial Meetings with Thailand's NBTC, Indonesian KPI and ABU



Furthermore, the Commission launched the 'Award for the Overseas Best Co-Produced Content' in 2018 in order to raise awareness on the international co-production. The award winners of the first year were 4 contents including 'Super Wings' of the Educational Broadcasting System (EBS).

All these efforts are significant in that Korea has been positioning as a leading nation in broadcasting content exchanges and strengthened power of action for spreading Korean cultures of broadcasting by laying a foundation for enhancing exchange and cooperation with foreign governments.

d. Strengthen Global Competitiveness of Broadcasting Contents

Hallyu contents have been considerably contributing to boosting sales of related products, facilitating tourism, enhancing the national image and creating tangible and intangible values. The backfires from the THAAD deployment and creating an atmosphere of protecting domestic culture among the Chinese, the momentum for advancing into the Chinese market has significantly shrunk. Also, there have been constant difficulties such as rising disputes in the process of distribution of broadcasting contents. Under these circumstances, there is an urgent need to come up with policy measures to strengthen the global competitiveness of Hallyu contents for going abroad.

As domestic broadcasters have faced stumbling stone due to increasing number of international disputes related to the distribution of broadcasting contents, the Commission carried out a policy research on the contract that could guarantee the rights and interests of producers and income revenue distribution in case of signing a contract for selling Hallyu contents abroad.

Additionally, for the purpose of supporting domestic business operators going abroad, the Commission conducted a research on the current status of broadcasting market, regulations, co-production, market entry, users' behaviors and awareness of using the media in 5 ASEAN nations (Thailand, Vietnam, Singapore, Indonesia and Malaysia). In this regard, the Commission is planning to conduct the research every year to accumulate materials that could be truly helpful for domestic businesses to go abroad.

3. Improve Asymmetric Regulations among Media

a. Improve Asymmetric Regulations on Comprehensive Programming

The Commission ran 'Comprehensive PP Mandatory Transmission Institutional Improvement Council' bringing together stakeholders(comprehensive programming PP and platform business operators) and 11 recommended experts by the government from July to September 2018 in partnership with the Ministry of Science and ICT with the purpose of improving asymmetric regulative improvement between terrestrial broadcasting operators and comprehensive programming PPs. The council submitted 'proposal for scrapping the channels of comprehensive programming PP mandatory transmission' agreed by the majority (6 members) for addressing the discrimination of regulative system between terrestrial broadcasting operators and comprehensive programming PP to the Commission. The mandatory transmission system of the Article 70.1 of the 「Broadcasting Act」 is aimed at considering public channels difficult to be included in the programming of channels based on commercial logic. Therefore, the Commission judged that the abandoning the regulation made sense in that the comprehensive programming PP did not meet the purpose of the system and the opinion of the majority of the council composed of experts needed to be upheld. Therefore, the Commission notified the Ministry of Science and ICT of the

‘proposal for improving mandatory transmission of comprehensive programming PP channels.’ So, the ministry is likely to take the lead in amending the relevant law(the Article 53 of the 「Enforcement Decree of the Broadcasting Act」.

In the meantime, the Commission raised the collection rate of contribution of comprehensive PP and imposed the obligation of programming of outsourcing production to address the discrimination of regulations and to reinforce the social responsibility of the comprehensive programming PP. First of all, the public announcement of the 「Matters regarding the collecting and charging the contribution of the funds for broadcasting communications development」was amended and implemented from September 2018. The announcement includes the contents dealing with the adjustment of the comprehensive programming PP’s collection rate from 1.0% to 1.5% of ‘broadcasting advertisement revenue of the previous year’ to alleviate the regulative discrimination.

In addition, the 「Enforcement Decree of the Broadcasting Act」 was amended in December 2018, in order to oblige the comprehensive programming PP to arrange all-outsourcing production programs. Before the amendment, the law had imposed the obligation only to terrestrial broadcasters and business operators using terrestrial broadcasting channels. Therefore, under the law, the programs of all-outsourcing production shall be allocated by over 19% in KBS1, 35% in KBS2, 32% respectively in MBC and SBS, and 16% in EBS.

Based on the judgment that comprehensive programming channels have become stable in revenues and ratings, the Commission reported to the 37th general meeting a bill for a partial amendment of the 「Enforcement Decree of the Broadcasting Act」 to add a provision of enforcing the mandatory programming of purely outsourced programs at the same level of terrestrial broadcasters’ programs. Then, the amendment bill went through the pre-announcement of legislation and discussions with related ministers, and passed through the regulative inspection of the Regulatory Reform Committee to be approved at the 64th general meeting.

The amendment is expected to enable the Commission to alleviate the discrimination of the regulatory system between terrestrial broadcasters and comprehensive programming PP and to enhance the regulatory equity.

Table III-38 | 「Broadcasting Act」 Related to Imposing Obligation of Organizing Programs for the Outsourcing Production of Comprehensive Programming Channels PP

Enforcement Decree of Broadcasting Act [Presidential Order No. 29269, Oct. 30, 2018 amended by the other law amendment]	Enforcement Decree of Broadcasting Act [Presidential Order No. 29420, Dec. 24, 2018 partial amendment]
<p>Article 58 (Programming of Broadcast Content Genuinely Produced by External Producers) ① Pursuant to Article 72.1 of the Act, a terrestrial broadcasting business entity and a terrestrial broadcasting programming provider shall broadcast television programs produced domestically by persons other than such entity or related parties to him/her (excluding movies; hereinafter referred to as “genuinely produced broadcast content by external producers”) in excess of the ratio publicly announced by the Korea Communications Commission within 35/100 of the total half-year TV broadcasting hours of the relevant channel.</p> <p>② ~ ⑤ (omitted)</p>	<p>Article 58 Programming of Broadcast Content Genuinely Produced by External Producers) ① <u>Terrestrial business operators using terrestrial broadcasting channels and business operators using broadcasting channel with comprehensive programming</u></p> <p>-----</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>----- .</p> <p>② ~ ⑤ (As is)</p>

Chapter 4 | Invigorate New Business to the Future

1. Invigorate the New Broadcasting Communication Services and system

a. Expansion of Terrestrial UHD Broadcasting

As the development of broadcast technologies brought in Ultra High Definition(‘UHD’) services featured with more vivid and real-like display and viewers’ interests heightened on the broadcasting service of the next generation, on July 2015, 700MHz bandwidth was allocated to the UHD broadcasting services in the Republic of Korea. The terrestrial UHD broadcasting service is a new broadcasting service adopted in 16 years after the introduction of the digital broadcasting service in 2001, the service can provide four-times more delicate and vivid pictures and three-dimensional sound than the present HD broadcasting service. It is possible to create various IP-based interactive services when the Internet is connected with the TV, viewers can enjoy higher quality broadcasting services through free and universal terrestrial broadcasting platforms.

In accordance with the ‘Policy for the Introduction of Terrestrial UHD broadcasting Services (December 2015)’ the Commission laid down the foundation for introducing the terrestrial UHD broadcasting. In May 2017, the nation’s three main broadcasting business operators launched full-scale UHD terrestrial broadcasting services in the Seoul Metropolitan Area. By December 2017, UHD broadcasting services were expanded over to metropolitan cities, Pyeongchang and Gangneung. Not only in the Seoul Metropolitan Area but also in metropolitan cities and the Gangwon area, viewers were able to watch the 2018 Pyeongchang Winter Olympics held in February 2018 on more vivid pictures of UHD. Besides broadcasting of 2018 Pyeongchang Winter Olympics provided new broadcasting services, for instance, viewers could enjoy favorite sport events on TV anytime without regard to its broadcast schedule or could receive real-time updates on various events. The Commission is pushing forward with a plan to establish a nation-wide UHD broadcasting network by 2021.

Table III-39 | Status of the Introduction of Terrestrial UHD Broadcasting

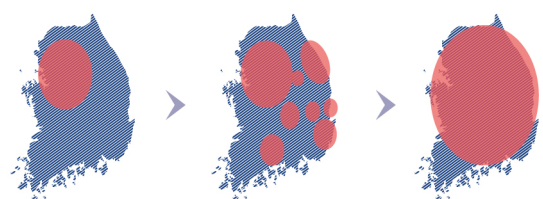
Phase I	Launched regular terrestrial UHD broadcasting starting with the Seoul Metropolitan Area on May 31, 2017(Completed)	 <p>Seoul Metropolitan Area (May 2017) Metropolitan Cities, Pyeongchang (December 2017) Nationwide Network Covering Cities and Counties (2021)</p>
Phase II	Expanded the coverage of terrestrial UHD broadcasting services to metropolitan areas and Gangwon province by Dec. 2017(Completed)	
Phase III	Plans to establish a nationwide network covering cities and counties by 2021	

Table III-40 | Metropolitan Cities·Gangwon Area Where Terrestrial UHD Broadcasting Serviced

City	Broadcasting Station	Coverage
Busan Metropolitan City	KBS1 Busan	(Full) Busan / (Partial) Gimhae, Changwon, Geoje, Tongyeong, Miryang, Yangsan
	Busan MBC	(Full) Busan / (Partial) Yangsan, Geoje
	KNN	(Full) Busan / (Partial) Gimhae, Miryang, Yangsan, Changwon, Tongyeong, Geoje
Daegu Metropolitan City	KBS1 Daegu	(Full) Daegu, Gyeongsan, Yeongcheon, Gunwi (Partial) Uiseong, Gumi, Mungyeong, Chilgok, Gyeryong, Seongju
	Daegu MBC	(Full) Daegu, Gimcheon, Gyeongsan, Yeongcheon, Gunwi (Partial) Gumi, Mungyeong, Sangju, Gyeryong, Seongju, Uiseong, Chilgok, Cheongdo
	TBC	(Full) Daegu, Gyeongsan, Yeongcheon, Gunwi (Partial) Gumi, Mungyeong, Uiseong, Gyeryong, Seongju, Chilgok
Daejeon Metropolitan City	KBS1 Daejeon	(Full) Daejeon, Sejong, Nonsan, Buyeo (Partial) Gongju, Cheonan, Geumsan, Seochon, Cheongyang
	Daejeon MBC	(Full) Daejeon / (Partial) Sejong, Geumsan
	TJB	(Full) Daejeon / (Partial) Sejong, Gyeryong, Geumsan
Gwangju Metropolitan City	KBS1 Gwangju	(Full) Gwangju, Naju, Hwasun, Mokpo, Haenam, Damyang (Partial) Muan, Sinan, Yeongam, Jangseong, Hampyeong, Gangjin, Jangheung
	Gwangju MBC	(Full) Gwangju, Naju, Damyang (Partial) Hwasun, Muan, Sinan, Yeongam, Jangseong, Hampyeong, Yeonggwang, Goheung, Gokseong, Boseong
	KBC	(Full) Gwangju, Naju, Mokpo, Hwasun, Damyang, Haenam (Partial) Muan, Sinan, Yeongam, Jangseong, Hampyeong, Boseong, Jangheung, Gangjin
Ulsan Metropolitan City	KBS1 Ulsan	(Full) Ulsan
	Ulsan MBC	(Full) Ulsan
	UBC	(Full) Ulsan
Gangwon Province	Wonju MBC	(Full) Wonju / (Partial) Pyeongchang, Hoengseong
	MBC East Gangwon	(Full) Gangneung / (Partial) Sokcho, Goseong, Yangyang
	G1	(Partial) Gangneung, Sokcho, Pyeongchang

Note) Computer simulation is used to estimate "coverage" where UHD broadcasts can arrive and simulation is made based on the broadcasting systems data which broadcasting business operators submit. If the reception percentage of UHD broadcasts is 50% or higher, the zone is marked as "full". If the percentage is 20% or below, then the zone is labeled "partial". This might be different from the actual broadcasts receiving areas.

To spur UHD broadcasting services, the Commission required that broadcasting business operators should comply with the mandatory terrestrial UHD programming ratio and should increase UHD programs to more than 5% in 2017, to 10% in 2018 and to 15% in 2019 in a phased manner. In March 2018 the Commission reviewed how the terrestrial broadcasting operators have complied with the mandatory UHD programming ratio and their investment plans in UHD contents. It revealed in 2017 the 3 major terrestrial broadcasting companies produced UHD programs higher than 5%, and invested in UHD contents more than the original plan on the Approval application. In order to introduce the stable regular terrestrial UHD services, the Commission examined the reports on the status of UHD broadcasting reception and disruption experiences and improvement programs that the three major terrestrial broadcasting business operators submitted in February 2018. The Commission additionally required them to submit an action plan and implement it for the areas which experienced disruptions. Besides, the Commission conducted field inspections to KBS' Mt. Gwanak Transmitter Station and Daejeon to understand the actual UHD broadcasting receiving conditions.

Meanwhile the Commission has supported that the terrestrial broadcasting industry may secure competitiveness in the market. It has ensured the continuous development of UHD contents by making investment in UHD contents and raising UHD program ratio. Also the Commission has sought measures to invigorate new optional services such as two-way and mobile services. As the introduction of the terrestrial UHD broadcasting services has enabled IP-based interactive services and various other additional services which Advanced Television System Committee 3.0 Version Broadcasting Standard is applicable to, the research group operated on the invigoration of the terrestrial UHD additional services from January 2018 till September 2018. Furthermore, the Commission gave temporary permission to try out HD broadcasting for the portable devices in the Seoul Metropolitan Area(January~March, July~September) and Gangwon(January~March), making it an opportunity to publicize the nation's broadcasting technologies and to review its possibility for dissemination. The Commission is going to constantly improve the UHD broadcasting reception environment, and to provide multi-faceted administrative and technical support so that the public can enjoy the next generation's high quality broadcasting services through

the free universal terrestrial UHD broadcasting services. Ultimately the Commission is going to expand the UHD terrestrial broadcasting services throughout the nation until 2021.

b. Groundwork for the Terrestrial Multi-Mode-Service Broadcasting

The Commission is promoting the introduction of the EBS 2TV, the trial program of Multi-Mode-Service(MMS)¹⁷⁾ into regular broadcasting by legislation of the amendment to the 「Broadcasting Act」 and associated lower statutes which currently is pending at the National Assembly, by increasing supports for the new content creation, and by resolving viewers' complaints.

In order to provide more options for channels and expand the nation's educational welfare, EBS 2TV has started to air educational programs for elementary/middle school, particularly English programs since February 2015. This raised the necessity of policy support on EBS 2TV. The Commission allocated about KRW 5 billion in 2018 for EBS 2TV program production to encourage broadening new programs such as science programs and educational programs for the public interest. Backed by the support, EBS 2TV has continued to produce greater numbers of the educational programs(4.8% in 2016 → 8.8% in 2017 → 9.2% in 2018). By further focusing on educational contents for elementary/middle schools and creative convergence contents, EBS 2TV has differentiated itself from EBS 1TV which mainly provides programs in humanities, arts or other educational contents. EBS 2TV is distinguishing itself, particularly responding to the demands of the society, by the provision of public contents such as educational programs in convergent science, which is to cope with the 4th Industrial Revolution. Under the intention to make reliable conditions for content creation to the full-scale broadcasting, the Commission is going to increase supports to EBS 2TV content creation and multiply the ratio of new programs (intend more than 15% increase from that in 2019).

17) MMS(Multi-Mode-Service) : A Multi-Channel Service provided using digital image compression technology by terrestrial broadcasting business operator within a single predefined frequency bandwidth(6MHz)

Table III-41 | 2018 EBS-2TV Programs by Different Target Viewers

Target Viewer	Major Programs
Elementary School	Creative convergence educational contents in math·science and software
Middle/High School	Creative convergence educational contents in software, culture and arts
Foreign Languages	Educational contents in English·Chinese languages on different levels
General	Narrowing gaps in education (economic status, multiple cultures, occupations, others)

Table III-42 | The Ratio of EBS-2TV Programming Per Category in 2018

Category	Elementary School	Middle/High School	Foreign Languages	General (Educational Gap)	Total
Spring	36.1%	11.3%	24.7%	27.8%	100%
Fall	35.7%	11.7%	24.8%	27.8%	100%

Note) General : economics, multiculturalism, literacy programs for adults, and etc.

As the technological stability of EBS 2TV pilot service and its private education costs cut benefits have been confirmed, a consensus was created on the need to make it a regular service. Accordingly, the Commission pushed ahead with the preparations of MMS channels' legal ground, qualifications of business operators, approval system, programming standards and other systems before instituting EBS 2TV as a regular service. Although in September 2016 the Commission submitted a draft proposal for the amendment to the 「Broadcasting Act」 containing MMS's legal status, approval basis, and new rules for broadcasting programming in order to prepare a legal ground for introducing the full-scale services of EBS 2TV, its legislation has been postponed due to delays in review by the Science, ICT, Broadcasting, and Communications Committee under the National Assembly of the Republic of Korea. The Commission is making efforts such as explicating the cause for the MMS introduction and related issues to the National Assembly to have the amendment proposal to the 「Broadcasting Act」 approved for the currently pending MMS introduction. When the revision process of the relevant regulations is implemented, EBS 2TV trial programs will be introduced as regular programs.

According to the '2018 EBS 2TV Performance Report' released in May 2018, viewers rated very high on channel recognition, program satisfaction and likelihood to watch EBS

2TV channel again despite its limit of being trial broadcasting. The Commission's efforts to promote the channel through increasing new contents, advertisement using SPOT and SNS has led to the continual upward trend in channel awareness among the citizens(69.3% in 2015 → 74.3% in 2016 → 76.2% in 2018), and in 2018 EBS 2TV overtook other children's channels like Tooniverse or JEI-TV in these areas. Moreover majority of the EBS 2TV viewers(76.7%) expressed satisfaction with the program and evaluated its quality as being very good(76.3%).

The Commission will try to create the nation's policy environment to extend free universal services by supporting revision of the 「Broadcasting Act」, making bold campaigns to the need of the EBS 2TV for the common good, and encouraging retransmission of paid broadcasting programs on EBS 2TV. When the legal base for regular broadcasting is completely in place and the EBS 2TV channel starts broadcasting in full-scale, it can be expected to substantially contribute to the public welfare and reduction of the private education cost as it will be able to supply more and free broadcasting contents, and more importantly transmit abundant reliable educational contents which demands are high from the viewers.

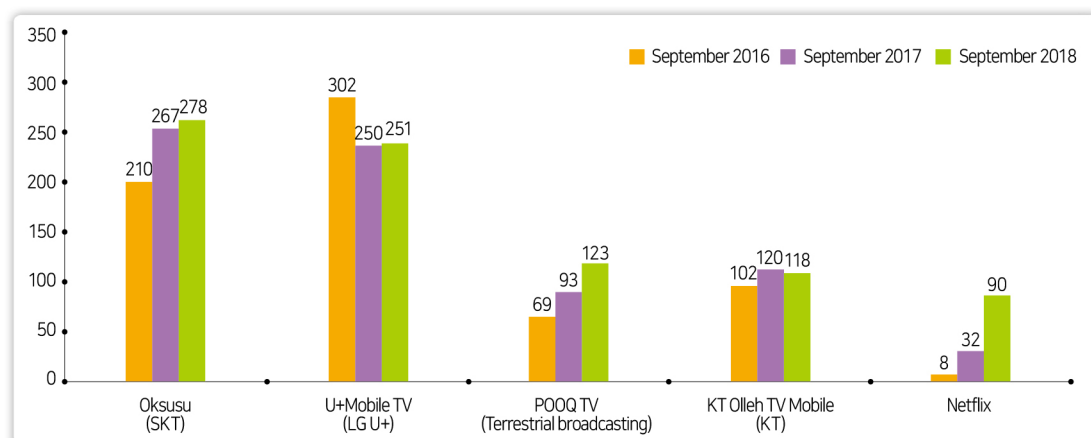
c. Restructure the System for New Type of Convergence Services

While factors like Internet development, high distribution rate of smart devices, and changed patterns in content use have widely spread influence of new type of convergence services such as Over-the-Top(OTT), regulations to this service are weak because the 「Telecommunications Business Act」 currently puts the convergence service under the category of the value-added telecommunications services. Some of the new types of convergence services can be regarded to be much similar or identical to the conventional type of broadcasting, thus this constantly raises issues for regulation fairness, fair competition and viewers protection, and etc. Besides recently concerns have been raised over the global capital's possible erosion into the domestic market, due to the rising number of partnerships (LGU+, November 2018~) as well as the increasing investments in domestic contents(Mr. Sunshine) by foreign broadcasting companies like Netflix.

Therefore, taking references from the EU's and other foreign systems as well as the analysis of the current market status, the Commission is gearing up for reconstruction of the system to the web·mobile-based new type convergence services in order to reinforce the user protection. Targeting on regulation fairness and environment for fair market competition, the Commission is going to revamp the system regarding legal status and classification criteria of the convergence media services including VOD and OTT in order to eliminate reverse discrimination against the nationals, to protect the users, and to protect the competitiveness of the domestic broadcasting operators.

Figure III-60 | Trends in Pay OTT Subscribers in Korea

(Subject : Mobile, Unit : 10 thousand people)



Source) Number of Netflix subscribers rose 3 times from the same month last year, Wise app, 2018

The current 「Broadcasting Act」 defines the broadcasting as “Planning, programming or producing broadcast programs, and transmitting them to the general public through telecommunication facilities”. However, according to the current 「Broadcasting Act」 OTT service providers are not recognized their legal status as business operator although they function not differently in sending out broadcasting programs, real-time channels, and re-transmitting terrestrial broadcasting programs. This has become the cause of contention over regulation fairness, and there are demands to reconsider and modify the relevant systems so that the system can ensure regulation fairness, fair competition and user protection. Regarding this, at a seminar titled ‘revising broadcasting laws and OTT policy directions’ held by Kim Sung-soo, a member of the National Assembly, proposed an alter-

native to define and recognize OTT services, the most similar to the pay-broadcasting services, as a business operator in the legal frame so that the regulation fairness can be upheld. At the seminar, the Commission set forth that OTT should be regulated within the frame of the 「Broadcasting Act」, subject of the regulation should be clearly defined, and that there should not be any discrimination between the domestic and global business operators. The Commission is committed to resolving the issue by gathering opinions from business operators and those relevant government institutions about complete revision of the 「Broadcasting Act」 which intends to add the new type of convergence services like OTT to the category of the pay-per-view broadcasting service operators and regulate them under the 「Broadcasting Act」.

In addition, the Commission has strove to understand the current market status and to come up with appropriate system revision framework by conducting policy studies under the theme of ‘Improving the legislation for the Internet·mobile based new types of convergence services’, which examined the necessity for institution and regulation of new types of convergence services in reference to domestic and foreign relevant laws, comparative studies on regulation policies, and analyses on the relevant issues.

2. Effectively Reinforce Personal Data Protection

a. Strengthen User’s Right to Control and Damage Relief

1) Improve Personal Data Protection Laws for Stronger Users’ Rights to Control

The Users had not demanded the global business operators to withdraw the agreement with the business operators to collect, use and share, to allow access to personal data or to request correction. The Commission has amended the 「Information Communications Network Act」(September 2018). It is now possible for the nation’s users to exert their self-determination rights to private information both to domestic and foreign operators. With the amended Act, global business operators with certain scale must designate a representative in Korea, it is to solve the reverse discrimination against the native business operators due to the insufficient regulations on the foreign operators. Not only that, to

make sure that the revised regulation regarding designated domestic agency is smoothly and positively implemented (March 2019), the Commission swiftly laid down the criteria for selection of business operators which must appoint an agency in the Korean territory and has announced legislation on the amended 「Enforcement Decree of the Information Communications Network Act」(December 2018).

Not only that, there has been an issue that once the users' private information was transferred to abroad by the global business operators, there was no legal restriction to stop the information being forwarded again to third country. To address this issue, the Commission amended the 「Information Communications Network Act」(September 2018) which stipulates that the business operators as data controller shall obtain the users' agreement before transmitting the personal data to third parties in another country as the same regulation is applied when transmitting the users' information to another data controller. Considering the different levels of personal data protection among countries, the principle of reciprocity is incorporated into the amendment allowing reasonable and flexible responses depending on the situation.

Effectuated on May 2018, the European Union's General Data Protection Regulation(GDPR) finely describes the rights of the users that data subjects possess the right to access to data, the right to have the data controller erase personal data and the right to data portability as to ensure the rights to decide and to control for the data subjects. The Commission revised the Guidelines on Processing On-line Personal Data up to the current social and the global trends which empower the data subjects in the rights to personal data (September 2018), the revised Guideline describes operation standards for the data collectors per the right of the data subjects and its protection system(access to personal data, data erasure, revelation of personal data processing policy, and notification of personal data transmission).

b. Find Vulnerabilities in Personal Data Protection

1) Checking Status of Vulnerable Areas, Inspecting Leakages, Imposing Sanctions

The Commission has conducted an inspection to find out the actual status of personal

data management. The aims of the inspections are promotion of the interests and rights of the public through the personal data protection of the telecommunication services users; prevention of the personal data leakages and assurance of a quick response in case of incident. The aims of the inspections are promotion of the interests and rights of the public through the users' personal data protection of the information communications services; enhancement of the companies' level of the personal data protection; and creation of law-abiding environment.

The inspections were carried out to total 318 business establishments, such as 155 companies with the leakage of personal data, 57 companies which complaints were reported about personal data protection violation, O2O business operators which number of users are rising, and the 32 crypto-currency exchanges.

In regard to the business operators involved in the leakage of personal data by hacking or negligent management, the Commission swiftly conducted inspection on their technical and administrative protection measures and placed measures to improve the conditions as necessary. In doing so, the Commission was committed to preventing secondary damages from spreading by averting cyber scams.

After examining the conditions of the 32 companies of O2O business operators and crypto currency exchanges as a precautionary measure to personal data intrusion, the Commission imposed an administrative fine (KRW 141 million) or the order of correction on 8 companies on account of violation of the regulation pertaining personal data protection under the 「Information Communications Network Act」. When the personal data leakage of one of the popular shopping malls occurred, the Commission promptly made moves to respond and conduct a root-cause analysis, then placed strict sanctions such as penalty surcharges (KRW 283 million) and administrative fine(KRW 15 million) on the shopping mall. When the suspicion raised in the parliamentary inspection over that Hyundai Motors and Kia Motors collected vehicle location information without users' consent under the pretext of location information, the Commission carried out an inspection on the appropriateness of the location information collection.

**Table III-43 | 2018 Current Status of the Inspection and Sanctions
on Personal Data Management**

(Unit : Number of companies)

Inspection Type	The Inspected Companies	The Penalized Companies	Corrective Measures
Finding Vulnerabilities (O2O Business Operators and Crypto Currency Exchanges)	32	8	<ul style="list-style-type: none"> • KRW 141 million in administrative fine (8 companies) • Order of correction(8 companies)
Inspection Through a Report or Complaint on Leakage	155	27	<ul style="list-style-type: none"> • KRW 614 million in penalty surcharge (3 companies) • KRW 470 million in administrative fine (27 companies) • Order of correction(27 companies)
Civil Complaints	57	33	<ul style="list-style-type: none"> • KRW 62 million in penalty surcharge (1 company) • KRW 323.8 million in administrative fine (29 companies) • Order of correction(33 companies)
Inspection on Leakage Event	12	–	<ul style="list-style-type: none"> • Inspected the personal data intrusion
Monitoring on the Implementation of the Correctional Order	62	–	<ul style="list-style-type: none"> • Completed an implementation check on 62 companies
Total	318	68	<ul style="list-style-type: none"> • KRW 676 million in penalty surcharge (4 companies) • KRW 934.8 million in administrative fine (64 companies) • Order of correction(68 companies)

2) Monitoring Online Personal Data Protection

Personal data and location information play a critical factor in the 4th Industrial Revolution, and companies collect and utilize them for sake of provision of services to countless smart phones or the web. On the other hand, a concern is more intensified over the possible abuse·misuse of personal data·location information. The Commission performs checking on the status of personal data protection beforehand in order to prevent personal data Intrusion, and create the environment which the data subjects can understand how the private information is utilized on.

In 2018, in working with Korea Internet and Security Agency(KISA), the Commission reviewed the current status of the personal data protection on the web and application sites regarding 6 items including the personal data collection, consent on the utilization of the

「Information Communications Network Act」 and 5 items including location information collection consent on the utilization of the 「Act on the Protection, Use, etc. of Location Information」(hereinafter 「Location Information Act」. Then, regarding the areas of improvement, the Commission published and distributed the guidelines for the improvement measures containing technical and legal information, and provided consulting via telephone, made recommendations to ensure that improvement will take place.

In the meantime, the Commission confirmed that there were some business entities that had shortcomings in managing the personal data and were still collecting the full digits of the resident registration number even though collecting or utilizing the full set of number became illegal when the law changed in 2013. Thus, the Commission started operating the 「Clean Center of Residence Registration Number on the Internet」 and conducted an inspection on the nation's entire websites whether they were illegally gathering full set of the registration numbers or not. After that, the Commission provided the websites with legal and technological consulting, this resulted in cutting the number of companies which still require improvement down to 522.

Table III-44 | Monitoring Status of Residence Registration Number
Online Collection

(Unit : Number of companies)

Year	The Monitoring Target	Company Requiring Improvement	Improvement Done	Improvement Needed (Ratio to the Monitoring Target)
2016	91,574	8,755	4,831	3,924(4.3%)
2017	836,885	9,503	4,815	4,688(0.6%)
2018	380,691	2,835	2,313	522(0.1%)

c. Laying Ground for Voluntary Self-Regulation on Personal Data Protection

1) Voluntary Self-Regulation on Personal Data Protection

The development of information communications technologies and the growing number of services utilizing personal data have brought about greater number of private information infringement. The Commission has instituted voluntary self-regulations of broadcasting·communication·online sectors with the aim to clear off blind spots of the government regulations and to cultivate atmosphere for the companies to protect the users' personal data protection.

Voting for 'The Framework on voluntary self-regulation of personal data protection in broadcasting, telecommunication and online sectors', the Commission has established the system for the voluntary self-regulations. The Commission met corporate members for consultations and induced them to take voluntary self-regulation in various manners such as voluntary check, field consulting, acquisition of applicable certifications, training, etc, in respect of different features in the four areas of telecommunications, shopping, Mobile Virtual Network Operators(MVNOs) and Pay-TV operators.

Apart from that, the Commission hosted a policy meeting with the stakeholders to elucidate personal data protection in broadcasting, telecommunications, online sectors. The agenda at the policy meeting were the purpose of the voluntary self-regulations, the system, procedure and participation, and the Commission introduced the field consulting service subject to small and medium sized companies so to encourage the stakeholder to join in.

Figure III-61 | Policy Meeting on Voluntary Self-Regulation of Personal Data Protection



In the meantime, the Commission laid out specific criteria on the 「Guideline on the charge of an administrative fine to violation of personal data and location information」. If a participant in the voluntary self-regulation either faithfully performs activities to protect personal data or strongly work to support/cooperate with agencies (contractors), the company is eligible to receive additional reduction up to 30% of the reference amount of the administrative fine.

In order to diffuse the public concerns over the self-regulation, to enhance its effectiveness the Commission has formed the 'deliberation·evaluation committee on personal data protection

voluntary self-regulation’ and appointed 7 experts from the academia, legal circles, consumer groups in the link with the personal data protection and voluntary self-regulation. In November 2018, the committee held its first meeting and received presentations on the framework on personal data protection and the standard self-regulation agreement. They also voted for the proposals of ‘Subject to an evaluation in relation to the voluntary self-regulation’ and ‘Regulation on Operation of Deliberation·Evaluation Committee, and conferred deliberation·evaluation plans on the annual outcome of voluntary self-regulation activities from the four fields of telecommunications, shopping, MVNOs and Pay-TV.

Figure III-62 | The Deliberation Evaluation Committee on Voluntary Self-Regulation of Personal Data Protection



On the other hand, comparing to big business corporations, Small·Medium Sized Companies(SMEs) and Start-ups have trouble sparing budget and human resources for personal data protection. Responding to that, the Commission arranged field consulting customized to SMEs and startups so to provide opportunities for business operators to lessen concerns and comply with the relevant personal data protection regulations.

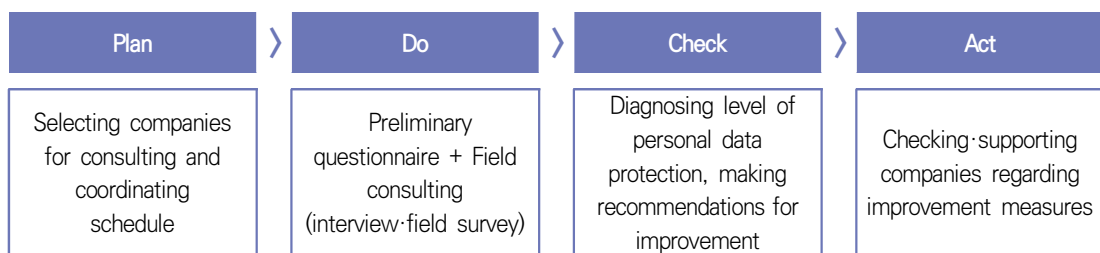
This time, the field consulting service was conducted to total 52 companies, among them were not only companies in the telecommunications, shopping, MVNOs who participated in the voluntary self-regulation of personal data protection in 2018, but also SMEs and Startups who are subject to the 「Information Communications Network Act」.

Table III-45 | Provision of Field Consulting on Personal Data Protection
per Type of Business

(Unit : Number of companies)

Business Type	Telecommunications	Shopping	MVNOs	Startups and others	Total
Number of Companies	20	13	3	16	52

The consulting was carried out about the mandatory regulations (84) applying to any business operator under the 「Information Communications Network Act」 and some regulations(17~22) particularly demanding attention from the telecommunications and online shopping companies for their handling personal data. The consulting was constructed on the Plan-Do-Check-Act (P-D-C-A) rule so to satisfy its objective of strengthening the self-regulating capability of business operators.

Table III-46 | Implementation Procedures of Field Consulting on Personal Data Protection

The Consulting discovered for these companies there were difficulties such as unavailability of the personal data protection guidelines for startups and new entrepreneurs, and that regarding the personal data protection, the actual level (58.5%) is lower than the companies' perception(78.8%). For that, the survey of the level of personal data protection was conducted to the 5 companies which in 2018 consented to be verified if the improvement recommendations would have been implemented or not. The result demonstrates that after the consulting, the level of personal data protection has increased 10.1%p on average. The Commission will continue to assist those companies in 2019 which have agreed in 2018 with supports·verification of the improvement measures' implementation status.

2) Widening Awareness of Personal Data Protection and Spreading Practice

The Commission has operated on-field training programs which are customized depend-

ing on corporate rank·awareness level so to enhance the companies(data controller, etc.) management capability of private information. The program is composed of the introduction to the personal data protection class (regular course 1), technical·administrative protection measures of the personal data protection (regular course 2), and the advanced class dealing precedents·cases analysis and inspection methods of personal data protection status. In addition to that, the program includes Q&A sessions to help the individual understanding, and to apprehend the recent trend in the privacy protection. Moreover the commission has sent lecturers to the small and medium sized businesses where few people are with good knowledge and provide the programs on site. Besides the commission has backed recruiting and nurturing ‘Lecturers of Online Personal Data Protection Educational Program’ so as that the companies under the 「Information Communications Network Act」 willingly extend the program and that those in the Seoul Metropolitan Area and the provinces can enjoy the equal opportunities to the program. Online program is available throughout the year on the personal data protection education online portal(www.i-privacy.kr).

Table III-47 | 2018 Status of Personal Data Protection Education Program to Business Operators

(Unit : Number of person)

Type	Offline	Online	Total
Number of Enrollee	25,703	20,826	46,529

The Commission, to see the best effect of the training program, has operated the educational program of the personal data protection to children in primary, junior and high schools because the children will be either data subjects or data controllers or both in the future. Programs also have been implemented to teachers, parents, and the elderly. Again the online programs are being operated to make it easier that the group training can take place at all the times.

Table III-48 | 2018 Status of Personal Data Protection Education Program to Data Subjects

(Unit : Person, Video playback)

Type	Offline	Online
Number of Enrollee	150,100	2,403

Note) Online program is running to group education, it is counted by the times that a video clip is played, thus the unit is ‘the number of video playbacks’.

For the educational contents of the personal data protection, the Commission has developed customized contents: 3 types(introductory, intermediate or working level, expert) for different rank and knowledge levels with companies, and 5 types (elementary, junior·high schools, general, teachers course) for the ordinary users, so the users can protect the personal data for oneself in daily life. The Commission is planning to provide the public with the opportunity so they will be able to learn about personal data protection anytime anywhere without restraining with time and space.

Figure III-63 | Images from Personal Data Protection Programs in 2018



As Social Network Service(SNS) which can connect people with the similar interests or characteristics has become widely popularize, on SNS people communicate with each other and share their life and activities, so if personal data is intruded, damages can be more direct and extensive. Thus the Commission made a campaign titled 'In 2018, Protect my information on the Internet' from September till November in 2018 as a measure to ensure that the citizens can be aware of that and practice rights to personal data. Under the slogan of 'small but positive actions keep my SNS personal data safe', the Commission communicated and encouraged the people to keep the followings, that is setting 2 step authentication when logging in SNS, confirming scope of personal data, checking if personal data is up and posted, and what information is transmitted to data collectors, etc.

Taking the campaign theme and target into consideration, the Commission created animation, card news and mobile messenger Emoji using characters like Jekyll, Ann and Guide which means protect and guide in Korean, and streamed on-line advertisements featuring these characters to popular video portals and mobile messengers. Also during Chuseok

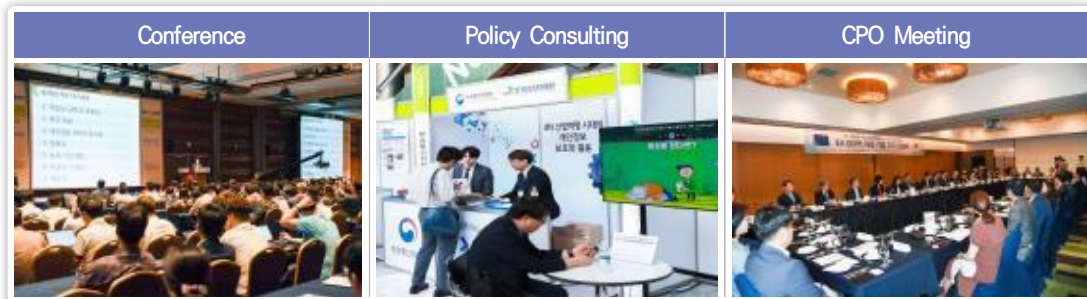
holidays, Korea’s thanksgiving day, when the highest number of passengers travel by trains like KTX and SRT across the nation, off-line advertisements were broadcasted to raise the awareness to the equal level throughout the nation.

Moreover making partnership with the institutions and companies, the Commission utilized the display screens in branches of KB Kook-min (Bank) and E-mart across the nation and the baseball stadiums of the national professional league in order to penetrate the awareness in everyday life. In addition, the Commission made efforts in attracting the public attention and participation by holding an idea contest for the online personal data protection policy.

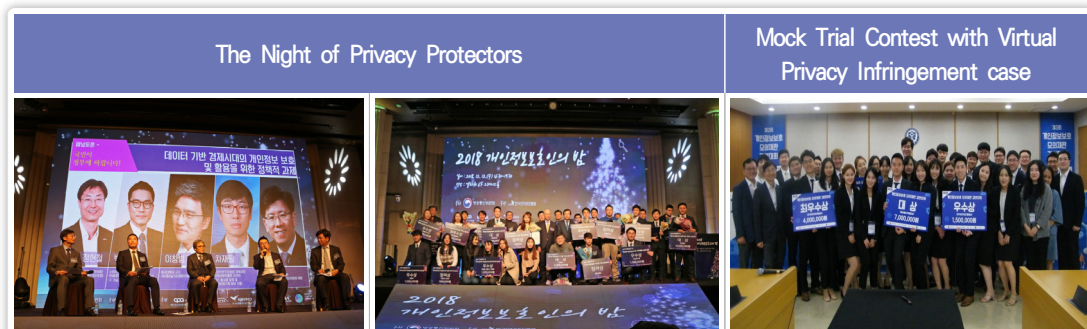
Figure III-64 | Campaigns for My Online Personal Data Protection in 2018



While the main trends in personal data protection home and abroad are rapidly changing, the Commission hosted the 2018 Conference of Online Personal Data Protection to share the Korean companies’ reaction to EU GDPR implementation and protect personal data in Blockchain. While holding the Conference, the Commission introduced the nation’s Guidelines on Bio Information Protection and spam policy to raise the policy understanding among company working groups. Also, the Commission held a meeting with company CPOs and directly communicated with the member of the EU executive committee who is in charge of the judicial branch regarding difficulties the nation’s portal, shopping, game and manufacturing companies are experiencing while making businesses in EU, and agreed to try to reinforce the bilateral cooperation for personal data protection.

Figure III-65 | Venue for Exchange and Communication Among People in Personal Data Protection

Furthermore the Commission hosted the Night of Personal Data Protectors in 2018 to award prizes to those who had made a contribution to the area of privacy protection and to display the awarded ideas through a personal data protection contest, while providing a venue for mutual exchanges and communication among people associated with the personal data protection. In order to nurture all-round talents with legal and technical knowledge, the Commission hosted the 3rd mock trial contest with a virtual case of privacy infringement of which the theme was ‘SNS business operator and violation of personal data protection regulations under the ‘Information Communications Network Act’.

Figure III-66 | The Night of Personal Data Protectors and Mock Trial Contest with a virtual Privacy Infringement Case

3) The Provision of Self-verification Methods

To minimize the use of one’s resident registration number which was used for the self-verification, it necessitated the introduction of alternative means to make self-verification possible without a resident registration number. Therefore the Commission have designated verification organizations as authenticators which provide means for online verification rather

than the residence registration number in the 「Information Communications Network Act」 and lower statutes. The Commission has designated i-Pin, mobile phone and authenticator of credit card companies as an authentication service provider and placed them under its supervision. In accordance with Article 13 of the 「Standards for the Designation of the Identification Service Agency」, certification authorities are deemed to be an accredited authenticator.

Table III-49 | Means and Status of Alternative Personal Identification

Type		Provider	Competent Authority in Charge
i-Pin	Public	Korea Local Information Research & Development Institute	Ministry of the Interior and Safety
	Private	NICE Information Service, SCI information Service, Korea Credit Bureau	Korea Communications Commission
Accredited Certificate		KFTC, Koscom, KTNET, Crosscert, KICA, Initech	Ministry of Science and ICT
Mobile Phone		SKT, KT, LGU+	Korea Communications Commission
Credit Card		KB Kook-min, Lotte, BC, Samsung, Shinhan, Hana, Hyundai Cards	Korea Communications Commission

Note) Information as of December 2018

The Commission added another alternative method which facilitates on the credit card for online users so to process the self-verification in safe but convenient manner. Added to the i-Pin, accredited certificate, and mobile phone certificate, the newly introduced certificate method has contributed to bring more choices to the nation's users. The Commission has designated seven credit card companies as the accredited certificate entity through the review process to assure safe certificate service to be provided. Furthermore the Commission promoted the designation procedure of a personal identification institution for additional credit card companies (the Nonghyup Bank) so that credit card users can use the personal identification service without discrimination. The Commission conducted a designated audit of additional credit card identification institutions (October) and made a conditional designation (December). Nonghyup Bank is expected to launch a self-identification service using Nonghyup Card by completing the designation of a self-certified institution in the first half of 2019 after taking some supplementary measures.

Table III-50 | Credit Card Companies as Accredited Certificate Body

	Credit Card Company	Accreditation Status	Designation Time
Credit Card Companies as Accredited Certificate Provider	Samsung	Completed	Mar. 2018
	Hyundai	Completed	Mar. 2018
	KB Kookmin	Completed	Apr. 2018
	Lotte	Completed	Apr. 2018
	BC	Completed	Apr. 2018
	Shinhan	Completed	Apr. 2018
	Hana	Completed	Apr. 2018
	Nonghyup Bank	Conditional (Dec. 2018)	the first half of 2019(expected)

Note) Data as of December 2018

Two categories of i-Pin caused confusion because there were separate issuance processes and uses by public and private ones. Responding to the situation, in January 2018, Korea's Ministry of the Interior and Safety announced the i-Pin services would be merged under the private i-Pin. The Ministry ceased to issue the public i-Pin at once on November 2018. Those previously issued public i-Pins will be effective until the date of validity(one year for online issued, three years for offline issued). On the other hand, for the sake of the public i-Pin users, the community service centers will issue a private i-Pin to the public holders so they can use the verification service by i-Pin without a trouble. The private i-Pin can also do verification of legal representative which the Public Information Sharing Center did in the past. To that, the Commission amended the 「Enforcement Decree of the Information Communications Network Act」 to allow that the Community Service Center can access to the resident registration document through the Public Information Sharing Center. Any one that does not have the online self-verification method, can visit the Community Service Center and get issued the private i-Pin without limitation. By doing so, popularity of the private i-Pin can be secured as a self-certificate service provider despite of the cessation of the public i-Pin.

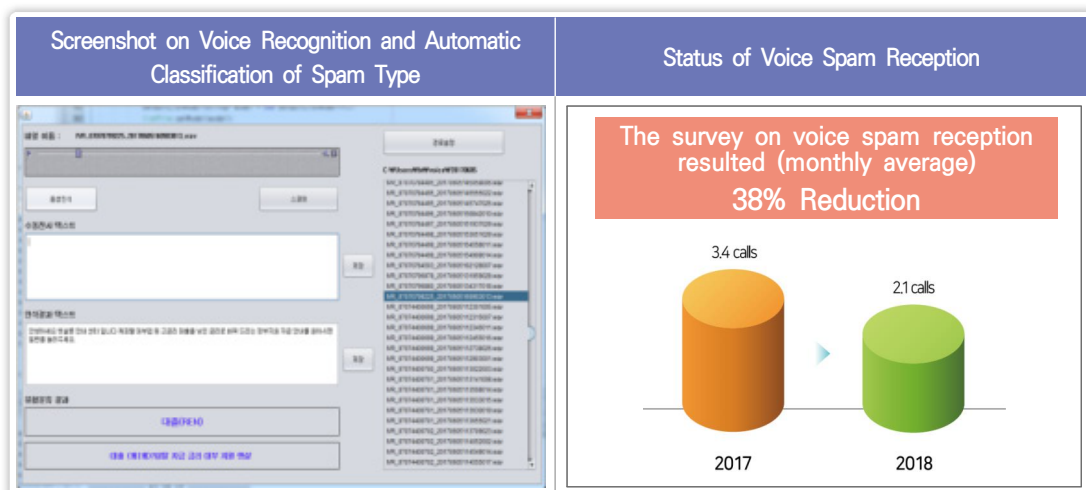
d. Strengthening the Countering System Against Illegal Spam

1) Efforts in Preventing Spams by Developing New Technology

As an effort to eliminate voice spams, the Commission is operating a real-time blocking system in collaboration with the mobile carriers which share mobile phone numbers identified through spam reporting and the detection system. However in some cases, the identified number has failed to be blocked because it is rarely possible to check contents of voice spams, only few number of evidence documents can exist, rendering it impossible to verify the call's violation of the relevant regulations. To resolve this, the Commission has pushing toward developing and upgrading technologies which can detect, analyze and block illegal voice spams, and which enable Commission to act more aggressively against illegal spams and spam sending system that has become more sophisticated and sneakier to catch.

To secure contents of voice spam, the Commission has added new functions to the voice spam detection system, which induces to record the voice spam, run the voice recognition technique and convert the recordings into text. Millions of spam data were put in the system to improve accuracy of the voice-text conversion technology. The results of the conversion were filtered by keywords. By doing so, now the system can tell whether the phone is spam or not, and types of spam in real-time. If the number is identified as a spam, then immediately the information is communicated with the mobile carriers who quickly place that into blocking.

Figure III-67 | Voice Spam Real-Time Blocking System and Decrease in Voice Spams



By implementing those aggressive responses and countermeasures, the Commission has effectively prevented the illegal voice spams from circulating and spreading, and at the same time it has made substantial cuts in reception of the illegal voice spam which are indiscriminately sent to the nation's citizens.

For 2019, the Commission will commit itself to the research and development of AI-based Big Data utilization technology so to analyze data from 100 million and more spams which are sent to over one year. The analysis model which the Commission is working on will be able to secure the contents of not only voice spams but also image spams, and be able to block them in real-time. In the future the Commission has a plan to establish a system which will block spams in real time by facilitating AI's neural network and will send an alert to the citizens when spams in format of image, email, text and voice are received.

Table III-51 | The Survey on the Number of Spam Received

(Unit : Calls)

Year	2016	2017	2018
Monthly Number of Spams Received	20.4	18.3	14.6

Note) The survey conducted on quantity of spams one person receive for one day.

2) Improving the Regulations to Spam Transmission

While the voice spams are on the rise, users were infinitely allowed to change wired telephone numbers(02, 070, 1588, etc.) with no restriction. The Commission collaborated with communication providers and has revised the terms of service to limit that the service users can change one's telephone number no more than two times over the period of one quarter. By doing so, the Commission made sure that spammers are not allowed to avoid blocking by changing telephone numbers limitlessly.

In addition, currently there is no bar to stop users of a wired telephone service from purchasing telephone lines as many as the users wish. It is possible that the spammers buy the wired numbers in bulk and despite that some of the purchased numbers are blocked, they can still send spams from those not-yet blocked numbers. In order to preemptively prevent this from happening, the Commission consulted and, on November 2018 agreed with the Ministry of Science and ICT and service operators to revise the term so that one

user can buy 5 lines maximum. The revised version is expected to go into effect in 2019 when the business operators change the term.

Besides, in regard with the illegal spams, the Commission conducted on-site inspections to communication providers who had violated the regulations in the past, to advertising information transmitters who are suspicious of regulation violation, and to communication providers who are the agency of such advertising information transmitter. Out of the 60 communication providers who received inspections, administrative disciplines were imposed on 15 companies. Also, 51 advertising information transmitters were inspected, to 29 business providers, 12 administrative disciplines were imposed and 17 cases were sent to the public prosecutors' office.

In the first half of 2018, the Commission provided information to Jeonnam Provincial Police Agency about rapidly growing image spams which advertise gambling, and supported its investigation which arrested the spam transmitters and the mobile service dealer who activated the mobile phone number, and the USIM buyers.

Figure III-68 | Support Investigation of Illegal Spam and Information Sharing

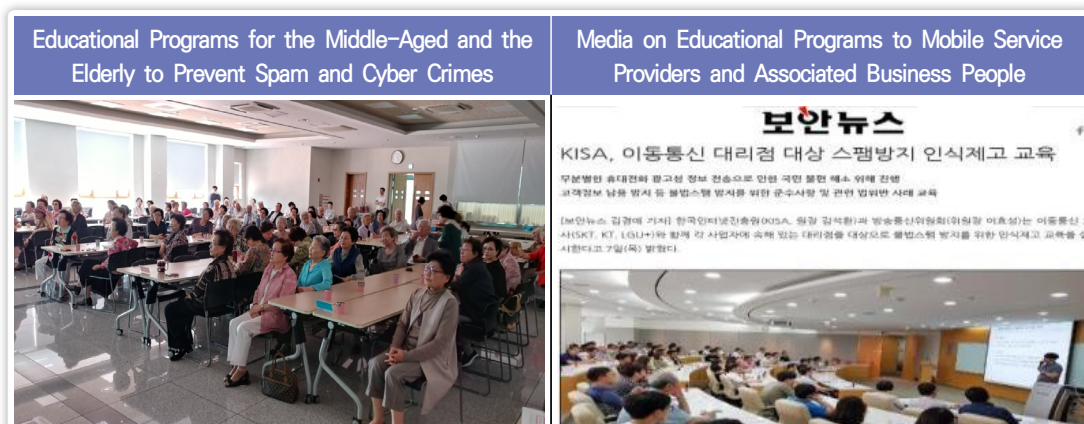
Press Release on Arresting Gamble Spam Transmitter by Jeonnam Provincial Police Agency	Information on Gamble Image Spam	
<p>대포유심폰 개통해 불법 도박사이트 스팸 문자 발송 일당</p> <p>(무안=뉴스1) 정윤 기자 2018-07-20 11:40 송고</p> <p>기사보기 댓글달기 0인 0인 0인</p>  <p>news1</p> <p>타인 명의의 유심(USIM)을 이용해 개통한 휴대전화로 불법 도박사이트를 홍보하는 스팸 문자메시지를 대량으로 발송한 일당이 경찰에 붙잡혔다.</p> <p>전남지방경찰청 사이버수사대는 20일 불법 도박사이트 광고메시지 수십만 건을 발송한 혐의(전기통신사업법 및 정보통신망 이용촉진 및 정보보호 등에 관한 법률)로 A씨(46)를 구속하고, 휴대전화 판매점주 등 6명을 불구속 입건했다.</p>	 <p>SPC57.COM</p> <p>현금 3만원 받고 10만원 출금하세요 주당 최대 10배 배당사 보류 서비스 부담 특별 지원</p>	 <p>kb232.com</p> <p>추천인(일수) 999</p> <ul style="list-style-type: none"> ◆ 빅 베팅! 세계 최고 1위 ◆ 동전1위 그/래/프/개인 ◆ 신/규 가입 1만 무료제공 ◆ 빠른 24시 입출 ◆ 5만이상 10% ◆ 정적/안전/승전10%\ ◆ 놀랄, 주말 이벤트
	 <p>SPO-2020.COM</p> <p>가입첫출20%매출5%</p> <p>7년무사고 겹중첩안전놀이터 선착순 추가회원모집 폭발성기출가능 마틴백어백기제재없음 실시간1.97 롤링200% 1일3회주제안출금</p> <p>추천인 abc2017</p>	 <p>SPO-2020.COM</p> <p>가입첫출20%매출5%</p> <p>7년무사고 겹중첩안전놀이터 선착순 추가회원모집 폭발성기출가능 마틴백어백기제재없음 실시간1.97 롤링200% 1일3회주제안출금</p> <p>추천인 abc2017</p>

3) Heightening the Awareness of the Vulnerable Social Groups and Reinforcing International Cooperation

To those transmitting advertisements across the nation, the Commission has illuminated what to be complied under the 「Information Communications Network Act」 when transmitting advertisements on goods or services encouraging them to do marketing legally and appropriately, and the preventative programs have been provided so to avoid disadvantages such as administrative fine and criminal penalty. Particularly customized programs have been given to those working in financial sectors as well as to authorized agencies, and their employees of the communications business as quite substantial number of spam reporting have been made to these sectors.

On the other hand, a program regarding various types of cyber crimes have been provided to middle-aged, elderly people, and physically or mentally challenged people who may not good at using the smartphone. In the program, illegal spams, voice phishing, smishing and the guidelines to avoid them are explained, which has contributed to precluding cyber crimes. Meanwhile the Commission have carried out ‘on-site Avoid Spam program’ to the residents in Jeonnam and Naju provinces as part of the efforts to protect the people’s right to the safe and clean environment of information and communications through conversing with the local people.

Figure III-69 | Raising Awareness of the Vulnerable Social Groups and Business Operators



As an effort to eradicate the spams sent from abroad, the Commission has built the system of cooperation with the government organizations of U.S.A, U.K, Canada, Australia and others. And as a member of the Unsolicited Communications Enforcement Network(UCNet), the Commission engaged in various activities such as hosting a Seminar on Spam Blocking Policy Technology of Asia Region; expanding the system to block international spam emails in real time(12 countries), managing the status of countries' response against spam, and participating in a number of global projects of spam prevention. Without international cooperation, it is not possible to stop the illegal spams sent from foreign countries as both of the government organization and telecommunication service provider of that country from where the spams are transmitted must block the spams. Thus, the Commission has actively participated in international cooperation activities while having continued implementing responses against illegal spams along with the foreign government organizations in charge of responses against the illegal spams in order to encourage those government organizations to respond in coordination to eradicate the illegal spams. Owing to these efforts, the number of the spam email per month which are sent from abroad greatly decreased from 2.7 calls in 2017 to 1.2 calls a month in 2018.

Figure III-70 | Establishment of the Asia UCNet and Korea's Leading Role



The Commission in partnership with Korea Internet and Security Agency(KISA) hosted a joint Seminar on Asia's Policy and Technology to Block Spam and performed a leading role. Also the Commission's effort continued to eliminate spams on email, SNS, calls sent from the global corporations. Thanks to the efforts, the number of nations sharing the

data of email spam increased to 12 from 10. India and Brazil are the newly joined nations along with the conventional members of China, Japan, U.K and Canada, etc. In total 12 nations, the system is set up to block spams sent from abroad. In the future the Commission will keep its efforts to enhance the international cooperation and to stop spam sent from foreign nations.

3. Supporting Safe Utilization of Personal Data

a. Improving Environment for Personal Data Utilization to Business Operators·Users

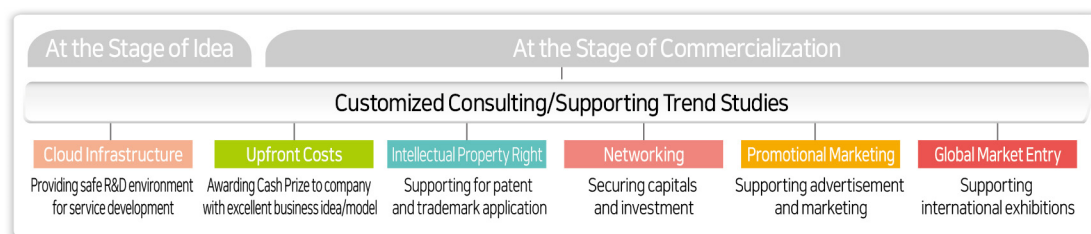
1) Enhancing the Regulation for Utilization of Personal Data

In May 2018, the Commission revised the Article 12 of the 「Enforcement Decree of the Information Communications Network Act」 which very specifically enumerates the means of collecting user's personal data and obtaining user's consent on its utilization. The revised regulation expands the means for acquisition of the users' consent regarding personal data over to text message, mobile application, SNS and others, in doing so, that contributes to improving the benefits for both business operators and users.

2) Building Foundations to Location Information Utilization

The Commission has endeavored to boost the location information industry through various supports for commercialization such as providing customized consulting to relevant startups, small and medium enterprises, providing cloud based R&D environment, helping nurture businesses with good potential as well as publishing regular trend reports.

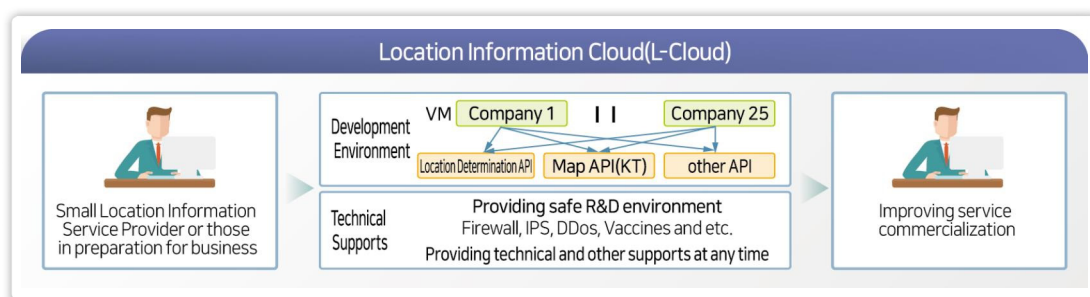
Figure III-71 | Support System to Commercialization



Firstly, the Commission has supported the small and medium enterprises and those who are planning to enter into business with on/off-line consulting in areas of law, regulation, technology, business management so that they can enter into the market without experiencing much trouble and establish the foundation to nurture the business. 67 times of consulting were carried out to total 43 companies, and these consulting produced the tangible outcomes such as registration of a location based service provider (4 cases), releases of new service products (7 cases), signing partnership (2 cases) and capital procurement (5 cases). In addition, the business operators have had regular meetings with consultants where they can share difficulties they have faced. Such Commission's efforts has led the companies which have benefited from the consulting to the high satisfaction with a score of 92.2 points.

Those 25 entrepreneurs at the stage of idea received assistance such as provision of Cloud-based R&D environment. Not only that, the Commission in cooperation with KT helped them access free to maps, navigation, important Point of Interest(PoI) services and Location Information based Application Program Interface which make development process convenient, and security measures, firewall, encryption and others. All in all, the Commission supported them to develop location information safely and easily.

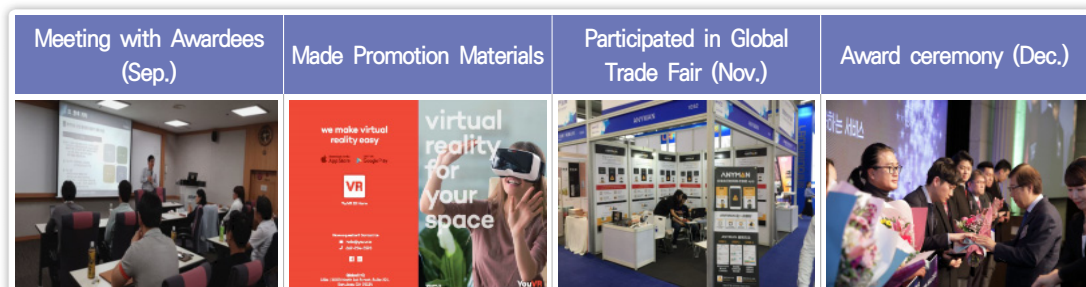
Figure III-72 | Cloud Support System



Also the Commission hosted a '2018 Korea Location-Based Service Idea Contest' and developed 12 excellent business models and ideas at the stage of commercialization (prototype ready), and awarded them total KRW 53 million (KRW 46 million in 2017). The Commission has run various programs for those 12-selected excellent companies to support the commercialization of their ideas. The Commission held a roundtable with the winners to listen to their opinions about difficulties they have faced. The Commission's

Commercialization Support Program has enhanced their competitiveness in the market through supports customized to the need of each company in areas of patent application, promotion, marketing, attracting investment networking, and participating in foreign trade affairs. Such efforts by the Commission produced in service commercialization (12 cases), approval of intellectual property rights (19 cases), job creation (10 people), signing of partnership in domestic and foreign nations (6 cases) and attracting investment (4 cases).

Figure III-73 | 2018 Korea Location-based Service Idea Contest and Support Program for Commercialization



The Commission has distributed total 22 reports on the trends in market, technology and service in a year in order that the nation's Location Information based service companies (about 900) can have an accurate understanding on the domestic and global market environment and can take advantage from those trend reports in running a business.

Table III-52 | Main Contents of Trend Report on the Location Information Industry

Cover Page	Main Content of Monthly Report	
	May	• Business Management Analysis of Location Information Companies
	Jun.	• Location Information Related Legislation Trend in Major Global Nations Including GDPR
	Jul.	• Continuous Legislative, Technical, Social Efforts to Vitalizing Location Information Industry
	Aug.	• Location Information Standardization Trend in Korea Including Location Determination Technology
	Sep.	• Current Status of Emergency Rescue Service utilizing Location Information in Korea
	Oct.	• Information Location Startup's Technology Development and Business Status in Domestic and Foreign Countries
	Nov.	• Location Information Connected with Big Data, AI

b. Softening the Regulations of Entering to Location Information Business

When legislated in 2005, the 「Location Information Act」 introduced various regulatory mechanisms such as approval, notification of permission to operate a business, acquisition of prior-consent from the data subject to collect location information, and mandatory protection measures which protect privacy from divulging, abuse and misuse of location information. It is because that location information is closely related with one's privacy, it should be deemed as sensitive information. Thus personal location information, if handled wrong, can render personal data to be exposed.

However the excessive regulations under the 「Location Information Act」 have been pointed out as an obstacle to hinder the new convergence and integration service based companies from entering the market and flourishing.

Korea Internet and Security Agency(KISA) and the Commission surveyed the status of location information based service and 30.4% of the companies answered that law and institutional regulations including 「Location Information Act」 are having a negative influence over the business.

Table III-53 | Regulations Under 「Location Information Act」 in Need of Improvement

Regulations	Percentage of Response
Regulations on market entry such as approval and notification to be information location service operator	39.0%
Regulations to obtain prior consent to collect personal location information	37.0%
Criteria on location information protection measures (technical)	33.1%
Regulations related to notification after collecting personal location information	32.4%

Source) Survey on location information industry, KISA, 2018

Also the definition of personal data (scope), its rationalization fits to the current environment, and reverse discrimination to the domestic companies were mentioned to need improvement by the companies which responded to the survey.

Since the 「Location Information Act」 was enacted in 2005, the industry constantly opined that regulations on location information are immoderate, consequently, regulations have been eased out for the sake of the invigoration of the location information industry in Korea.

Table III-54 | Examples of Location Information Regulation's Relaxation to Strengthen the Industry

Revised Date	Description
Feb. 3, 2015	<ul style="list-style-type: none"> Location information based service provider who uses only location information of things are exempt of notification In case that personal location information is provided to the third party, "Immediate Notification" was shifted into "Collecting the information and making the Notification" within 30 days.
Apr. 17, 2018	<ul style="list-style-type: none"> The "permission" to be thing location information based service operator is relaxed to "notification". "Streamlined notification" is introduced subject to one person creativity entrepreneur and SMEs. Acquisition of prior consent of the data subject is exempt only with thing location information

Moreover the National Assembly and the Commission is constantly pursuing rationalizing the location information regulations up to the current conditions so to empower the location information industry. Among the bills and government proposals currently pending at the National Assembly include institutional improvements linked with the location information protection with aim to boost the location information industry.

Table III-55 | Status of Currently Pending Revision Proposals Related with the Invigoration at the National Assembly

Proposed Revision	Description	Date of Motion
Oh Sejung	<ul style="list-style-type: none"> When discontinuing the location information based service, the collected location information data shall be terminated immediately, and destructing the data technically shall be recognized as appropriate, too. 	Apr. 6, 2018
Park Daechul	<ul style="list-style-type: none"> When foreign business operator desires to establish the business in Korean territory, the one who has an address to reside or place to business located in Korea shall be designated as "a representative". 	Mar. 2, 2018
The Government Organization (Korea Communications Commission)	<ul style="list-style-type: none"> Addition of exemption clause of prior consent when collecting, utilizing, transmitting the personal location information ※ If it is unavoidable to the contract agreement implementation, the cases which special regulations are stipulated can be exempted from acquisition of prior consent Introduction of corrective measures and penalty surcharge regulations against misuse and abuse of location information Establishment of ground for regulations such as disclose of location information treatment policy, outsourcing of processing, and relocation to overseas. 	Dec. 8, 2017

As seen the above, though the revision of regulations related to the location information protection have been completed or on its way, Hackathon discussions under the 4th Industrial Revolution committee, and the 「Location Information Act」 improvement research group under the Commission have constantly voiced the need to relax the regulations, for instance, rationalizing the definition (scope) of the location information, and further softening regulation on market entry.

The Commission identified the areas of regulation improvement as shown on the below table through holding a series of meetings by 「Location Information Act」 research group. The meetings were held total 9 times from February till July 2018. And based on the outcomes, the Commission is preparing amendment proposal for 「Location Information Act」.

Table III-56 | Improvement Suggestions Identified by the 「Location Information Act」 Research Group

Definition (scope) of Location Information	<ul style="list-style-type: none"> • Elimination of location information of things and unidentified location information from the definition(scope) of the location information considering outcome of Hackathon. • Revision to remove regulation on location information of things and unidentified location information while the current location information and personal location information remain in the definition.
Easing Entry Regulation	<ul style="list-style-type: none"> • Relaxation of the “permission” system to “registration” for the personal location information based service provider • Preservation of Notification system for personal location information based service provider

c. Reinforcing International Cooperation in Personal Data Protection

1) Responding to EU GDPR Implementation

In May 2015, the EU General Data Protection Regulation(GDPR) became effective. Under the GDPR, the penalty surcharge can be imposed up to 4% of the global sales of the company or EUR 20 million (about KRW 12.5 billion), what is distinctive about the EU General Data Protection Regulation is that if a company provides goods, services to residents in EU, the company should be subject to GDPR regardless of the physical presence in the EU territory, prior to the GDPR implementation, the media in Korea released a lot of articles which placed much focus on the maximum amount of penalty surcharge which General Data Protection Regulation can impose on. Many of the companies were capti-

vated with groundless anxiety and fear. Against this backdrop, the Commission has decided its direction of response toward provision of accurate information and further promotion of the General Data Protection Regulation.

To do so, the Commission conducted a survey on GDPR in regard to companies' awareness level on GDPR, readiness, and difficulties from March to May 2018. According to the survey, companies' awareness level was 43%, preparedness was 35%. regarding the difficulties the companies have faced, 65% of the companies on the survey cited that it is hard to understand General Data Protection Regulation and 53% replied that they need more educational programs on the General Data Protection Regulation.

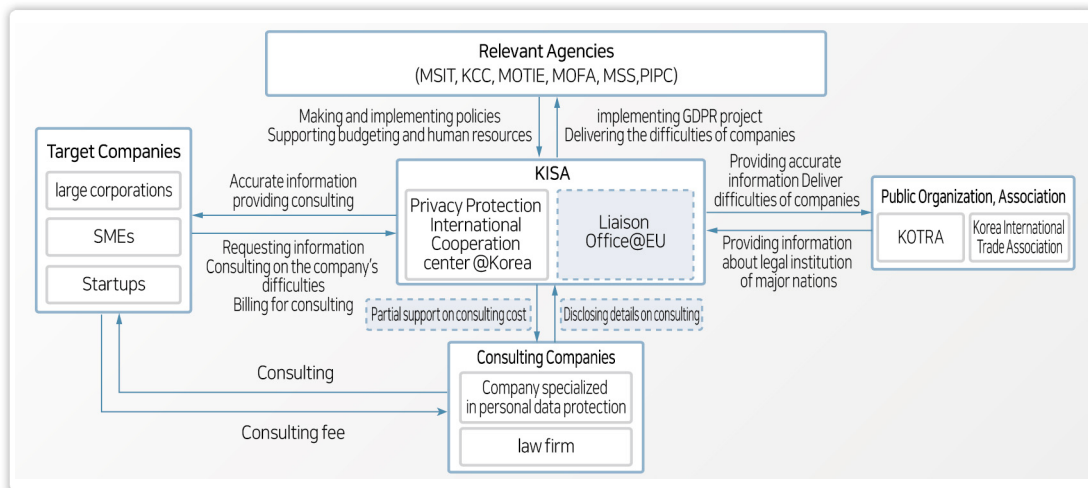
Table III-57 | Companies' Difficulties Regarding GDPR and Responses

GDPR related Difficulties of Companies	Response
• 64.8% answered that it is hard to understand the regulation in preparation for GDPR, marking the top.	Development of GDPR guidebook
• 53% answered 'expansion of GDPR related educational programs' to the question what they want from the government in regard with GDPR, marking the top.	Holding more seminars, development of video clips about GDPR

Source) Survey and analysis report on the effects following by EU approval for appropriateness, KISA, 2018

As the anxiety spread out over the General Data Protection Regulation, it is deemed that coordinated response by the government organizations would be more effective rather than response by individual government organization in dealing the situation. Thus the Office for Government Policy Coordination produced 'response to EU GDPR and support measure for companies' at the meeting for reviewing and coordinating current government affairs on May 10, 2018. Through the meeting, variety of responses came out including designating Korea Internet and Security Agency(KISA) as one venue for support, enhancing the companies' capability, and increasing promotion and educational program on GDPR. The Commission actively engaged in establishing and implementing government's coordinated responses making sure the established response system effective and creating a synergy effect.

Figure III-74 | Korea Government's Coordinated Response to EU GDPR



Source) Response to EU GDPR and support for companies, relevant government office, 2018

The Commission has carried out measures to provide GDPR information and made more people know about the GDPR based on the survey outcomes and the government's coordinated response measures. First of all, the Commission published and distributed 'the Guidebook on EU GDPR for Korean companies' which outlined important contents. The Guidebook was an upgraded version of the 'First Guideline on EU GDPR for Korean Companies' published in 2017. This time the Commission added more on to the sections on self-check list, examples, Q&A, and have the experts engaged in writing, consultation, review to improve the quality of the guidebook. This guidebook was well received when it was released at a book concert on May 25, 2018 when GDPR went into effect. The writers also attended at the book concert and conversed with attendees about the articles in the guidebook. Also Q&A session was held in the book concert, and participants asked questions instantly. This was rated high for its fresh approach. Also to the companies' CEOs, the Commission wrote a letter which would inform them of the importance of the GDPR. Press releases were given 6 times. The Commission ardently tried to let the GDPR become more well-known and hosted seminars 6 times in France, Netherland and Belgium in EU and 13 times in Korea.

Furthermore the Commission opened up the website in order to provide information about General Data Protection Regulation(gdpr.kisa.or.kr). Any and all documents about the

GDPR are uploaded on the website, and any one can download the document if needed. They are part of the Commission's efforts to help the people understand GDPR better. GDPR related document, GDPR guideline in original languages and Korean translated version, presentation materials from the seminars and video clips introducing the GDPR can be found and accessible on the website. For those who had an inquiry, the Commission provided consulting services 230 times in total over the phone(061-820-1805) or through email(gdpr@ kisa.or.kr).

Figure III-75 | GDPR Events in Korea and EU



Table III-58 | Media Coverages on GDPR

Media	Released date	Title of the News Article
Aju Business Daily	Apr. 13, 2018	The Commission, met the EU executive committee member in charge of judicial branch, cooperation for personal data to be strengthened
News Headline TV	May. 10, 2018	Korea government offices preparing guidelines for companies to EU's stronger personal data protection in coordination
Yonhap News	May. 30, 2018	Chairman, Lee Hyo-seong of the Commission talked about the appropriateness of personal data protection with Vera Jourova, EU executive committee member on his visit to Korea
Boan News	Jun. 1, 2018	The KCC Chairman agreed with EU executive committee member to accelerate K-EU personal data protection appropriateness evaluation
Digital Daily	Jun. 23, 2018	Vice Chairman, Hur Wook discussed the persona data protection appropriateness evaluation with EDPB chairman Andrea Jelinek.
Digital Daily	Oct. 30, 2018	KCC Chairman agreed to improve cooperation in personal data protection with LIBE Committee representatives of European Parliament

Figure III-76 | GDPR Website, Guidebook, CEO Letter

GDPR Website	GDPR Guidebook	CEO Letter									
<p>GDPR이란?</p> <table border="1"> <tr> <td>GDPR이란?</td><td>GDPR 주요내용</td><td>기업의 준비사항</td></tr> <tr> <td>GDPR vs 개인정보보호법</td><td>GDPR FAQ</td><td>GDPR 상담 안내</td></tr> <tr> <td>GDPR 자료실</td><td>GDPR 동영상</td><td></td></tr> </table> <p>GDPR이란?</p> <p>2018년 5월 25일부터 시행되는 EU(유럽연합)의 개인정보보호 법규이며, 동 법규 위반 시 과징금 등 행정처분이 부과될 수 있어 EU와 거래하는 우리사의 기업도 이 법에 위반되지 않도록 주의를 기울여야 합니다.</p> <p>GDPR 주요 변화</p> <ul style="list-style-type: none"> 이전 EU 지침은 공표처와 국경에 관계 없이, GDPR은 모든 회원국의 자위적으로 준수해야 하는 법령 규정이라는 점에서 큰 차이가 있음 (내란 시 과징금 부과) 또한, GDPR은 EU 내 사업장을 운영하는 기업 뿐만 아니라 전자상거래 등을 통해 해외에서 EU 주민의 개인정보를 처리하는 기업에게도 적용됨 마지막, GDPR은 개인정보보호법(GDPR) 지침 및 기업에 해당되는 내용과 정보이탈권 등 정보주체의 권리를 강화하는 내용이 추가되었음 	GDPR이란?	GDPR 주요내용	기업의 준비사항	GDPR vs 개인정보보호법	GDPR FAQ	GDPR 상담 안내	GDPR 자료실	GDPR 동영상			<p>유럽연합(EU) 개인정보보호법 시행 준비 안내</p> <p>안녕하십니까?</p> <p>먼저 저희를 알게 하신데도 불구하고 우리나라 경제 발전을 위해 단신하고 제인 대표님께 감사의 말씀을 드립니다.</p> <p>2018년 5월 25일 EU에서 GDPR(일반개인정보보호법)이 시행됩니다. "우리와 밀접한 관련이 있는 EU에서 새로운 법이 시행되는 것이 무슨 문제가 있을까?" 라고 생각하시는 분도 있을 것입니다. 그렇지만 GDPR은 다음과 같은 이유로 우리 기업과 밀접한 관계가 있습니다.</p> <p>첫 번째, GDPR은 EU 28개 회원국에서 직접 적용됩니다. 35년 제정된 이후 EU 지침(Directive)은 한국 법적으로 시행되지 않음. 지침과 28개 회원국 개인정보보호법을 통합하여 제정한 GDPR은 모든 회원국이 의무적으로 준수해야 하는 법령 규정입니다.</p> <p>두 번째, GDPR은 적용대상이 확대됩니다. EU에 사업장이거나, 시장 등)이 있고 EU 거주자의 개인정보를 처리하는 기업에 대해서, EU에 사업장이 없더라도 인터넷 홈페이지 등을 통해 EU 거주자에게 상품 서비스를 제공하는 기업도 법 적용대상이 될 수 있습니다.</p>
GDPR이란?	GDPR 주요내용	기업의 준비사항									
GDPR vs 개인정보보호법	GDPR FAQ	GDPR 상담 안내									
GDPR 자료실	GDPR 동영상										

Table III-59 | List of GDPR Seminars in Korea and EU

Category	Date	Title	Venue
In Korea (13 times)	May 29, 2017	Seminar on GDPR Strengthened Regulations and Responses to that	KISA
	Oct. 13, 2017	GDPR Open Seminar	Seoul, Riverside Hotel
	Nov. 20, 2017	Korea-EU Business People Meeting	EU Executive Committee, Belgium
	Dec. 11, 2017	GDPR Seminar for Korean companies	Seoul, Hotel President
	Feb. 23, 2018	Seminar on EU GDPR	KOSDAQ
	Apr. 11, 2018	EU GDPR Responses Forum	COEX
	Apr. 27, 2018	Seminar on GDPR responses for Korean Companies (1)	KISA
	May 4, 2018	Seminar on GDPR Responses for Korean Companies(2)	KISA
	May 11, 2018	Seminar on GDPR Responses for Korean Companies(3)	KISA
	May 25, 2018	GDPR Guidebook Book Concert	Kyobo Building
	Sep. 17, 2018	The 1 st Personal Data Protection Policy Seminar	KISA
	Oct. 30, 2018	The 2 nd Personal Data Protection Policy Seminar	KISA
	Dec. 14, 2018	The 3 rd Personal Data Protection Policy Seminar	KISA
EU (6 times)	Dec. 8, 2017	Seminar by KBA and presentations	Paris, Hilton Hotel
	Feb. 27, 2018	GDPR Business People Meeting	Korean Embassy to Netherland
	Apr. 19, 2018	GDPR Workshop	Korean Embassy to Belgium
	Jun. 22, 2018	Introducing GDPR and Corporate Meeting	Korean Embassy to France
	Sep. 19, 2018	Introducing GDPR and Corporate Meeting	Korean Embassy to Hungary
	Sep. 21, 2018	Introducing GDPR and Corporate Meeting	Korean Embassy to Austria

Through such multi-folded efforts, the Commission could diffuse the anxiety of the business operator over the ambiguity and create the calm atmosphere to respond to the GDPR.

2) Pursuing Acquisition of EU Appropriateness

As a consequence of the EU GDPR implementation, the personal data of users which the Korean companies collected in EU domain can not be transmitted out of the EU by the principle. GDPR specified personal data protection measures including standard personal data protection in case of transmission of such information outside the EU. However if the EU Executive Committee decides that a foreign country has the adequate level of personal data protection in place, the adequacy decision makes it possible to send the personal data to the foreign country without taking extra protection measures. This means that if Korea can be recognized as having adequate level of personal data protection, then those Korean companies which have advanced in EU will be able to transmit the collected EU users data out to Korea without extra cost and efforts.

To this end, in 2017 Korea Internet and Security Agency(KISA) and the Commission decided to seek the approval of the appropriateness based on the 「Information Communications Network Act」. Afterwards, the Commission has tried to promote bilateral understanding in areas of legal institution and systems of the two parties. Since then, 22 times of the teleconferences and in-person meetings have been held. On November 2017, the chairman of the Korea Communications Commission, Lee Hyo-seong paid a visit to the EU executive committee, agreed to take steps toward acquisition of appropriateness approval in a swift manner, and announced a joint-statement. On May 2018, responding to this, when Věra Jourová, a member of the EU executive committee visited the nation, he met with the nations' Prime Minister, and held high level meetings with the Ministers of the Korea Communications Committee, the Ministry of Foreign Affairs, and the Ministry of Justice, etc and made a joint statement which agreed to expedite the evaluation of appropriateness. On June 2018, when the Vice Chairman, Hur Wook visited EU and at the meetings with Chair Claude. Moraes of the Civil Liberties, Justice and Home Affairs Committee(LIBE) and the Chair Andrea Jelinek of the European Data Protection Bureau(EDPD), he suggested them to visit Korea that year. It was promised to strengthen the Korea-EU bilateral cooperation.

The Ministers of and the Commission agreed to accelerate the evolution of appropriateness. On October 2018, when the EU LIBE Committee visited Korea, the chairman held a meeting with him to improve understanding necessary for Korea-EU appropriateness evaluation.

Figure III-77 | Status of Cooperation in Pursuit of EU Appropriateness Acquisition



3) Making Foundations for APEC CBPR Introduction

As the digitalization of the global economy has led to upsurge in data transmission including personal data across borders, many countries and international organizations around the world are busy with introducing regulations to utilize transmission of personal data and at the same time to protect privacy.

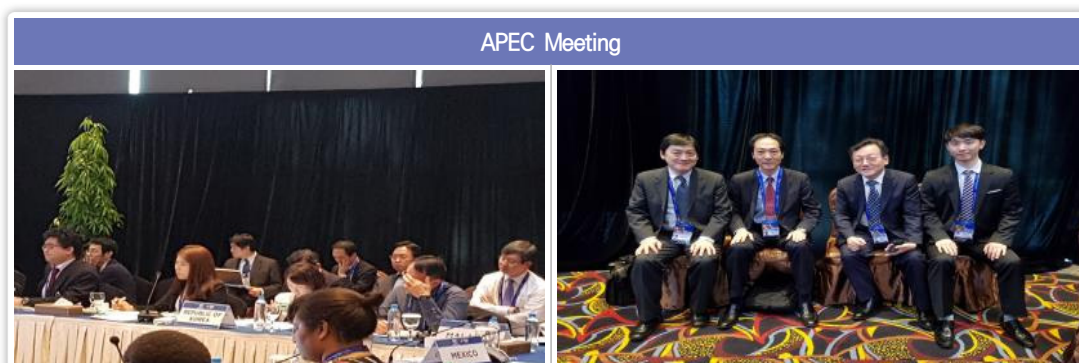
The Commission and the Ministry of the Interior and Safety are making moves to introduce the Cross-Border Privacy Rules(CBPR) which Asia-Pacific Economic Cooperation (APEC) developed in 2011. The CBPR was developed to be used as the common criteria for personal data protection of APEC members. When the CBPR is introduced, it is expected that

protection level for those whose personal data were transferred to the overseas countries will be enhanced. Receiving opinions from relevant organizations and experts in academia, industry and research, the Commission and Ministry of Interior and Safety jointly applied for the admission of APEC in 2016 and obtained approval in June 2017.

The Commission and the Ministry of the Interior and Safety collecting the opinions from experts, developed introduction policies and an operating system for effective operation of CBPR. Based on that, the Korea Internet and Security Agency(KISA) submitted an application to be of APEC on December 2017, as to be recognized as a domestic CBPR certification body.

The Commission gathered opinions of stakeholders from APEC meetings in February and August 2018, Korea-US ICT policy forum in June 2018, and round-table meetings on certificate institution in September 2018. Also the Commission completed the initial report which is required to be an accredited certificate authority, and developed guidelines on certification criteria necessary for operation of certificate institute. In 2019 as soon as the Korea Internet and Security Agency(KISA) is officially approved as accredited certificate authority, it will proceed to mock review process and publicize the news to the companies.

Figure III-78 | APEC Meetings



4) Increasing participation in International Consultative Body

As more personal data travel across borders, and the higher economic value of data is becoming, countries around the world are reinforcing regulations to protect the per-

sonal data of its own people, and to create an environment advantageous to its own nation's companies. Thus in place where the regulations can differ by countries to protect the personal data of the national people and to strengthen the competitiveness of the national companies, the Commission has increased the participation in the international consultative body in regard with personal data protection and has endeavored to establish an institute of close international cooperation.

To this end, the Commission joined in numerous global conferences, analyzed the key agendas and responded accordingly while making a contribution to the global society by sharing the experiences and information on the personal data protection system. To cite a few conferences the Commission participated in, APEC SOM regular meeting (twice a year), Singapore ABLI Forum(February), the 36th CoE 108(June), the 40th ICDPPC(October).

The Commission went to the Personal Data Protection Sub-Group meetings under the 1st and 3rd APEC High-Level Meetings (SOM1·SOM3) held in February and August, understood the trend in privacy protection policy of members of Asia-Pacific Economic Cooperation, and formed cooperation with relevant entities. Particularly there the Commission was able to understand the current status of system operation and its progress of APEC CBPR members, based on them the Commission sought to measures which ensure the stable introduction of the CBPR and vitalize the institute in the future. In addition, based on what learned from meetings with global CBPR certificate authorities in person, the Commission could discuss how to operate certificate institute in more concrete manner and checked on what would be required in more practical sense.

At the 49th and 50th Asia Pacific Privacy Authorities(APPA)' regular meetings held in May and December, the Commission had an opportunity to converse about issues related to personal data protection which might occur in a course of utilizing new technologies like AI, Big Data and self-driving automobiles. Especially in the period for regular conferences, the Commission had a meeting in person with U.K Information Commissioner's Office (ICO) in order to discuss how to respond to the personal data Intrusion on Facebook. The Commission and the ICO agreed to sign an MOU to share necessary information to inspect Facebook in the near future.

Figure III-79 | APPA and ICO Meetings

Asia Business Law Institute (ABLI) is a law and policy research institute in Singapore, launched on January, 2016, where experts from Asia-Pacific region's major personal data protection authorities, academia and relevant areas gathered. The Commission at the ABLI Forum titled 'Asian Law System for Transmitting Private Data Overseas', spoke of the Korea's personal data protection policies and learned about law systems and policy trends of about 20 Asia Pacific countries like Singapore, Japan, Hong Kong, and Australia.

Figure III-80 | ABLI Meeting

The Council of Europe(CoE)'s 108 Convention is the first convention of personal data protection which enacted in 1981 according to the Article 8 of the Convention for the Protection of Human Rights and Fundamental Freedoms. It was revised in May 2018 by responding to the calling for the modernization to embrace technology development and

social changes in it. In June 2018, Vice Chairman Hur Wook introduced the nation's law and regulations on personal data protection, system, and trend in the 36th General Conference held at European Parliament Strasbourg, in France.

In October, 2018 the Commission joined the 40th International Conference of Data Protection and Privacy as a regular member and strengthened the cooperation system with people associated with personal data protection authorities around the world.

Figure III-81 | CoE 108 and ICDPPC meetings





Appendix



Appendix

1. Financial Statements of 2018

a. Execution of the Budget

Appendix Table-1 | Execution of the Budget in 2018

(Unit : KRW 1 million, %)

Category		Budget (A)	Real Budget (B)	Actual (C)	Execution Rate (C/B)
Income	Total	834,638	844,895	1,244,716	147.3
	General Accounting	31,652	41,909	57,310	136.7
	Broadcast Communications Development Fund	802,986	802,986	1,187,406	147.9
Expenses	Total	237,640	238,615	237,783	99.7
	General Accounting	55,450	56,425	55,608	98.6
	Broadcast Communications Development Fund	182,190	182,190	182,175	100.0

Note) The income of the Broadcast Communications Development Fund is the total amount and its expenses exclude the services, internal expenditure, and surplus fund related to the Ministry of Science and ICT

b. Budgets and Expenses by Program

Appendix Table-2 | Budgets and Expenses by Program

(Unit : KRW 1 million)

Program	Budget	Expenses
Total	238,615	237,783
〈General Accounting〉	56,425	55,608
Item 2100: Establishment of a Fair and Secure Market Environment	17,309	17,304
Item 2300: Improvement of the Broadcasting Infrastructure	12,120	12,120
Item 7100: Administrative Support for Broadcasting and Communications	26,996	26,184
〈Broadcast Communications Development Fund〉	182,190	182,175
Item 3100: Establishment of the Broadcasting and Communications Environment Boosting Satisfaction and Convenience	172,200	172,185
Item 3200: Establishment of the Broadcasting and Communications Environment Boosting Fair and Secure	9,990	9,990

c. Broadcast Communications Development Fund

(1) Asset and Liabilities

Appendix Table-3 | Assets and Liabilities of the Broadcast Communications Development Fund
(Unit : KRW 1 million, %)

Classification	2018(A)	2017(B)	Change(A-B)	
			in amount	in % rate
Assets	840,640	486,620	354,020	72.8
Liabilities	864,747	633,213	231,534	36.6
Net Assets	△24,107	△146,593	122,486	83.6

Note) The financial statement table is the total amount of the Fund as of Dec. 31, 2018. △: reduction

(2) Income and Expenses

Appendix Table-4 | Income and Expenses of the Broadcast Communications Development Fund
(Unit : KRW 1 million, %)

Classification	2018(A)	2017(B)	Change (A-B)	
			in amount	in % rate
Net Program Costs(I)	613,518	692,167	△78,649	△11.4
Operation Expenses(II)	4,001	3,738	263	7.0
Non-distribution Costs(III)	2	1,659	△1,657	△99.9
Non-distribution Revenue(IV)	553,110	533,803	19,307	3.6
Net Financial Management Costs (V= I + II + III - IV)	64,411	163,761	△99,350	△60.7
Non-exchange Revenue(VI)	186,720	181,330	5,390	3.0
Result of Asset Management (VII= V - VI)	△122,309	△17,569	△104,740	△596.2

Note) The fiscal management table refers to the total amount of the Fund as of Dec. 31, 2018. △: reduction

2. The List of General Meetings and Agenda Items of the Commission

Appendix Table-5 | List of General Meetings and Agenda Items of the Commission

Ses sion	Date	Type	Agenda Item
1 st	Jan. 4(Thu)	Voting	Recommendation on supplementary board member of KBS
		Voting	Dismissal of Board member and auditor of the Foundation for Broadcast Culture
2 nd	Jan. 5(Fri)	Reporting	Awarding plan for 「2018 Broadcasting Awards of Korea Communications Commission」(draft)
3 rd	Jan. 8(Mon)	Voting	Appointment of board member filling vacancy of the Foundation for Broadcast Culture
4 th	Jan. 23(Tue)	Voting	Administrative measures on business operators for violating broadcasting commercial regulations
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
		Voting	Agreement on the Appointment of member from Broadcasting Dispute Conciliation Committee
5 th	Jan. 24(Wed)	Voting	New approval of Location Information Service
		Voting	Correction order for personal information violation - eight virtual currency transaction sites -
		Voting	Correction order on SKT, KT, LGU+ and distribution stores for violation of the 「Mobile Device Distribution Act」
		Voting	Correction order on SKT, KT, LGU+ of B2B and large distributors for violation of the 「Mobile Device Distribution Act」
6 th	Jan. 30(Tue)	Voting	Approval of foreign capital contribution to FEBC
		Voting	Appointment of members of Viewers' Rights Protection Committee
7 th	Feb. 13(Tue)	Voting	Prior consent to the permission for facility changes for CATV relay broadcasting business operators
		Voting	Matters on KT's rate return under the 「Telecommunications Business Act」
8 th	Feb. 14(Wed)	Voting	Recommendation on supplementary board member of KBS
		Voting	Appointment of supplementary board member and auditor of the Foundation for Broadcast Culture
		Voting	Matters on SKT's Compensation under the 「Telecommunications Business Act」
		Voting	Matters on KT power tel's Compensation under the 「Telecommunications Business Act」
		Reporting	Matters on the amendment for administrative inspection
		Reporting	Matters on reporting of the results of arbitration committee on SKT's financial case
		Reporting	Partial amendment to the 「Enforcement Decree of the Act on the Establishment and Operation of the Korea Communications Commission」

Ses sion	Date	Type	Agenda Item
9 th	Feb. 21(Wed)	Voting	Recommendation on supplementary board member of EBS
		Voting	Correction order for personal locations information violation
		Voting	Correction order to 12 operators for violating the personal data protection
		Voting	Administrative measures of violation of ownership limit of broadcasting advertisement agent
		Reporting	Matters on the partial amendment of the 「Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
		Reporting	Matters on the partial amendment of the 「Mobile Device Distribution Improvement Act」
		Reporting	Matters on commercialize the smart sign language program
10 th	Feb. 23(Fri)	Voting	Administrative measures on business operators for violating broadcasting commercial regulations
		Voting	Administrative measures on business operators for violating the broadcasting sponsorship notification
11 th	Mar. 7(Wed)	Voting	Correction order on OBS TV for violating the re-approval conditions
12 th	Mar. 20(Tue)	Voting	Matters on compensation of Africa TV under the 「Telecommunications Business Act」
		Voting	Matters on rate return of KT under the 「Telecommunications Business Act」
13 th	Mar. 21(Wed)	Voting	Matters on the detail(proposal) of re-approvals for 2018 terrestrial DMB broadcast
		Voting	Matters on the new license of location information operators
		Voting	Correction order on Facebook for violating the 「Telecommunications Business Act」 regarding changes on access route
		Reporting	Matters on the evaluation result of competition situation in broadcasting market in 2017
14 th	Mar. 28(Wed)	Voting	Correction order on East soft Inc. for leaking personal data
		Reporting	Matters on the basic plan for self-regulation of online personal data protection in broadcasting and communications services
15 th	Mar. 30(Fri)	Voting	Partial amendment to the 「Regulations on the Financial Services and Alignment of the Korea Communications Commission」
		Voting	Partial amendment to the Enforcement decree of the 「Establishment and Operation of the Korea Communications Commission」
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
16 th	Apr. 4(Wed)	Voting	Matters on the partial amendment of the 「Mobile Device Distribution Improvement Act」

Ses sion	Date	Type	Agenda Item
17 th	Apr. 6(Fri)	Voting	Prior consent to the permission for facility changes for CATV relay broadcasting business operators
		Reporting	Partial amendment to 「Regulations of the Korea Communications Commission on the Implementation of the Act on the Protection and Use, etc of Location Information」
18 th	Apr. 20(Fri)	Reporting	Partial amendment to the 「Enforcement decree of the Broadcasting Act」
		Reporting	Matters on the 「Comparison disclosure of domestic and external shipments of mobile communication terminal devices」
		Reporting	Partial amendment to the 「Act on broadcast advertising sales agencies etc.」
19 th	Apr. 24(Tue)	Reporting	Partial amendment to the 「Rules on the Operation of Conference of the Korea Communications Commission」
20 th	May 2(Wed)	Voting	Partial amendment to the 「Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc」
		Reporting	Partial amendment to the 「Broadcasting Act, Radio Waves Act, Korea Educational Broadcasting System Act, Foundation for Broadcast Culture Act」
21 st	May 8(Tue)	Voting	Matters on the application of the 「Telecommunication Business Act」 regarding stopping the service of KG mobilians co.
22 nd	May 11(Fri)	Voting	Matters on 2017 Basic Plan on Broadcasting Evaluation (proposal)
		Reporting	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
23 rd	May 16(Wed)	Voting	Matters on imposing administrative fines to 11 broadcasters including KBS for not abiding by the rules on disaster broadcasting for the second to forth quarter of 2017
		Voting	Detailed plan(proposal) for reauthorization of terrestrial broadcasting service operators in 2018
24 th	May 23(Wed)	Voting	Matters on the 2019 Budget and operation plan of the Broadcasting and Communications Development Fund
		Voting	Matters on the collective revision of the ordinance for the reformation of public administration investigation
		Voting	Matters on the change of basic plan on re-licensing of paid broadcasting service
		Voting	New approval of Location Information Service
		Reporting	Amendments to the administrative rules for the revision on the decrease of Online utilization
25 th	May 24(Thu)	Voting	Partial amendment to the 「Rules on the Operation of Conference of the Korea Communications Commission」
		Voting	Matters on preliminary agreement on granting the permission for facility changes of CATV
		Voting	Partial amendment to the Regulations of the Korea Communications Commission on the Implementation of the 「Act on the Protection, Use, etc. of Location Information」
		Voting	Administrative measures on business operators for violating broadcasting advertising rules
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification

Ses sion	Date	Type	Agenda Item
26 th	May 30(Wed)	Voting	Partial amendment to the 「Telecommunications Business Act」
		Voting	Correction order on operators for violating the personal data rules
		Reporting	Partial amendment to the 「Telecommunications Business Act」
		Reporting	Matters on 「Notice on Selection of Public Service Channel and Recognition of Welfare Channel for the Disabled」(proposal)
		Reporting	Partial amendment to the 「Broadcasting Act」
27 th	Jun. 7(Thu)	Voting	Matters on imposing administrative fines to 11 broadcasters including KBS for not abiding by the rules on disaster broadcasting for the second to forth quarter of 2017
		Voting	Matters on preliminary agreement on re-licensing of CATVs
		Voting	Matters on the 2018 assessment plan for the privacy protection of telecommunication service operators
28 th	Jun. 11(Mon)	Voting	Matters on appointing members of the Media Diversity Promotion Committee
		Voting	Matter on regarding the agreement to appoint members of the Broadcasting Market Competition Evaluation Committee
29 th	Jun. 18(Mon)	Voting	Administrative measures on business operators for violating broadcasting advertising rules
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
30 th	Jun. 27(Wed)	Voting	Partial amendment to the 「Broadcasting Act, Radio Waves Act, Korea Educational Broadcasting System Act, Foundation for Broadcast Culture Act」
		Voting	Partial amendment to the 「Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
		Voting	New approval of Location Information Service
		Voting	Partial amendment to the 「Act on the Sales of Broadcasting Advertisements, etc.」
		Reporting	Partial amendment to the 「Matters concerning the collection and imposition of contributions from the Korea Communications Development Fund, etc.」(Notice)
31 st	Jun. 29(Fri)	Voting	Matters on the period extension of LGU+'s rate return under the 「Telecommunications Business Act」
		Reporting	Matter on public announcement of the assets status of broadcasting service operators in 2017
32 nd	Jul. 2(Mon)	Voting	Plans on appointing the board members of Korean Broadcasting System, Foundation for Broadcast Culture, Educational Broadcasting System
33 rd	Jul. 4(Wed)	Voting	Amendment to the 「Guidelines for imposing administrative fine on acts of violation of the protection of personal data and location information」(proposal)
		Voting	Correction order against MegaStudy Education for the Privacy Act.
		Reporting	Amendment to the 「Notice on the Certification of the Personal Data Protection Management System, etc.」

Ses sion	Date	Type	Agenda Item
34 th	Jul. 10(Tue)	Voting	Matter on the penalty exemption of SKT under the 「Telecommunications Business Act」
		Voting	Matters on retrial of broadcasting deliberation on MBC news desk
35 th	Jul. 11(Wed)	Voting	Matter on basic plan(proposal) of new license to radio broadcasting station(FM)
		Voting	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Voting	Correction order against operators for the Privacy Act.
		Reporting	Matters concerning measures not implemented in the welfare channel for the disabled in 2017
		Reporting	Partial amendment to the 「Enforcement Decree of the Act on the Protection, Use, etc. of Location Information」
36 th	Jul. 16(Mon)	Voting	Matters on preliminary agreement on re-licensing of CATVs
37 th	Jul. 18(Wed)	Voting	Draft the notice on selection of public service channel and recognition of welfare channel for the disabled
		Voting	Matter on the estimation of Viewers rate of broadcasting in 2017
		Reporting	Partial amendment to the 「Enforcement Decree of Broadcasting Act」
38 th	Jul. 20(Fri)	Voting	Amendments to the administrative rules for the revision on the decrease of Online utilization
		Voting	Administrative measures on business operators for violating broadcasting advertising rules
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
39 th	Jul. 27(Fri)	Voting	Recommendation of board member of the Korean Broadcasting System and selection of candidates for the appointment of board member of Foundation for Broadcast Culture and etc.
40 th	Aug. 1(Wed)	Voting	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Reporting	Matters on the review of the current status of the connected programming between general purpose PPs and TV home shopping
41 st	Aug. 7(Tue)	Voting	Administrative measures on business operators for violating broadcasting advertising
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
42 nd	Aug. 8(Wed)	Voting	Matters concerning the agreement on new license of satellite broadcasting station
		Reporting	Partial amendment to the broadcasting sponsorship notification
43 rd	Aug. 10(Fri)	Voting	Matters concerning the appointment of the board member of Foundation for Broadcast Culture
44 th	Aug. 28(Tue)	Voting	Recommendation on board member of KBS

Ses sion	Date	Type	Agenda Item
45 th	Aug. 31(Fri)	Voting	Selection of candidate for board member of EBS and etc.
46 th	Aug. 31(Fri)	Voting	Matters concerning partial amendment to the collection and imposition of contributions from the Korea Communications Development Fund, etc.
		Voting	Matters on preliminary agreement on the permission for change in licensing of CATVs
47 th	Sep. 4(Tue)	Voting	New licensing to location information operators
		Voting	Correction order to the operators for violating personal data laws
		Voting	Correction order to Hanwell e-shopping for violating personal data laws
		Reporting	Partial amendment to the 「Notice on the combined sales of broadcast advertising」
		Reporting	Matters on the basic plan for evaluating the production capacity of broadcasting contents in 2018
48 th	Sep. 7(Fri)	Voting	Matters concerning the appointment of board member of EBS
		Voting	Matters on the performance Evaluation of Broadcasting Services for the Disabled in 2017
		Voting	Matters regarding the Correction recommendation on cooperative contract between CJ-Hello and Taebaek/Tongil Cable network
		Reporting	Partial amendment to the 「Regulations of the Korea Communications Commission on the Implementation of the Act on the Protection and Use, etc of Location Information」
49 th	Sep. 10(Mon)	Voting	Matters on the appointment of substitute board members Media Diversity Promotion Committee
50 th	Sep. 12(Wed)	Voting	Partial amendment to the Enforcement decree to the 「Radio Waves Act」
		Voting	New license of radio broadcasting stations(FM)
51 st	Sep. 17(Mon)	Voting	Matters on LGU+'s rate return under the 「Telecommunications Business Act」
		Voting	Matters on review of broadcasting deliberation - TV Chosun -
		Voting	Partial amendment to the rules of broadcasting sponsorship notification
		Voting	Administrative measures on business operators for violating broadcasting advertising
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
52 nd	Sep. 18(Tue)	Voting	Partial amendment to the Enforcement decree of the 「Act on the Protection, Use, etc. of Location Information」
		Reporting	Matters on drafting the 「Regulations on the Internal Responsibility of Local Business Processes by the Korea Communications Commission」(proposal)
		Reporting	Partial amendment to 「Regulations for the Prohibited Acts in the Broadcasting and Communications Business and etc.」
		Reporting	Matters on drafting the 「Detailed Guidelines for the Investigation Procedures of the Korea Communications Commission」
		Reporting	Partial amendment to 「Online Privacy Guidelines」

Ses sion	Date	Type	Agenda Item
53 rd	Oct. 2(Tue)	Voting	Matters on drafting the 「Regulations on the Internal Responsibility of Local Business Processes by the Korea Communications Commission」(proposal)
		Voting	Matters on preliminary agreement on the approval in changes of CATVs
		Reporting	Matters concerning the plan of the designated audit by the authentication agency (credit card company)
54 th	Oct. 8(Mon)	Voting	Matters on the compensation of the 「Telecommunications Business Act」 on SKT
		Voting	Matters concerning the readjustment of the rate reduction of the 「Telecommunications Business Act」 on S-one
		Voting	Matters on the agreement to appoint a member of the General Viewing and Listening Rights Guarantee Committee
		Voting	Matters on review of broadcasting deliberation – TV Chosun News 7, TV Chosun –
55 th	Oct. 12(Fri)	Voting	Correction order on the violation of the Telecommunications Business Act concerning the representative number card payment service – 20 wired-service providers and VAN operators –
		Reporting	Partial amendment to 「Procedures and Standards for Granting License, approval of any changes, and License Renewal of Broadcasting Advertisement Agencies」
		Reporting	Partial amendment to 「Rules on Broadcasting Evaluation」
		Reporting	Partial amendment to 「Notice on the Compilation of Broadcasting Programs, etc.」
56 th	Oct. 16(Tue)	Voting	Partial amendment to Regulations of the Korea Communications Commission on the Implementation of the 「Act on the Protection, Use, etc. of Location Information」
		Voting	Matters on the agreement of appointing the members of Broadcast Review Committee
57 th	Oct. 23(Tue)	Voting	Matters on preliminary agreement on the permission for change in licensing of CATVs
		Voting	Partial amendment to 「Notice of Combined Sales of Broadcasting Advertisements」
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
		Reporting	Partial amendment to 「Rules of the Korea Communications Commission on the Implementation of the Radio Waves Act」
58 th	Oct. 25(Thu)	Voting	Corrective order for special value-added telecommunications business operators for violating the Telecommunications Business Act
		Voting	Matters on corrective order for distributors for violating the Mobile Device Distribution Act related to civil appeals through the People's online petition and discussion portal
		Reporting	Regarding the 「Standard for customized damage relief for telecommunication services (Telecommunication sector)」
		Reporting	Partial amendment to the 「Enforcement Decree of the Act on Broadcasting Advertising Sales Agencies, etc.」
		Reporting	Partial revision of the notice concerning the broadcasting programs, etc.

Ses sion	Date	Type	Agenda Item
59 th	Oct. 31(Wed)	Voting	Correction order to T-broad and T-broad Dongdaemun for blocking the service
		Voting	Matters on imposing administrative fines on broadcasters for not airing disaster broadcasting for the first and second quarter of 2018
		Voting	Amendment to the 「Notice on the Certification of the Personal Data Protection Management System, etc.」
		Reporting	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
60 th	Nov. 6(Tue)	Reporting	Matters concerning the Notice related to the sales agency of broadcasting advertisements
61 st	Nov. 7(Wed)	Voting	Matters on corrective order for distributors for violating the Mobile Device Distribution Act related to civil appeals through the People's online petition and discussion portal
62 nd	Nov. 9(Fri)	Reporting	Matters on the policy direction of broadcasting advertisement for the promotion of broadcasting industry and its development
		Reporting	Partial amendment to the 「Notice on the guarantee of broadcasting access rights for the handicapped including broadcasting services for the handicapped」
63 rd	Nov. 12(Mon)	Voting	Matters on the selection of candidate of EBS presidents and etc.
		Voting	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Voting	Partial amendment to the 「Broadcasting Act」
64 th	Nov. 14(Wed)	Reporting	Matters on establishing online sales guidelines for mobile communication services and terminal devices
65 th	Nov. 20(Tue)	Voting	Matters on the Compensation of the Telecommunications Business Act regarding SKT
		Voting	Matters on the Compensation of the Telecommunications Business Act on Delive Gangnam Cable
		Voting	Matters on the termination and the reimbursing of charges of the Telecommunications Business Act on LGU+
		Voting	Partial amendment to the 「Procedures and Standards for Granting License, License of any changes, and License Renewal of Broadcasting Advertisement Agencies」
		Voting	Administrative measures on business operators for violating broadcasting advertising
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
66 th	Nov. 21(Wed)	Voting	Matters on the selection of public service channel and welfare channel for the disabled in 2019-2020
		Voting	Partial amendment to the 「Notice on the broadcasting programs, etc.」
67 th	Nov. 28(Wed)	Voting	Correction order against operators for violating the personal data laws
		Voting	Partial amendment to the 「Rules on Broadcasting Evaluation」
		Reporting	Matters on the establishment of guidelines for payment of paid sponsored items for Internet personal broadcasting
68 th	Dec. 4(Tue)	Voting	Partial amendment to 「Regulations for handling the prohibited acts in the broadcasting and communication business」
		Voting	Matters on the revision of public notices related to advertising agencies

Ses sion	Date	Type	Agenda Item
69 th	Dec. 5(Wed)	Voting	Matters on the appointment of EBS presidents
		Voting	Correction order on terrestrial broadcasters for violation of license renewal
70 th	Dec. 12(Wed)	Voting	Matter on the designation of Nonghyup Bank as a new identity agency
		Voting	Matter on new licensing of personal location information service
		Voting	Matters on the evaluation result of the service protection service for telecommunication service operators in 2018
		Reporting	Matters concerning the results of inspection of performance of general service and report specialized broadcasting channel operators in 2017
		Reporting	Partial amendment to 「Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
		Reporting	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
71 st	Dec. 19(Wed)	Voting	Matters on correction order on LGU+ for violating personal data laws
		Voting	Matter on the result of the 2017 broadcast evaluation
		Reporting	Matters on the improvement of the system for simplifying the cancellation procedure of wired combined products (broadband, charged broadcasting)
		Reporting	Matters on the evaluation result of content production capability of broadcasting service operators registered in 2018
72 nd	Dec. 20(Thu)	Voting	Partial amendment to 「Rules of the Korea Communications Commission on the Implementation of the Radio Waves Act」
		Voting	Administrative measures on business operators for violating broadcasting advertising
		Voting	Administrative measures on business operators for violating broadcasting sponsorship notification
73 rd	Dec. 26(Wed)	Voting	Matters on the appointment of an auditor to the Korean Broadcasting System
		Voting	Matter on reauthorization of terrestrial broadcasting service operators in 2018
		Voting	Matters on the reauthorization of terrestrial DMB stations in 2018
		Reporting	Matters related to the revision of the Broadcasting Relations Act and the improvement of the public broadcaster's governance structure
		Reporting	Matter on 「Promotion Plan of Community Radio Broadcasting」
		Reporting	Matters concerning the improvement of the mandatory transmission system for the service operators using comprehensive broadcasting channels(proposal)
		Reporting	Matters concerning the basic plan for reauthorization and re-licensing of broadcasting service operators(proposal)
		Reporting	Matter on 「Internet Co-prosperity and Development Council」 policy proposal

3. Monthly Major Achievements of 2018

Appendix Table-6 | Monthly Major Achievements of 2018

January 2018

Date	Events
Jan. 2	Launch the broadcasting statistics portal(mediastat.or.kr)
Jan. 8	Appointment of the substitute board member of Foundation for Broadcast Culture
Jan. 9~15	Commissioner Kim Suk-Jin attended CES and visited MBC America and others
Jan. 10	Chairman Lee Hyo-Seong, Facebook vice president Kevin Martin
Jan. 11	Launch Broadcasting Content Value Information Analysis System(racoi.or.kr)
Jan. 12	Announce the location information project approval plan in 2018
Jan. 19	Commissioner Ko Sam-Seog hosted a meeting on improving the unfair practices in outsourced manufacturing market
Jan. 23	Appoint members of the 8 th Broadcasting Dispute Conciliation Committee
Jan. 26	Results on inspection of the Reception of disaster broadcasting in tunnel
Jan. 29	Report the 2018 government affairs
Jan. 30	Report the Major plan for 2018
Jan. 30	Report the Analysis on the improvement of ethical consciousness of youth through Internet Ethics Education
Jan. 30	Appoint the 10 th members of Viewers' Rights Protection Committee
Jan. 31	Chairman Lee Hyo-Seong visited the Seoul Metropolitan Police Agency and hold special lectures on communication
Jan. 31	Chairman Lee Hyo-Seong hosted a meeting of the Korea Advertisers' Association

■ Chairman Lee Hyo-Seong met with Facebook Vice President Kevin Martin



■ Commissioner Ko Sam-seog hosted a meeting on improving the unfair practices in outsourced manufacturing market



■ Chairman Lee Hyo-Seong hosted a meeting of the Korea Advertisers' Association



■ Chairman Lee Hyo-Seong hosted a meeting of the Korea Advertisers' Association



February 2018

Date	Events
Feb. 1	Operate real-time voice spam blocking system
Feb. 1	Unveil the results of survey on usage behavior of broadcasting media in 2018
Feb. 1	Chairman Lee Hyo-Seong inspected the preparation for ultra-high definition (UHD) broadcasting at Pyeongchang Winter Olympics
Feb. 6	Chairman Lee Hyo-Seong visited the site of Seoul and Goyang Smart City pilot project
Feb. 8	Chairman Lee Hyo-Seong presented the appointment letter to the member of regional broadcasting development committees
Feb. 9	Chairman Lee Hyo-Seong held meeting to improve the production environment of drama
Feb. 12	Unveil the research on cyber bullying 2017
Feb. 14	Appoint the supplementary board member of Foundation for Broadcast Culture
Feb. 21	Appoint the supplementary board member of EBS
Feb. 21	Plan for commercialization of smart sign language broadcasting service
Feb. 23	Launch the Internet co-prosperity and development council
Feb. 26	Unveil the results of overseas reaction on domestic dramas
Feb. 26-Mar. 1	Chairman Lee Hyo-Seong strengthened global cooperation with the head of Broadcasting and Communications Regulatory Agencies in the US, France, Spain and the U.K.

Chairman Lee Hyo-Seong inspected the preparation for ultra-high definition (UHD) broadcasting at Pyeongchang Winter Olympics.



- Chairman Lee Hyo-Seong visited the site of Seoul and Gyeonggi Smart City pilot project



- Chairman Lee Hyo-Seong presented the appointment letter to the member of regional broadcasting development committees



- Launch the Internet co-prosperity and development council



- Chairman Lee Hyo-Seong strengthened global cooperation with the head of Broadcasting and Communications Regulatory Agencies in the U.S., France, Spain and the U.K.



March 2018

Date	Events
Mar. 2	Chairman Lee Hyo-Seong visited BBC, Ofcom in UK to promote wider exchange and cooperation in two nation's broadcasting and communication services
Mar. 6	Commissioner Ko Sam-seog checked the safety of important broadcasting facilities during the thawing period
Mar. 7	Establish guidelines for outsourced manufacturing and host the first round of the TF
Mar. 8~9	Chairman Lee Hyo-Seong visited broadcasting and communication sites in Gwangju and Naju
Mar. 12	Host the meeting of the First Clean Internet Broadcasting Council in 2018
Mar. 21	Results of evaluation of competition situation in broadcasting market in 2017
Mar. 22	Chairman Lee Hyo-Seong visited the MBC
Mar. 22~23	Participate in and respond to the first round of follow-up negotiations on Korea-China FTA service investment
Mar. 26	Intensive crack down on ID (account) illegal transactions on the Internet
Mar. 27	Host the launching ceremony of the 9 th Senior Instructor Team of Broadcasting and Communication Classes
Mar. 28	Establish a basic plan for self-regulation of personal data protection in broadcasting, telecommunications and online areas
Mar. 29	Unveil the analysis of Spam Distribution Status in the Second Half of 2017
Mar. 29	Host the launching ceremony of the 9 th Korea Internet Dream
Mar. 29	Host the public discussion of Broadcasting Future Development Committee for improving Public Broadcasting Governance
Mar. 29	Chairman Lee Hyo-Seong held the meeting to create a Co-prosperity environment in the home shopping market

- Chairman Lee Hyo-Seong visited BBC, Ofcom in UK to promote wider exchange and cooperation in two nation's broadcasting and communication services.



- Commissioner Ko Sam-seog checked the safety of important broadcasting facilities during the thawing period.



- Chairman Lee Hyo-Seong visited MBC.



- Host the meeting of the First Clean Internet Broadcasting Council in 2018



- Host the launching ceremony of the 9th Senior Instructor Team of Broadcasting and Communication Classes



- Host the launching ceremony of the 9th Korea Internet Dream



- Hold the public discussion of Broadcasting Future Development Committee for improving Public Broadcasting Governance



- Chairman Lee Hyo-Seong held the meeting to create a Co-prosperity environment in the home shopping market



April 2018

Date	Events
Apr. 4	Host the launching ceremony of the 9 th Instructor Team of Broadcasting and Communication Classes
Apr. 5	Chairman Lee Hyo-Seong held a meeting with representatives of broadcasting channel operators (PP) industries
Apr. 5	Commissioner Ko Sam-seog visited mobile telecommunication distribution stores
Apr. 7~12	Commissioner Pyo Chul-Su identified NAB's latest broadcast technology trends and met Youtube representatives
Apr. 8~13	Vice Chairman Hur Wook supported overseas expansion of broadcasting contents in France and the Netherlands, and strengthened cooperation with the EU in protecting personal data area
Apr. 17	The 5 th meeting of the Director-General-level Council for the Promotion of the Joint Production Agreement between Korea and Vietnam Broadcasting Program and agreement (proposal)
Apr. 17~18	Chairman Lee Hyo-Seong attended the Korean Public Broadcasting System Day ceremony and visited the broadcasting and communication sites in Jeju.
Apr. 23	Hold an award ceremony for 2018 broadcasting awards
Apr. 26	Chairman Lee Hyo-Seong visited KT customer center and held a luncheon meeting with the counselors of KT
Apr. 30	Chairman Lee Hyo-Seong attended a meeting of representatives for IPTV Industry to gather their opinion.

■ Host the launching ceremony of the 9th Instructor Team of Broadcasting and Communication Classes



■ Commissioner Ko Sam-seog visited mobile telecommunication distribution stores



■ Chairman Lee Hyo-Seong held a meeting with representatives of broadcasting channel operators (PP) industries



■ Vice Chairman Hur Wook supported overseas expansion of broadcasting contents in France and the Netherlands, and strengthened cooperation with the EU in personal data protection area



- Hold an award ceremony for 2018 broadcasting awards



- Chairman Lee Hyo-Seong visited KT customer center and held a luncheon meeting with the counselors of KT



- Chairman Lee Hyo-Seong attended a meeting of representatives for IPTV Industry to gather their opinion.



May 2018

Date	Events
May 1	Report the ways to the innovative organization of Korea Communications Commission
May 4	Launching ceremony of the Beautiful Internet World Internet Ethics Experience Center in Gwangju
May 10~12	Commissioner Ko Sam-seog attended the 15 th Asia media summit
May 17	Chairman Lee Hyo-Seong checked broadcasting disaster response training KBS Headquarters
May 24	Unveil the Expansion plan of Alimi service for information usage fee for the vulnerable

- Report the ways to the innovative organization of Korea Communications Commission



- Launching ceremony of the Beautiful Internet World Internet Ethics Experience Center in Gwangju



- Commissioner Ko Sam-seog attended the 15th Asia media summit



- Chairman Lee Hyo-Seong checked broadcasting disaster response training KBS Headquarters



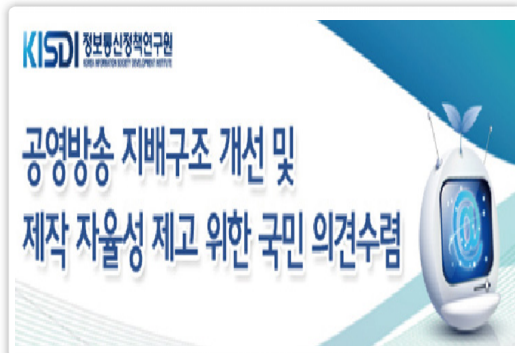
June 2018

Date	Events
Jun. 1	Chairman Lee Hyo-Seong pursued a Joint Statement between Korea and EU to Accelerate the Assessment of the Appropriateness of Personal Data Protection
Jun. 8~18	Gather the public opinion of Broadcasting Future Development Committee for improving public broadcasting system's governance
Jun. 11	Nominate the members of the 5 th Media Diversity Promotion Committee and the 4 th Broadcasting Market Competition Evaluation Committee
Jun. 12	Held Web Hard business briefing on the prevention on the distribution of digital Sex offences
Jun. 15	Chairman Lee Hyo-Seong and Vice Chairman Hur Wook, KBS visited Mt. Gwanak Transmission Station
Jun. 15	Commissioner Ko Sam-seog visited SBS
Jun. 15	Hosted the 1 st meeting of representatives of broadcasting and communication policy customers in 2018
Jun. 17~23	Commissioner Ko Sam-seog visited the industrial sites of Canadian and U.S. ICT Companies related to innovative growth and regulation of Broadcasting and Communication
Jun. 18~23	Vice Chairman Hur Wook discussed on the adequacy of personal data protection between Korea and the EU with LIBE Standing Committee Chairman of the European Parliament
Jun. 19	Hosted briefing sessions on shorter working hours for broadcasting service operators
Jun. 22	The Korea Communications Commission's Public Policy Participation Group held the launching ceremony
Jun. 22	Chairman Lee Hyo-Seong resided a meeting with presidents of the Korea Broadcasting Association.
Jun. 25~28	Commissioner Kim Suk-Jin pursued the international cooperation in the field of personal data protection with the Information Communication Media Development Administration (IMDA) and the Personal Data Protection Committee (PDPC) of Singapore
Jun. 27	Vice Chairman Hur Wook conducted bilateral meetings with standing members of Indonesia's Broadcasting Commission (KPI)
Jun. 27	Commissioner Ko Sam-Seog had a bilateral meeting with the chairman of the Asia-Pacific Broadcasting Union (ABU)
Jun. 28	Chairman Lee Hyo-Seong conducted a bilateral meeting with the vice chairman of Thailand's National Broadcasting and Communications Commission (NBTC)
Jun. 28	Hold 2018 International Broadcasting Co-production Conference
Jun. 29	Announced the 2017 property situation of broadcasting service operators

Chairman Lee Hyo-Seong unveiled a Joint Statement between Korea and EU to Accelerate the Assessment of the Appropriateness of Personal Data Protection



Gathered the public opinion of Broadcasting Future Development Committee for improving public broadcasting system's governance

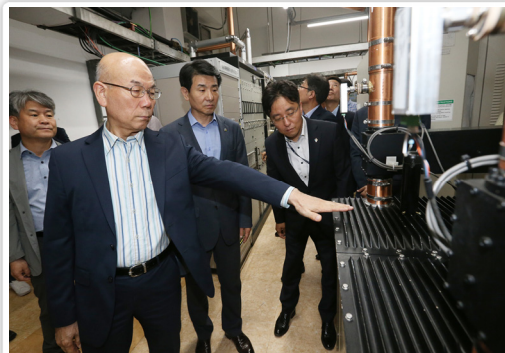


June 2018

- Held Web Hard business briefing on the prevention on the distribution of digital Sex offences



- Chairman Lee Hyo-Seong and Vice Chairman Hur Wook, KBS visited Mt. Gwanak Transmission Station



- Commissioner Ko Sam-seog, visited SBS and had a meeting with the board members



- Hosted the 1st meeting of representatives of broadcasting and communication policy customers in 2018



- Vice Chairman Hur Wook discussed on the adequacy of personal data protection between Korea and the EU with LIBE Standing Committee Chairman of the European Parliament



- The Korea Communications Commission's Public Policy Participation Group held the launching ceremony.



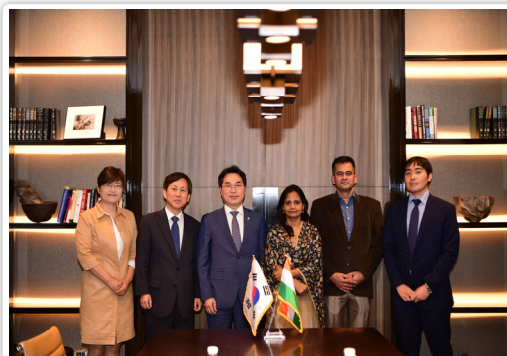
- Chairman Lee Hyo-Seong resided a meeting with presidents of the Korea Broadcasting Association



- Vice Chairman Hur Wook conducted bilateral meetings with standing members of Indonesia's Broadcasting Commission (KPI)



- Commissioner Ko Sam-Seog had a bilateral meeting with the chairman of the Asia-Pacific Broadcasting Union (ABU)



- Chairman Lee Hyo-Seong conducted a bilateral meeting with the vice chairman of Thailand's National Broadcasting and Communications Commission (NBTC)



- Hold 2018 International Broadcasting Co-production Conference



July 2018

Date	Events
Jul. 2	Chairman Lee Hyo-Seong visited the production site of KBS
Jul. 6	Commissioner Ko Sam-seog paid an on-site visit to broadcasting stations in Gwangju.
Jul. 6	Hosted a joint seminar on preventing the distribution of obscene videos between Korea Communications Commission and Ministry of Gender Equality and Family
Jul. 6	Held an appointment ceremony for the members of the 7 th Committee on Self-Assessment
Jul. 11	Held the 7 th Information Protection Day Ceremony
Jul. 11~13	Participated in and responded the second round of follow-up negotiations on Korea-China FTA service investment
Jul. 13	Chairman Lee Hyo-Seong visited Mt. Yongmun Transmitter of KBS·MBC·SBS
Jul. 18	Announced the 2017 Results of View Rate of Broadcasting Service Operators
Jul. 18	Established the Notice on Selection of Public Service Channel and Recognition of Welfare Channel for the Disabled
Jul. 19	Chairman Lee Hyo-Seong met with the Assessment Committee for the Protection of Telecommunication Operators and appointed its members for 2018
Jul. 20	Chairman Lee Hyo-Seong paid an on-site visit to the co-prosperity and development of the Internet.
Jul. 27	Held the 6 th Meeting of the Director-General-level Council for the Promotion of Joint Production Agreement between Korea and Vietnam
Jul. 31	Unveiled the interim results of digital sex crime video distribution inspection

■ Chairman Lee Hyo-Seong visited the production site of KBS



■ Commissioner Ko Sam-seog paid an on-site visit to broadcasting stations in Gwangju.



- Hosted a joint seminar on preventing the distribution of obscene videos between Korea Communications Commission and Ministry of Gender Equality and Family



- Held an appointment ceremony for the members of the 7th Committee on Self-Assessment



- Held the 7th Information Protection Day Ceremony



- Chairman Lee Hyo-Seong visited Mt. Yongmun Transmitter of KBS·MBC·SBS



- Chairman Lee Hyo-Seong met with the Assessment Committee for the Protection of Telecommunication Operators and appointed its members for 2018



- Chairman Lee Hyo-Seong paid an on-site visit to the co-prosperity and development of the Internet.



August 2018

Date	Events
Aug. 1	Commissioner Ko Sam-seog visited the broadcasting production site and held a meeting of the MBC broadcasting workers' union.
Aug. 2	Unveiled the results of the 1 st overseas Internet responses on domestic drama in 2018
Aug. 8	Commissioner Pyo Chul-soo visited the education center for personal data protection
Aug. 13~14	Held 2018 Summer camp of Korea Internet Dream
Aug. 22	Commissioner Kim Suk-Jin visited the site of special training of protecting the personal data for small businesses including start-ups under Information Communications Network Act in 2018.
Aug. 23	The 3 rd Annual Competition on Mock Trial for Personal Data Protection
Aug. 23	Commissioner Kim Suk-Jin attended 2018 Daejeon Media Festival
Aug. 23	Chairman Lee Hyo-Seong inspected the production and transmission of disaster broadcasting related to typhoon "Solic"
Aug. 28	Agreement to launch a director-level consultative body to push for the signing of the Korea-Canada audio-visual joint production agreement
Aug. 30	Held a public discussion on the Improvement of the Broadcasting System
Aug. 31	Results of the 2017 N-Screen Viewer's Survey

■ Commissioner Ko Sam-seog visited the broadcasting production site and held a meeting of the MBC broadcasting workers' union.



■ Commissioner Pyo Chul-soo visited the education centers for personal data protection



- Held 2018 Summer camp of Korea Internet Dream



- Commissioner Kim Suk-Jin visited the site of special training of protecting the personal data protection for small businesses including start-ups under Information Communications Network Act in 2018.



- The 3rd Annual Competition on Mock Trial for Personal Data Protection



- Chairman Lee Hyo-Seong inspected the production and transmission of disaster broadcasting related to typhoon "Solic"



- Commissioner Kim Suk-Jin attended 2018 Daejeon Media Festival.



- Held a public discussion on the Improvement of the Broadcasting System



September 2018

Date	Events
Sep. 4	Unveiled the Basic Plan for Evaluating the Capacity of Broadcasting Content Production in 2018
Sep. 4	Appointed the president of the Korea Broadcast Advertising Corporation
Sep. 6	Hold 2018 Beautiful Internet World Declaration Ceremony
Sep. 7	Appoint a director of the Educational Broadcasting System
Sep. 7	Revealed the result of performance of broadcasting service for disabled people in 2017
Sep. 12	Voted for the new license for terrestrial broadcasting station (FEBC, Jeonbuk FM, CBS Gwangju Music FM)
Sep. 13	Chairman Lee Hyo-Seong visited the TV supply site for the visual and auditory impaired
Sep. 14	Chairman Lee Hyo-Seong visited 5G and UHD broadcasting and communication technology development sites
Sep. 14	Held 2018 Internet Dream Creative Music Festival
Sep. 17	Held the 1 st meeting of director-general-level consultative body to push for the signing of the Korea-Canada audio-visual joint production agreement
Sep. 17~Nov. 16	Waged a campaign on protecting the information on Internet
Sep. 18	Presentation on the Policy of Self-regulation of Personal Data Protection in the Broadcasting, Telecommunications and Online sectors
Sep. 20	Revealed the analysis of Spam Distribution in the First Half of the Year 2018

■ Appoint the president of the Korea Broadcasting Advertising Corporation



■ Chairman Lee Hyo-Seong visited 5G and UHD broadcasting and communication technology development sites



■ Hold 2018 Beautiful Internet World Declaration Ceremony



■ Chairman Lee Hyo-Seong visited the TV supply site for the visual and auditory impaired



■ Held 2018 Internet Dream Creative Music Festival



October 2018

Date	Events
Oct. 1	Commissioner Ko Sam-seog visited the relevant sites in the broadcasting and communications sector
Oct. 5	Appoint the members of Innovation Advisory Group of the Korea Communications Commission
Oct. 8	Commissioner Ko Sam-seog visited the relevant sites on media innovation growth
Oct. 8	Appoint the members of the 6 th General Viewing and Listening Rights Guarantee Committee
Oct. 12	2018 International Excellent Advertising Show
Oct. 15	Chairman Lee Hyo-Seong hosted a meeting with representatives for collecting opinions from the cable TV industry
Oct. 16	Nominate the members of the 9 th Broadcast Review Committee
Oct. 17	Commissioner Kim Suk-Jin participated in "Golden Bell" event for broadcasting and communication users
Oct. 18	Commissioner Ko Sam-seog signed an agreement on the Standard of Damage Relief for the Mobile Communication Service.
Oct. 18	Chairman Lee Hyo-Seong attended 2018 Media Festival for the Disabled
Oct. 24	The Korea Communications Commission and Gyeonggi Provincial Government signed an agreement on the Establishment and Operation of Community Media Center.
Oct. 24	Jointly held the 2018 Public Advertising competition with Korea Broadcast Advertising Corporation
Oct. 30	Chairman Lee Hyo-Seong strengthened cooperation in personal data protection with representatives of the European Union LIBE Committee.

- Appointed the members of Innovation Advisory Group of the Korea Communications Commission



- Commissioner Ko Sam-seog visited the relevant sites on media innovation growth.



- Chairman Lee Hyo-Seong hosted a meeting with representatives for collecting opinions from the cable TV industry.



- Commissioner Kim Suk-Jin participated in "Golden Bell" event for broadcasting and communication users.



- Commissioner Ko Sam-seog signed an agreements on the Standard of Damage Relief for the Mobile Communication Service.



- Chairman Lee Hyo-Seong attended 2018 Media Festival for the Disabled.



- Signed an agreement on the Establishment and Operation of Community Media Center of Gyeonggi Province



- Chairman Lee Hyo-Seong strengthened cooperation in personal data protection with representatives of the European Union LIBE Committee.



November 2018

Date	Events
Nov. 1~10	Conducted a Case Study of Government Innovation in the Broadcasting and Communications Sector
Nov. 6	Commissioner Ko Sam-seog attended the International Seminar between the Community Media Foundation and AIBD.
Nov. 8	Commissioner Ko Sam-seog visited the broadcasting and communication sites in Busan.
Nov. 9	Revealed the policy directions for the improvement of the broadcasting advertising system
Nov. 9	Chairman Lee Hyo-Seong participated in the Declaration of Human Rights of Independent Creators for Mutually Beneficial Broadcasting System
Nov. 13	Chairman Lee Hyo-Seong met with TV Home Shopping representatives and suppliers.
Nov. 13	Hosted a Workshop for Internet Co-Development
Nov. 14	Revealed the guidelines for online sales of mobile telecommunication services and terminal devices
Nov. 16	Hosted 2018 Inter-Korea Broadcasting and Communications International Conference
Nov. 21	Recognize the public service channels and welfare channels for the disabled for 2019-2020
Nov. 21	Commissioner Ko Sam-seog held the meeting for the Protection of Viewers' Rights
Nov. 21	Held Broadcasting, Communications and Government Innovation Concert
Nov. 22	Hold 2018 Media Education Conference
Nov. 23	Commissioner Ko Sam-seog visited the broadcasting and communications relevant sectors in Gwangju
Nov. 28	Formed the Review and Evaluation Committee for the Self-regulation of Personal Data Protection in the Broadcasting, Telecommunications and Online sectors
Nov. 30	Hosted 2018 Internet Ethics Contest

- Commissioner Ko Sam-seog attended the International Seminar between the Viewers Media Foundation and AIBD



- Chairman Lee Hyo-Seong participated in the Declaration of Human Rights of Independent Creators for Mutually Beneficial Broadcasting System



- Chairman Lee Hyo-Seong met with TV Home Shopping representatives and suppliers



- Hosted a Workshop for Internet Co-Development



- Hosted 2018 Inter-Korea Broadcasting and Communications International Conference



- Commissioner Ko Sam-seog held the meeting for the Protection of Viewers' Rights



- Held Broadcasting, Communications and Government Innovation Concert



- Formed the Review and Evaluation Committee for the Self-regulation of Personal Data Protection in the Broadcasting, Telecommunications and Online sectors



- Hosted 2018 Internet Ethics Contest



December 2018

Date	Events
Dec. 3	Chairman Lee Hyo-Seong visited the site to check the status of 5G network construction operation
Dec. 4	Had a meeting with the Council of Broadcasting Channel Operators (PPs)
Dec. 6	Held 2018 Viewer's Media Awards Ceremony
Dec. 7	Held open discussion on outsourcing production guidelines of broadcasting programs
Dec. 10	Held the 2nd half of the year 2018 meeting with the representatives of broadcasting and communication and communication services
Dec. 11	Had a discussion on the Improvement of Cyber Defamation System
Dec. 12	Results of assessment of service protection for telecommunication service users
Dec. 12	2018 Personal Data Protector's Night Event
Dec. 13	2018 Survey Results of Broadcasting Industry
Dec. 13	Conference on Internet Coexistence and Development
Dec. 14	Chairman Lee Hyo-Seong visited the KBS' Broadcasting Station north of Mt. Gamak
Dec. 14	The second meeting of director-general-level consultative body for the promotion of the Korea–Thai joint production agreement
Dec. 19	2018 Evaluation result of production capacity of broadcasting contents
Dec. 19	2017 Broadcast Assessment Results
Dec. 26	Voting for 2018 Reauthorization of terrestrial broadcasting service operators
Dec. 26	Come up with a proposal for the improvement of mandatory transmission system for the operators' channels using general broadcasting services
Dec. 27	Submit a policy opinion to the National Assembly to improve the governance of public broadcasters.

- Chairman Lee Hyo-Seong visited the site to check the status of 5G network construction operation



- Had a meeting with the Council of Broadcasting Channel Operators (PPs)



- Held 2018 Viewer's Media Awards Ceremony



- Held the 2nd half of the year 2018 meeting with the representatives of broadcasting and communication and communication services



- Had a discussion on the Improvement of Cyber Defamation System



- 2018 Personal Information Protector's Night Event



- Meeting of Internet Coexistence and Development Council



- Chairman Lee Hyo-Seong visited the KBS' Broadcasting Station north of Mt. Gamak



4. Acronyms

Appendix Table-7 | Acronyms

Acronyms	Descriptions
ABLI (Asia Business Law Institute)	Asia-Pacific Institute for Research on Laws and Policies for Personal Data
ABU (Asia & Pacific Broadcasting Union)	Asia & Pacific Broadcasting Union
AEPD (Agencia Española de Protección de Datos)	Spanish Information Protection Agency
AI (Artificial Intelligence)	Artificial Intelligence
AIE (Advertising In Education)	Training on the Utilization of Public Service Advertisements Training Sites
AMS (Asia Media Summit)	Asia Media Summit
APEC (Asia-Pacific Economic Cooperation)	Asia-Pacific Economic Cooperation
API (Application Programming Interface)	Application Programming Interface
APPA (Asia Pacific Privacy Authorities)	Asia Pacific Privacy Authorities
AR (Augmented Reality)	Augmented reality, computer graphics techniques that synthesize virtual objects or information into the real objects
ARCEP (Autorité de Régulation des Communications Electroniques et des Postes)	Electronic Communications and Postal Regulatory Authority
ARS (Automatic Response Service)	Automatic Response Service
ASEAN (Association of South-East Asian Nations)	Association of South-East Asian Nations
ATF (Asia Television Forum)	Asia Television Forum
ATM (Automatic Teller Machine)	Automatic Teller Machine
ATSC (America National Television Standards Committee)	America National Television Standards Committee
BBC (British Broadcasting Corporation)	British Broadcasting Corporation
BCA (BroadcastAsia)	Asia international broadcasting equipment fair
BCM (Busan Contents Market)	Busan Contents Market
BJ (Broadcasting Jockey)	Broadcasting streamer, a term referred to broadcasters who broadcast on the Internet
BMWi (Bundes-Ministerium für Wirtschaft)	Federal Ministry for Economic Affairs and Energy of Germany
CBPR (Cross-Border Privacy Rules)	Global Personal Data Protection Certification System
CEO (Chief Executive Officer)	Chief Executive Officer
CES (Consumer Electronics Show)	Consumer Electronics Show
CG (Computer Graphics)	Computer Graphics
CKC (Canada-Korea Conference on Science and Technology)	Canada-Korea Conference on Science and Technology
CMF (Community Media Foundation)	Community Media Foundation

Acronyms	Descriptions
CMMA (Communic Asia)	International ICT exhibition
CoE (Council of Europe)	Council of Europe
CP (Contents Provider)	Contents Provider
CPO (Chief Privacy Officer)	Chief Privacy Officer
CTO (Chief Technology Officer)	Chief Technology Officer
DM (Direct Mail)	Direct Mail
DMB (Digital Multimedia Broadcasting)	Broadcast service that provides a variety of multimedia signals including voice and video, digitally to portable IT devices
DNA (Digital Network Architecture)	Digital Network Architecture
EBS (Korea Educational Broadcasting System)	Korea Educational Broadcasting System
EDPB (European Data Protection Board)	European Data Protection Board
EU (European Union)	European Union, which includes Germany, France, Ireland and Belgium.
FBC (Foundation for Broadcast Culture)	Foundation for Broadcast Culture
FCC (Federal Communications Commission)	Federal Communications Commission
FM (Frequency Modulation)	Frequency modulation method in which the amplitude of the carrier does not change according to the modulating signal, but only the frequency changes
FNP (Fixed Number Portability)	The ability to maintain an existing wired-telephone number even if the service provider changes
FTA (Free Trade Agreement)	Free Trade Agreement
GDPR (General Data Protection Regulation)	Personal Data Protection
GPL (General Public License)	General Public License
GZDOC (Guangzhou International Documentary Film Festival, China)	Guangzhou International Documentary Film Festival
IBC (International Broadcasting Equipment Exhibition)	International Broadcast Equipment Exhibition in Amsterdam
IBRAF (Islamic Broadcasting Regulatory Authorities Forum)	Islamic Broadcasting Regulatory Authorities Forum
ICDPPC (International Conference of Data Protection and Privacy)	International Conference of Data Protection and Privacy
ICO (Information Commissioner's Office)	British personal information supervision agency
ID (Identification)	Identifier to recognize the relevant computer users
IDFA (International Documentary Film Festival Amsterdam)	International Documentary Film Festival Amsterdam
IMDA (Infocommunications Media Development Authority)	Infocommunications Media Developments Authority in Singapore
IoT (Internet of Things)	Internet of Things (an environment where the objects in our daily life are connected by wired and wireless networks to share information)
IPTV (Internet Protocol Television)	Interactive television services offered by broadband networks
KAIT (Korea Association for ICT Promotion)	Korea Association for ICT Promotion

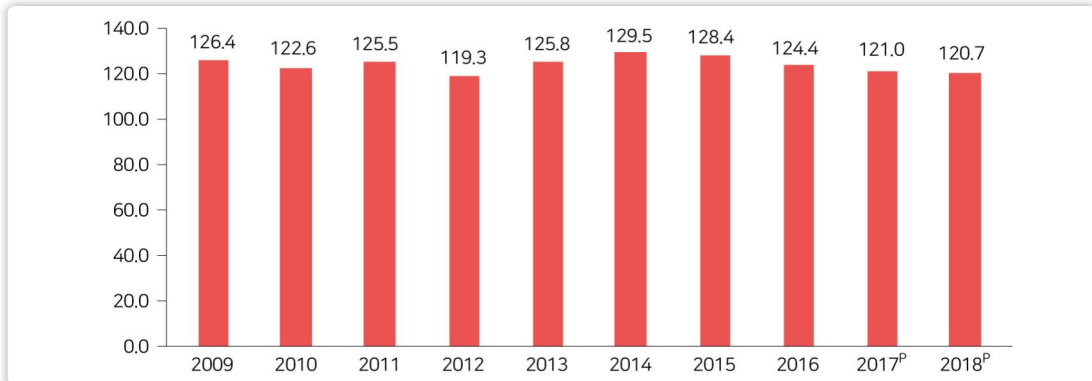
Acronyms	Descriptions
KBS (Korea Broadcasting System)	Korea Broadcasting System
KHPSA (Korea Homeshopping Product Suppliers Association)	Korea Homeshopping Product Suppliers Association
KI (Korea communications commission Index)	Viewers Assessment Index
KISA (Korea Internet and Security Agency)	Korea Internet and Security Agency
KOBACO (Korea Broadcast Advertising Corporation)	Korea Broadcast Advertising Corporation
KPI (Komisi Penyiaran Indonesia)	Indonesian Broadcasting Commission
KTX (Korea Train eXpress)	Express train in Korea
LIBE (Committee on Civil Liberties, Justice and Home Affairs)	European Committee on Civil Liberties, Justice and Home Affairs
MCH (Department of Canadian Heritage)	Department of Canadian Heritage
MCI (Ministry of Communications and Information)	Ministry of Communications and Information in Singapore
MCN (Multi-Channel Network)	Multi-Channel Network (a business that supports and manages marketing, copyright management, content distribution and etc. in partnership with single or small content creators)
MIC (Ministry of Information and Communications)	Ministry of Information and Communications in Vietnam
MIPCOM (Marché International des Programmes de Com)	The global market for entertainment content across all platforms
MIPTV (Marché International des Programmes de Télévision)	International broadcasting content Market
MMS (Multi-Mode-Service)	Multi Mode Service. Service or technology to transmit multiple channels such as high definition, standard definition, audio, or data via one channel
MNP (Mobile Number Portability)	The ability to maintain an existing mobile phone number even if the service provider changes
MoA (Memorandum of Agreement)	Memorandum of Agreement
MOC (Ministry of Culture)	Ministry of Culture in Thailand
MOI (Ministry of Information)	Ministry of Information in Cambodia
MWC (Mobile World Congress)	Mobile World Congress
NAB (National Association of Broadcasters)	National Association of Broadcasters in America
NBTC (National Broadcasting Telecommunications Commission)	National Broadcasting Telecommunications Commission in Thailand
NIA (National Information Society Agency)	National Information Society Agency
O2O (Online to Offline)	Online-based offline services
Ofcom (Office of Communications)	British Regulatory Authority on Broadcasting and Communications
OTT (Over the top)	A service to provide broadcasting program, film, and video via the Internet
PC (Personal Computer)	Personal Computer
PD (Product Director)	Product director of TV broadcasting corporation

Acronyms	Descriptions
Pol (Point of Interest)	Data showing key facilities, stations, airports, terminals, hotels, etc. on electronic numerical maps by coordinates
PP (Program Provider)	Program Provider
SMS (Short Message Service)	Short Message Service
SNI (Server Name Indication)	Server Name Indication
SO (System Operator)	System Operator, Broadcasting business operator to transmit cable TV
SOM (Senior Officials' Meeting)	Senior Official's Meeting
SRT (Super Rapid Train)	Super Rapid Train departing from Suseo
UCNet (Unsolicited Communications Enforcement Network)	International council on tackling spam
UHD (Ultra High Definition)	Ultra High Definition
USIM (Universal Subscriber Identity Module)	Universal Subscriber Identity Module (sim card including subscriber information combined with uicc card)
VAN (Value Added Network)	A network that renders additional communication services by renting a communication line from the operator
VOD (Video On Demand)	Video service business that provided by telephone lines or cables
VR (Virtual Reality)	Computer technologies to generate the realistic images, sounds and other sensations that replicate a real environment or create an imaginary setting.
WTO (World Trade Organization)	World Trade Organization

5. Status of Broadcasting and Communications Industry by Sector

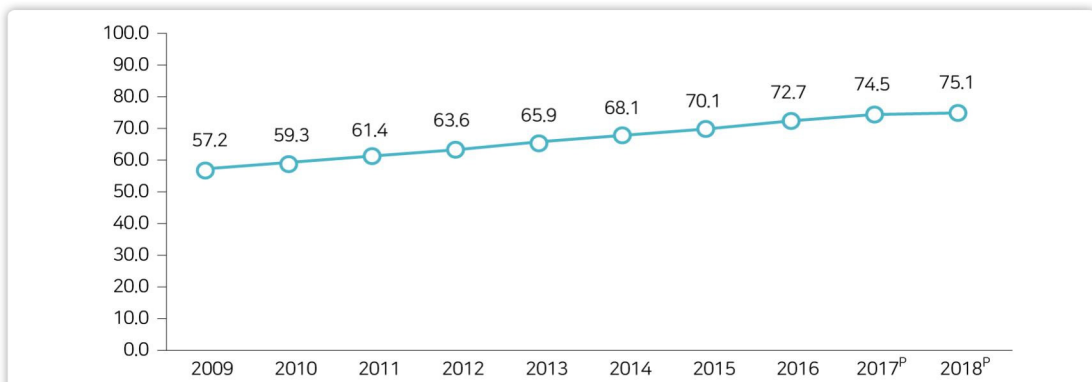
| Total Sales in Broadcasting and Communications Industry

(Unit : KRW 1 trillion)



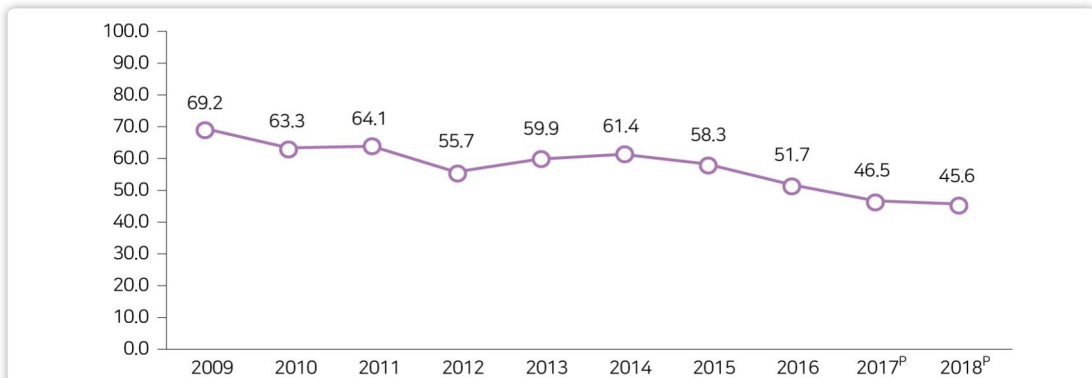
| Total Sales in Broadcasting and Communications Service

(Unit : KRW 1 trillion)



| Total Sales in Broadcasting and Communications Devices

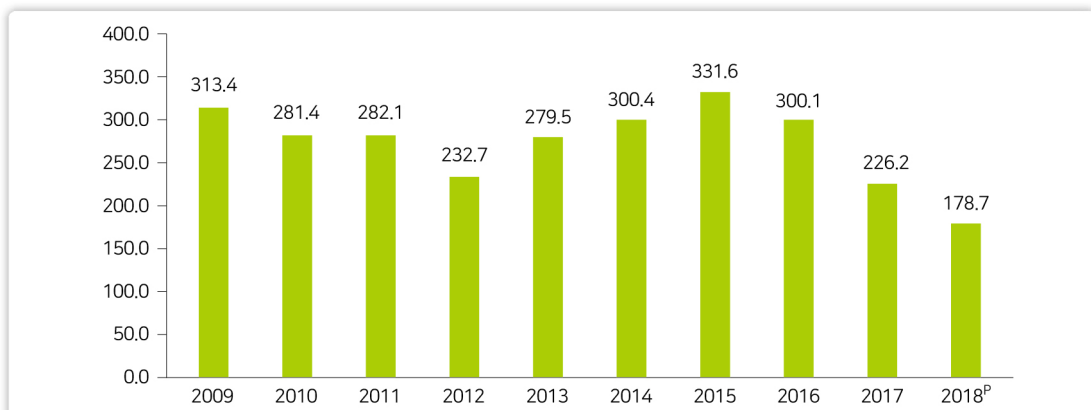
(Unit : KRW 1 trillion)



Note) P : Preliminary, Broadcasting Communications Service refers to Telecommunications, Broadcasting, and Information Service
Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2019

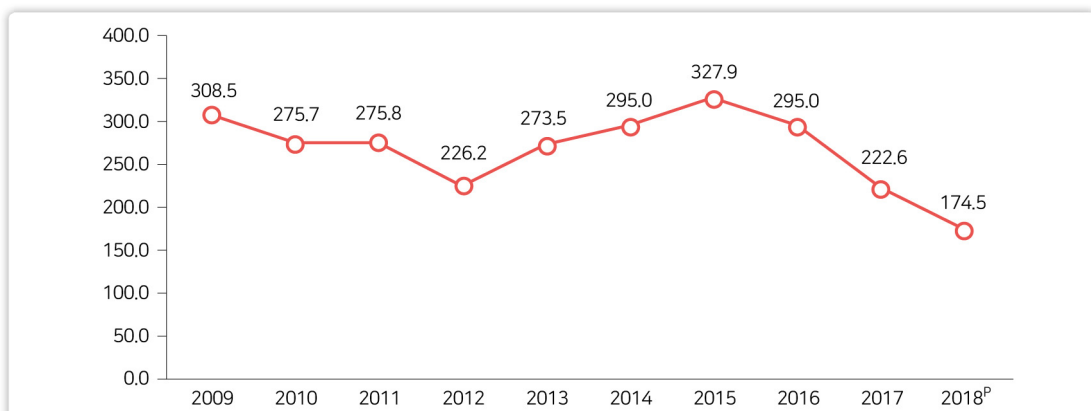
| Total Broadcasting and Communications Device Exports

(Unit : USD 100 million)



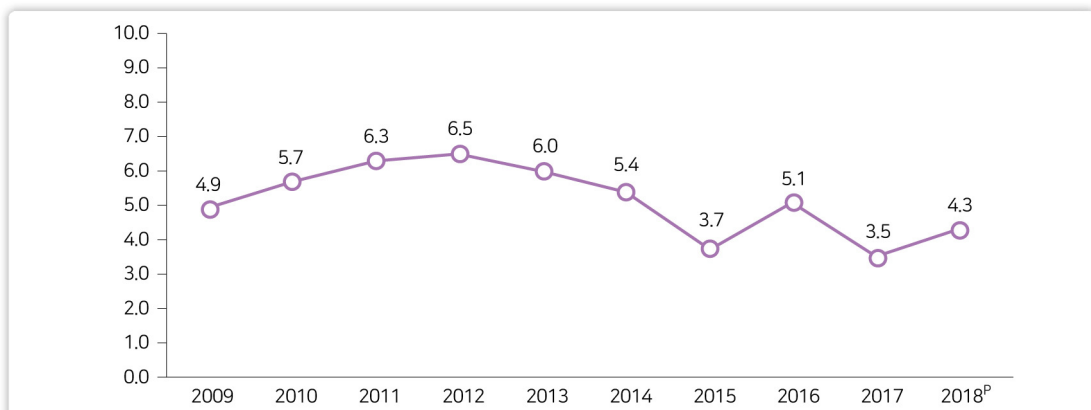
| Communications Device Exports

(Unit : USD 100 million)



| Broadcasting Device Exports

(Unit : USD 100 million)

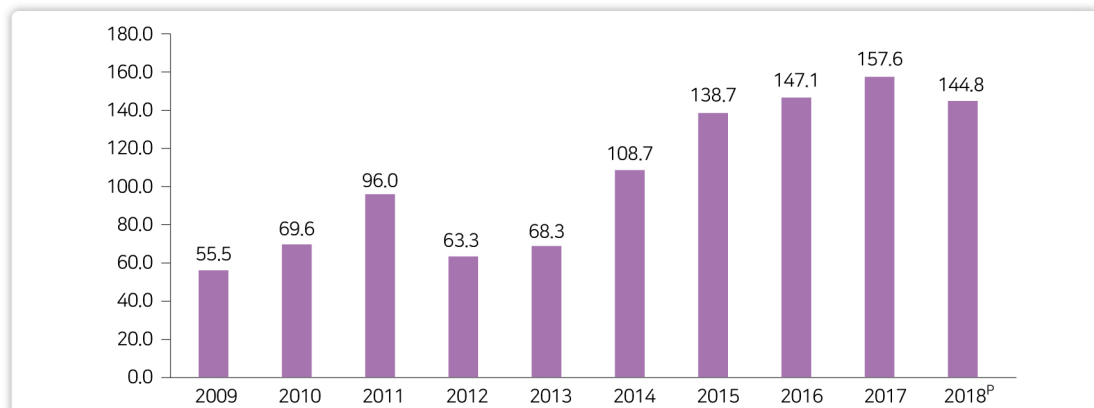


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2019

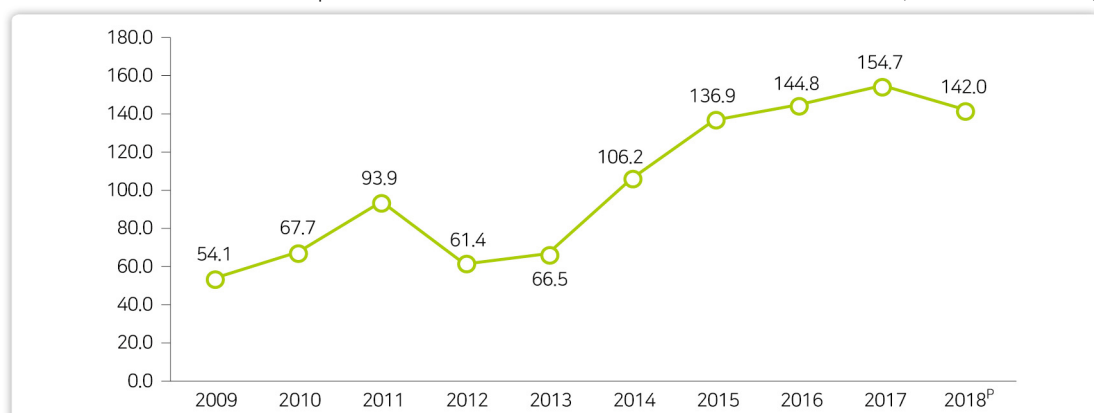
| Total Broadcasting and Communications Device Imports

(Unit : USD 100 million)



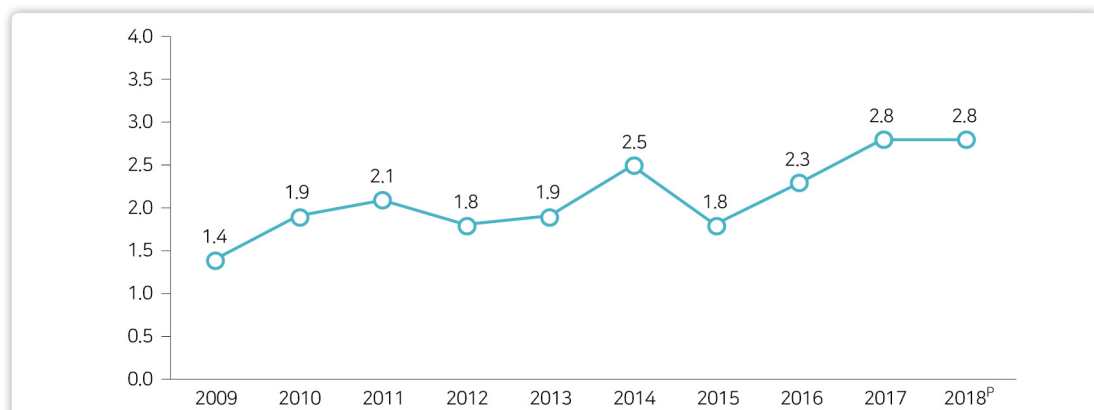
| Communications Device Imports

(Unit : USD 100 million)



| Broadcasting Device Imports

(Unit : USD 100 million)

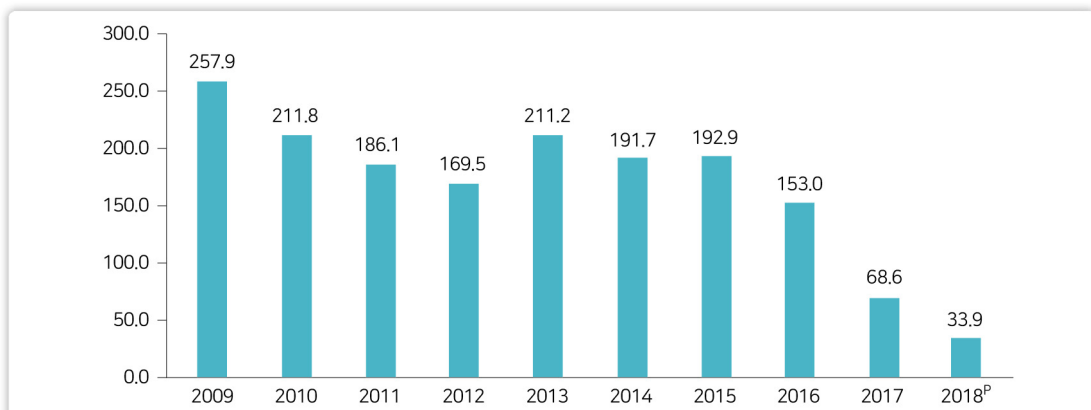


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2019

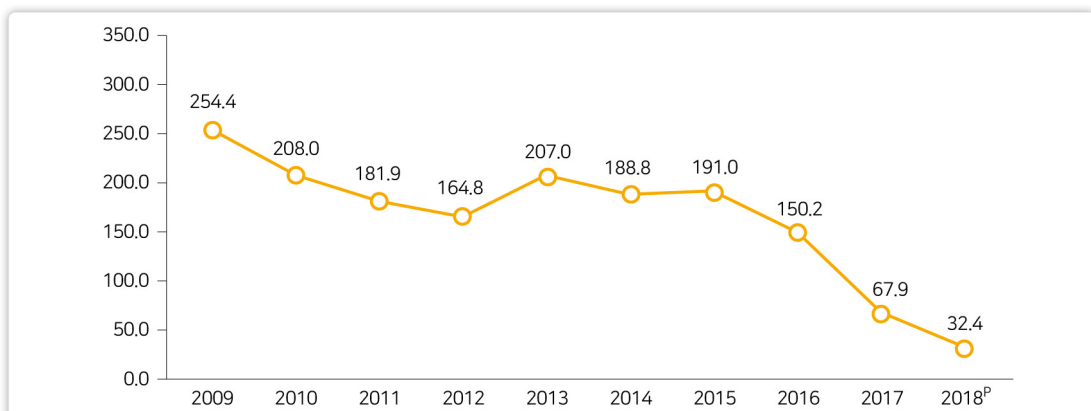
| Total Broadcasting and Communications Device Trade Balance

(Unit : USD 100 million)



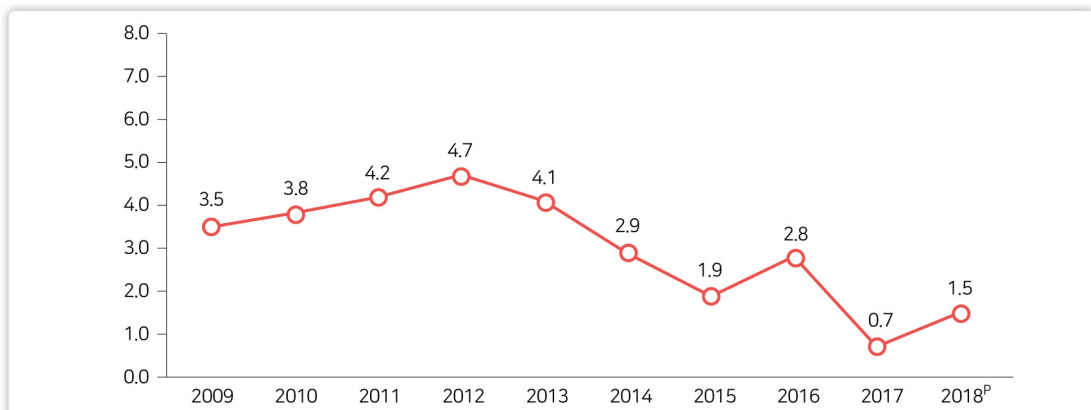
| Communications Device Trade Balance

(Unit : USD 100 million)



| Broadcasting Device Trade Balance

(Unit : USD 100 million)

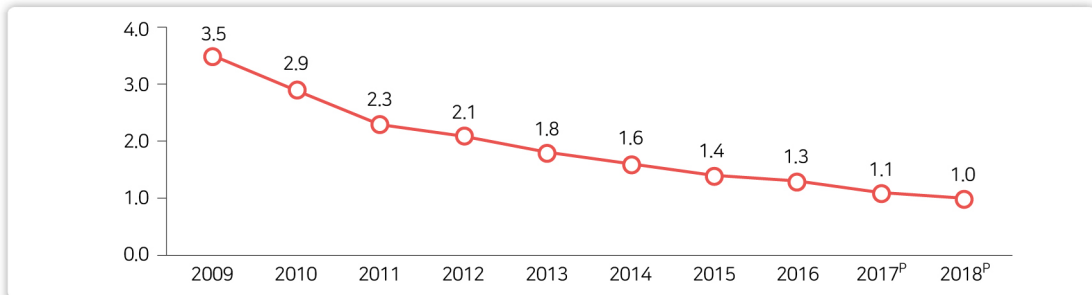


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2019

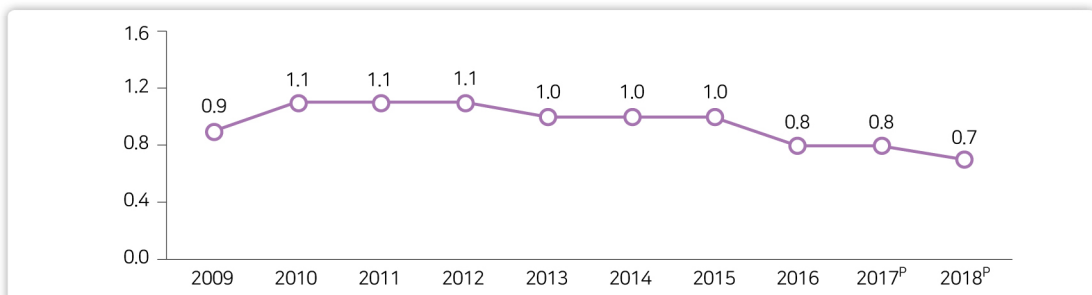
Local Telephone Service Sales

(Unit : KRW 1 trillion)



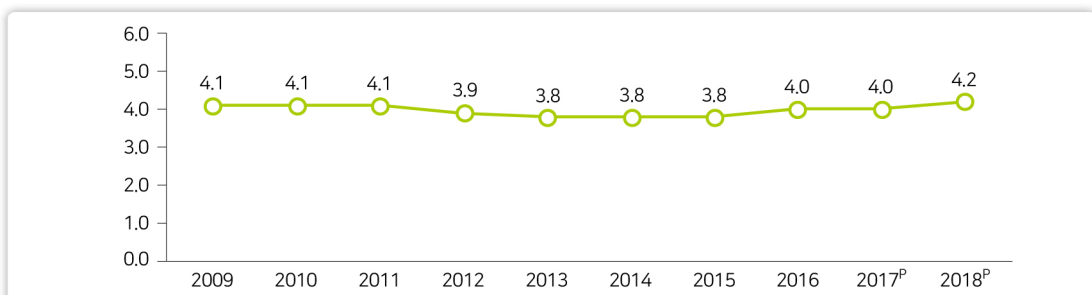
Internet Telephone Service Sales

(Unit : KRW 1 trillion)



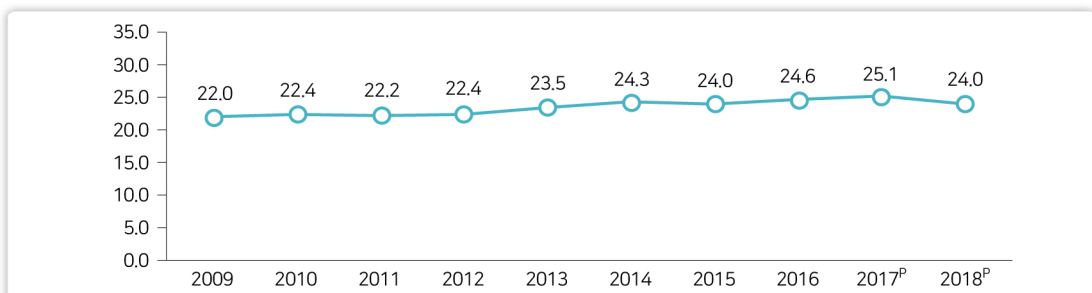
Broadband Internet Access Service Sales

(Unit : KRW 1 trillion)



Mobile Service Sales

(Unit : KRW 1 trillion)

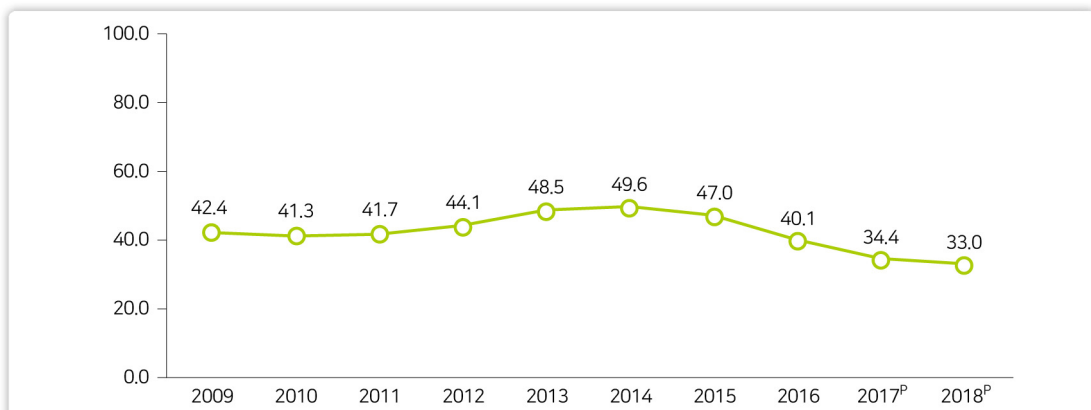


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2019

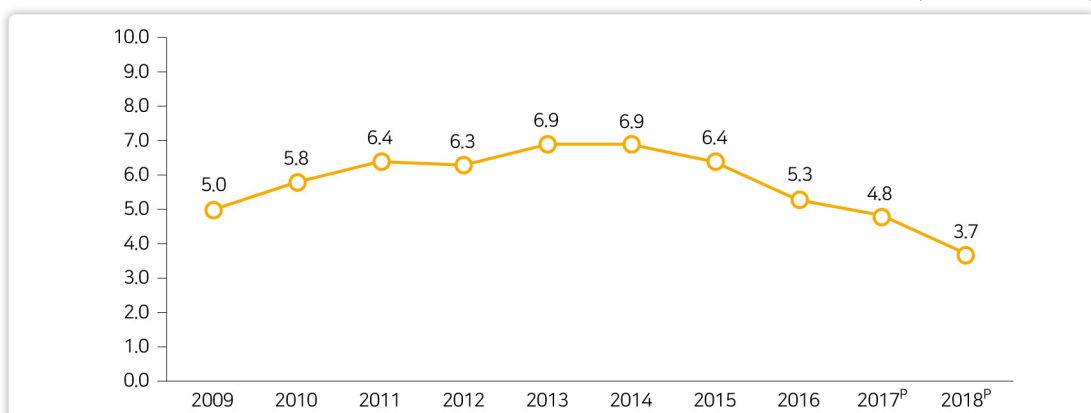
| Mobile Terminal Device Sales

(Unit : KRW 1 trillion)



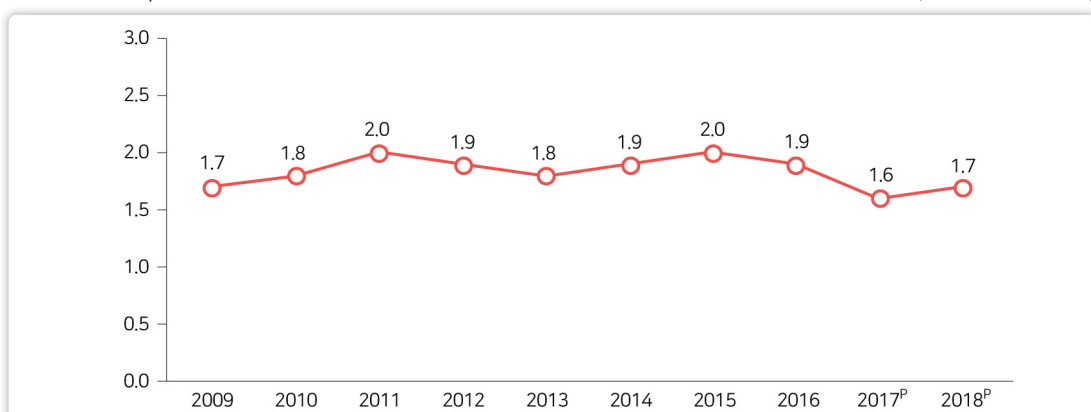
| DTV sales

(Unit : KRW 1 trillion)



| Total Set-top Box Sales

(Unit : KRW 1 trillion)

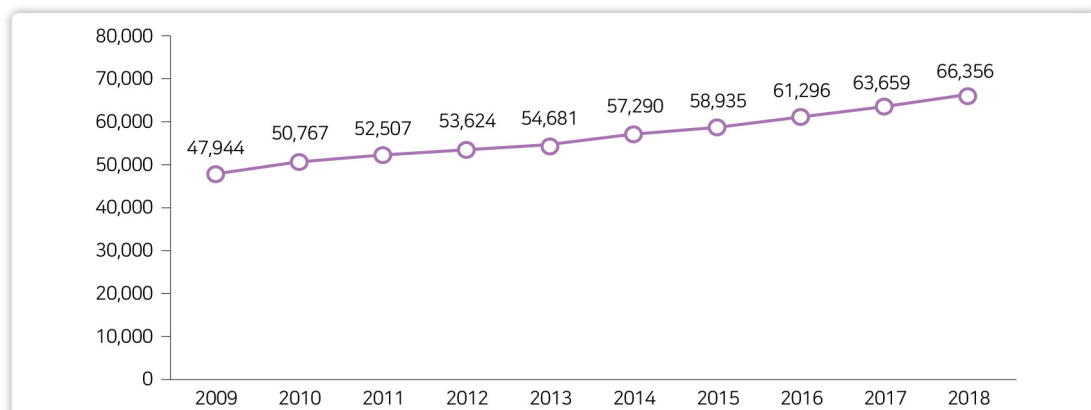


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2019

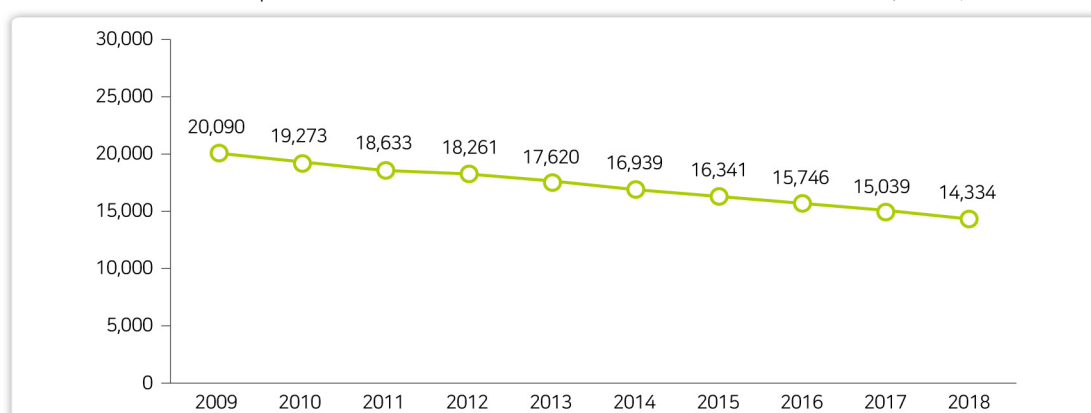
Number of Mobile Subscribers

(Unit : 1,000 subscribers)



Number of Local Telephone Subscribers

(Unit : 1,000 subscribers)



Note) As of December of each year, Mobile includes tablet PC, wireless data, M2M and etc.

Source) Ministry of Science and ICT, 2019

2018 KOREA COMMUNICATIONS COMMISSION ANNUAL REPORT

Date of Publishing March 2019

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