

Press release

To be reported at or after September 20, 2012 (Thursday).

Inquiry: Jin-bae Hong, Telecommunications Service Policy Division, Telecommunications Policy Bureau (☎750-2550)

Ho-joon Lee, Telecommunications Service Policy Division⁰¹ (☎750-2554) ghwns@kcc.go.kr

“KCC will disclose mobile communication cost data.”

On September 6, the Korea Communications Commission (Chairman Kye-Cheol Lee) made a comment on the court's recent ruling concerning mobile communication cost data as the following: **“We will basically disclose mobile communication cost data to the extent the law requires, and do our best to meet the public’s demand for transparency of the mobile communication charges.”** But as a mistake of a fact has been found, the KCC decided to appeal the court ruling yet at the minimum scale. For instance, it had the possibility of confusing the public about the nature of the free broadcasting frequency and the nature of the mobile communication frequency for which up to KRW1 trillion has been paid.

The disclosed data will include **operating report data related to mobile communication costs** (balance sheets, P/L statements, business statistics, non-operating profit and loss statements according to each service, and business statistics statement), **8 reports submitted to the plenary session of the KCC regarding a reduction of charges** (① reduction of communication charges for

Terrestrial analog TV ends in 2012 and the age of digital TV broadcasting begins!

vulnerable members of society such as the disabled and low-income groups, ② improvement of the USIM system, ③ improvement of the smart mobile rate system, ④ preparing for the introduction of the MVNO system, ⑤ expansion of the smartphone flat rate and improvement of tariffs for the wireless Internet, ⑥ proposal for notification on MVNO wholesale cost estimation , ⑦ decision to recommend a reduction of factory prices of handsets, and ⑧ wholesale MVNO data pricing), **draft reports by TF on communication tariffs and National Assembly report data, list of the names of the TF public officials and names of organizations to which civilian experts belong** (KISDI, KDI, ETRI, Korea Consumer Agency, etc.).

Meanwhile, the KCC **limited the appeal to the part subject to non-disclosure under the law, such as the rate approval application form and the real names of 9 civilian experts.** As the rate approval application form includes not only 'cost data,' but also classified information such as the 'sales strategy'* of operators, the KCC **deems it has the possibility of hindering fair competition as the sensitive 'sales strategy' of individual products may be disclosed.** Moreover, as far as the members of the communication tariff TF team are concerned, the KCC decided that the list of the public officials and the names of the organizations to which the civilian experts belong will be disclosed. However, **as there is a likelihood of privacy invasion** in case the real names** of the civilian experts are disclosed, the KCC decided they must remain undisclosed.

Terrestrial analog TV ends in 2012 and the age of digital TV broadcasting begins!

- * 'Business strategy' refers to the "information on business and trade secrets deemed likely to incur conspicuous damage to the valid profits of corporations if disclosed" pursuant to Paragraph 7 of Article 9-① of the Freedom of Information Act.
- ** Civilian experts correspond to "information deemed likely to infringe on the privacy or freedom of individuals if disclosed" pursuant to Paragraph 6 of Article 9-① of the Freedom of Information Act.

Given the high burden households bear on mobile communication expenses, the Korea Communications Commission plans **to pursue more aggressive competition-promoting policies**, such as promoting **inexpensive phones (MVNO)**, so that the general public can actually feel the lowered tariffs in their daily budgets. In addition, the KCC said it would do it utmost to create an environment for user-centered reliable and fair market competition by helping the blacklist system take a firmer root and thoroughly **monitoring too much excessive competition among mobile network operator**.