



Korea Communications Commission

NEWS RELEASE

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Contact:

Consumer Policy Bureau

Telecommunications Market Investigation Division (02-2110-1531)

KCC ORDERS APPLE AND GOOGLE TO RESUBMIT PLANS TO IMPLEMENT ‘ACT PROHIBITING FORCING CERTAIN IN-APP PAYMENT METHODS’

- Must be able to use payment method of choice, whether inside or outside the app -

- October 25, 2021 - The Korea Communications Commission (KCC, Chairman Han Sang-hyuk) has ordered Apple and Google to resubmit their plans to comply with the amended Telecommunications Business Act (enforcement date: Sep. 14, 2021), which prohibits app market operators from forcing certain payment methods.
- This follows the KCC’s determination that the initial proposals submitted after the act went into effect did not meet the intent of the law; this fact was also pointed out to representatives of Apple Korea and Google Korea who attended the recent parliamentary audit as witnesses.
- As it ordered operators to resubmit their plans, the KCC stated that the basic intent of the amendment was for mobile content providers to be able to freely choose and use a payment system of their choice ‘whether it be inside or outside the app.’

- o Apple's position is their policy, which other than in-app payments, allows 'payment outside the app, then usage in the app', abides by the amended law. In response, the KCC stated this does not align with the intent of the law.

- o Google's plans to comply with the amended law included allowing third party payments, but the KCC pointed out that the proposal was not specific enough.

- The KCC ordered Google and Apple to resubmit their plans on how they will realize the intent of the law with specific measures, procedures, and specified schedules. The KCC also informed the operators that if it cannot verify specific implementation plans, it will carry out necessary measures such as investigations on actions violating the current law.

- Furthermore, the KCC asked Apple and Google to clearly notify mobile content operators and users about any past or planned policy change plans following amended law going into effect.

- The KCC continues to speak with stakeholders such as app developers from various areas and related organizations as it draws up the sub-decrees to the act and ascertains the current situation. The matters discussed will be reflected in the enforcement decree and revised public notification (due for legislative notification next month), and be referenced in situational check-ups of the app market.

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