

**NEWS RELEASE**

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**Contact:**

Telecommunications Market Investigation Division (02-2110-1530, 1531)

**KCC BEGINS FACT-FINDING INVESTIGATION OF THREE APP MARKET OPERATORS INCLUDING GOOGLE, APPLE**

*Determines there is possibility of violation such as forcing specific payment methods*

The Korea Communications Commission (KCC, Chairman Han Sang-hyuk Han) announced that it would begin a fact-finding investigation starting Tuesday, August 16 to determine violations of prohibited acts by app market operators, such as forcing a specific payment method.

Since May 17, the KCC has been conducting fact-finding examinations of Google, Apple and OneStore to determine whether there have been violations of the amended Telecommunication Business Act.

As a result of the fact-finding examination, the KCC determined there was the possibility that Google, Apple and OneStore may have committed violations of prohibited acts; therefore the KCC has initiated this fact-finding investigation.

The KCC announced that acts by Google, Apple and OneStore such as imposing restrictive conditions to allow only specific payment methods under its control (internal payment), and refusing the registration or renewal of apps by developers who used other payment methods (external payment), could constitute acts of forcing a specific payment method.

< Reference: Payment Method Types >

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| --- | --- |
| Determined by presence of control by app market operator  | Determined by presence of payment service provider  |
| Internal payment | (1) App market operator’s internal payment (‘own company payment’) |
| (2) App developer’s internal payment (‘third party payment’) |
| External payment | (3) App developer’s external payment (‘external payment’) |

In addition, the KCC determined that if Google or Apple imposes discriminatory conditions on the payment method (third-party payment) provided by the app developer in an internal payment, or makes the usage process inconvenient, that act may constitute an act of forcing a specific payment method (own company payment).

The KCC also found issues in the app review process such as Google or Apple not notifying the app developer of the app review period or the specific reason for the delay of review.

Through this fact-finding investigation, the KCC plans to clarify whether acts like these constitute acts of forcing a specific payment method.

If the results of the fact-finding investigation show there were violations of prohibited acts, such as forcing a specific payment method, the KCC will take strict measures such as issuing a correction order or imposing a penalty surcharge.

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The Korea Communications Commission