



ANNUAL REPORT **2010**

KOREA COMMUNICATIONS COMMISSION

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



Message From The Chairman

The Korea Communications Commission, launched with the mission to open the new chapter of convergence in the history of Korean broadcasting and telecommunications, is now into the fourth year of its operation. Over the past three years, the Korea Communications Commission has made its utmost efforts to lay the foundations for future progress in broadcasting and telecom convergence, promote competition and create new markets for converged digital services. It is indeed with no little pride that I look back on our accomplishments from these past three years, and the lessons we have learnt from some of our oversights and shortcomings give me confidence in future success.

IPTV today has a subscriber base of over million and grew into one of the leading segments of the pay DTV market barely three years after the start of commercial service. In the telecommunications industry, after a period of stagnation in the sheltered domestic market environment, the new paradigm of the smart phone is taking hold, even if a bit belatedly. Amid the rapidly broadening penetration of the smart phone, there is today an accelerating smart trend across all sectors of our society. Korean broadcasting, meanwhile, is no longer a static field, protected from competition as it once was under the compartmentalized regulatory approach of the past, and is today undergoing a dynamic process of evolution and innovation.

The evolution in broadcasting and communications is ongoing. Social network services (SNS) like Facebook and Twitter, for example, are rapidly growing into media that surpass newspapers and TV in their reach and impact. New markets are being continuously created for smart devices and services such as tablet PCs, smart TV and mobile applications. All signs indicate that the broadcasting and communications environment is now moving past the digital age to head for the new smart age. Such a sea change demands a new attitude and an open and innovative mindset on our part.



Korea has already impressed the world with its advanced network infrastructure and by transforming itself into an IT powerhouse, almost overnight. Korea can once again stun the world, this time, by extending its IT leadership position to the field of next-generation broadcasting and communication, provided that we complement our abundant physical and human resources with commensurately energetic imagination and innovativeness. The future is not something we wait for, but, something we make.

The 2010 Annual Report reflects the Korea Communications Commission's accomplishments during the year 2010, the lessons it has drawn from both its successes and shortcomings and its hopes and future plans. Broadcasting and communications constitute core infrastructure for a society, which helps increase its overall productivity through the capacities they provide through convergence with other industries. The Korea Communications Commission will continue to be at the forefront of the effort to create a better future for our society.

Thank you for your continued interest and support of the Korea Communications Commission.

March 2011

Choi See Joong

Chairman

Chairman of the Korea Communications Commission



Broadcasting-Telecom Policy Accomplishments in Graphs



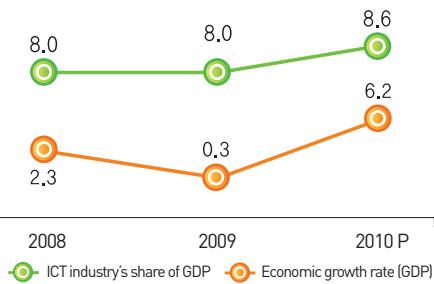
KOREA COMMUNICATIONS COMMISSION ANNUAL REPORT

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

- Broadcasting and communications exports, in areas including WiBro, set-top boxes and broadcasting content, have been steadily increasing, lifting the industry's share of GDP from 8.0% in 2008 to 8.6% in 2010.

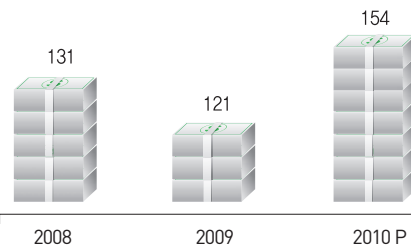
ICT Industry's Share of GDP

(unit : %)



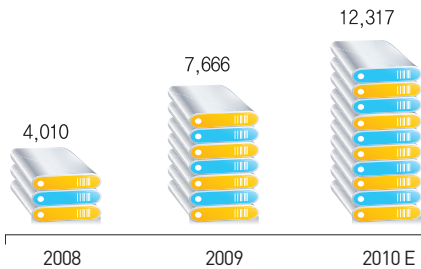
ICT Exports

(unit : US\$ 1bn)



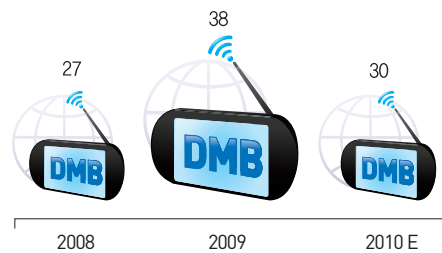
WiBro Exports

(unit : KRW 100mn)



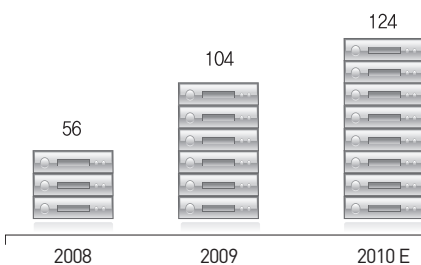
DMB Exports

(unit : KRW 100mn)



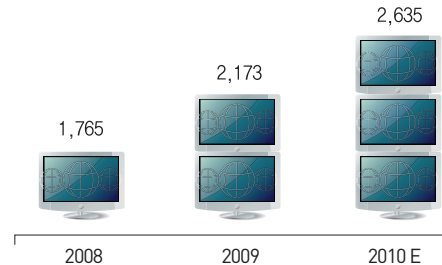
IPTV Set-top Box Exports

(unit : KRW 100mn)



Broadcasting Content Exports

(unit : KRW 100mn)

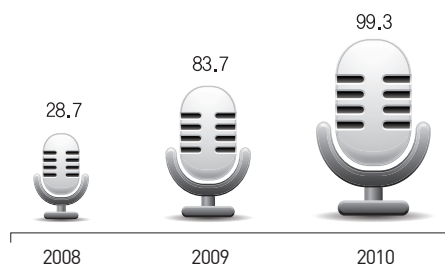


■ The broader deployment of the IPTV service helped stimulate the broadcasting and communications market during this period.

- Today, two years after its commercial launch, IPTV has a subscriber base of 3.659 million (real-time service: 3.086 million subscribers, Pre-IPTV: 0.573 million subscribers).
- The number of IPTV content providers, meanwhile, grew from 93 in 2008 to 304 in 2010, while the number of real-time channels also increased from 84 in 2009 to 99 in 2010.

Number of real-time channels

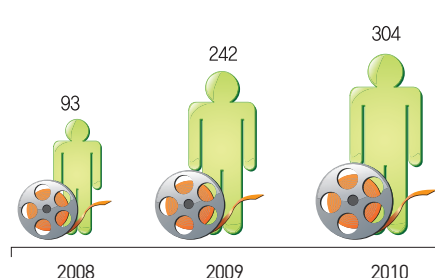
(unit : channels)



Note: The average among the three IPTV operators.

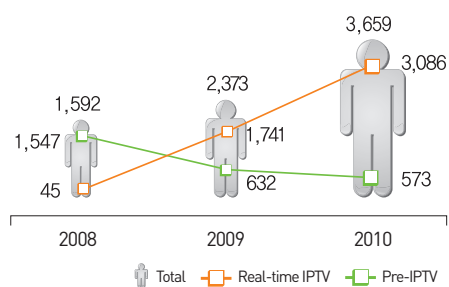
Number of content providers

(unit : firms)



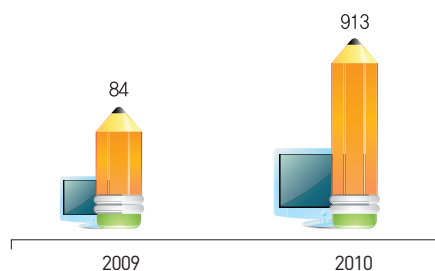
Number of subscribers

(unit : 1,000 subscribers)



IPTV after-school classrooms

(unit : classrooms)

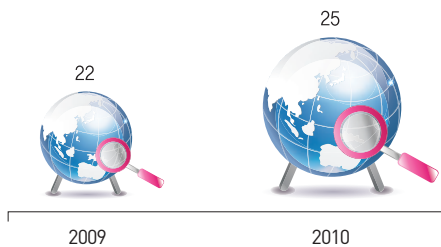


■ To help accelerate the growth of the broadcasting and communications market, measures were undertaken to facilitate the overseas expansion of Korean firms in this sector.

- The number of overseas market development hub countries, in other words, those countries selected to serve as the beachheads for Korean companies' overseas market operations, was increased from 22 in 2009 to 25 in 2010, with the number of strategic product groups now raised to five.
- Trainees invited to attend educational programs in Korea, as part of broadcasting and communications policy support provided toward developing countries, increased from 339 to 450, and the Commission's support toward international joint content development projects was also expanded over the same period.

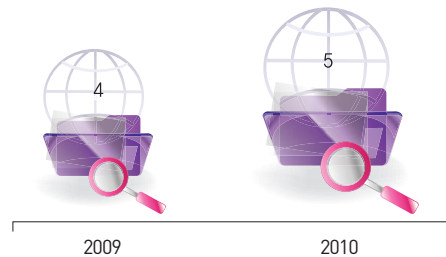
More overseas market development hub countries

(unit : countries)



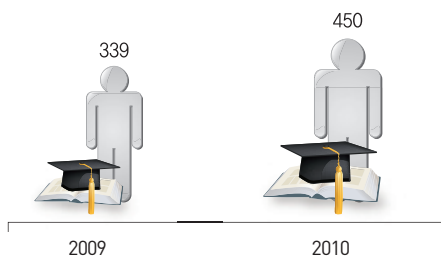
Increase in number of strategic export product groups

(unit : product groups)



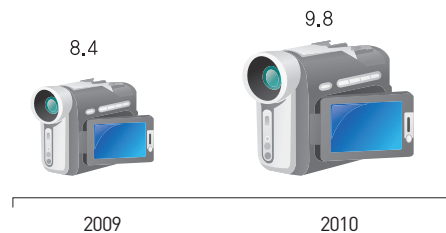
Broadcasting and communications policy support for developing countries

(unit : trainees)



Support for joint international broadcasting content development

(unit : KRW 100mn)

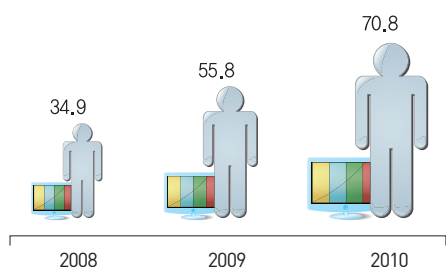


■ To ensure a smooth transition to digital TV, active information efforts were coupled with comprehensive support measures.

- The public awareness of digital TV migration increased from 34.9% in 2008 to 70.8% in 2010, and the rate of penetration of DTV-ready TV sets rose from 38.7% to 64.7% over the same period.
- To facilitate the process of digital TV transition, the amount of financing support from the Commission was also raised from 14 billion won in 2008 to 22 billion won in 2010.

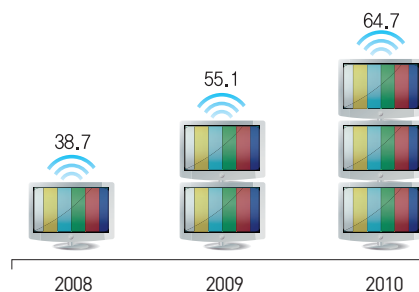
Awareness of digital TV transition

(unit : %)



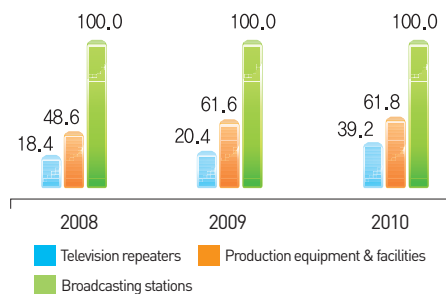
Penetration of digital TV sets

(unit : %)



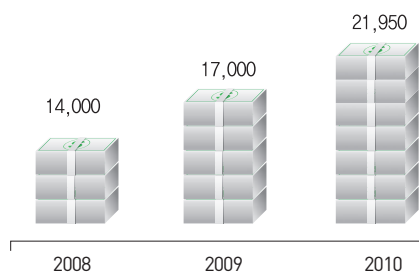
Digital transition in terrestrial TV

(unit : %)



Financing provided toward digital TV transition

(unit : KRW 1mn)

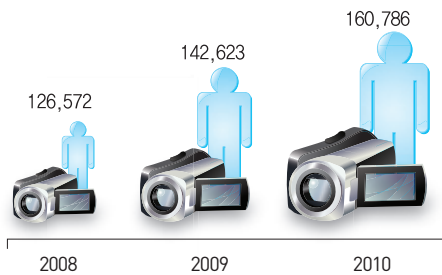


■ **Access to broadcasting among disadvantaged segments of society was improved as well, contributing to the welfare of Korean viewers as a whole.**

- The number of users of the Viewers' Media Center rose steadily to reach some 160,000 in 2010, and the number of viewer-participated programs produced under the Commission's sponsorship grew to 3,500.
- The number of digital TV sets supplied to disadvantaged groups, meanwhile, hit 136,000 units in 2010, in cumulative total.

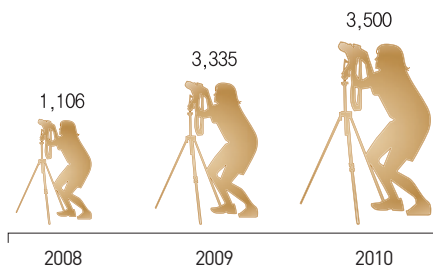
Users of the Viewers' Media Center

(unit : users)



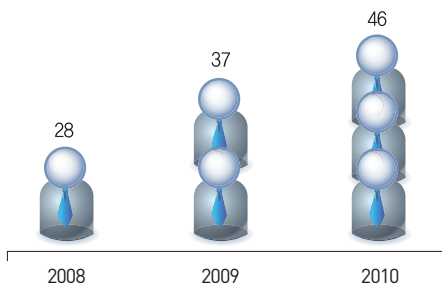
Number of viewer-participated programs sponsored

(unit : projects)



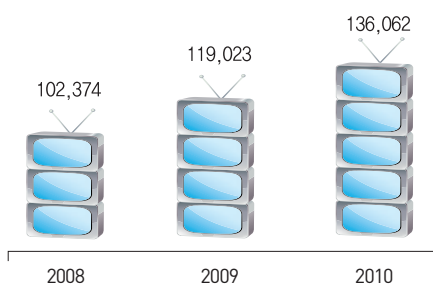
Producers providing programs with closed captioning

(unit : firms)



Digital TV sets provided to disadvantaged populations

(unit : units in cumulative total)

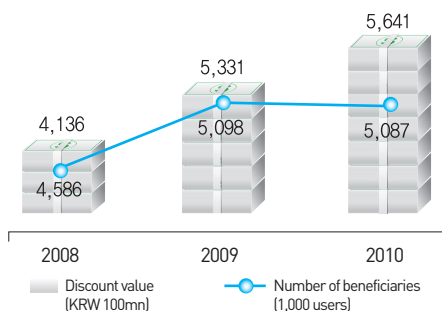


■ Telecommunications tariffs for households were lowered also during this period, helping to alleviate communications expenditure-related financial burden on Korean families.

- The number of low-income users benefiting from the telecom discount program jumped 10.9% from the level in 2008 to nearly 5.09 million in 2010, lifting the total value of discount to 564.1 billion won; a 36.4% increase over the level in 2008.
- The existing 10-second mobile phone billing block, meanwhile, was changed to a one-second block, and fixed and mobile connection rates were lowered again during this period.

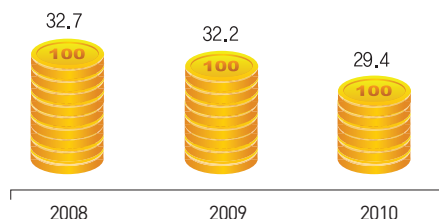
Low-income telecom discount program

(unit : 1,000 users, KRW 100mn)



Change in fixed and mobile connection charges

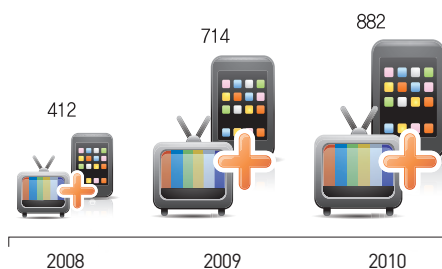
(unit : won/min)



Note. The average among four telecom operators.

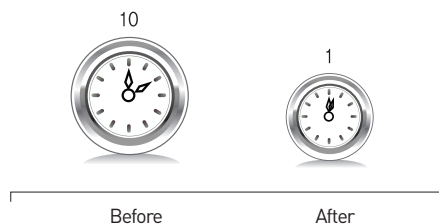
Number of bundled service subscribers

(unit : 10,000 households)



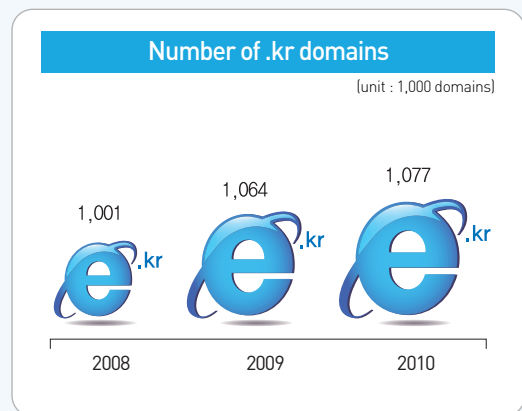
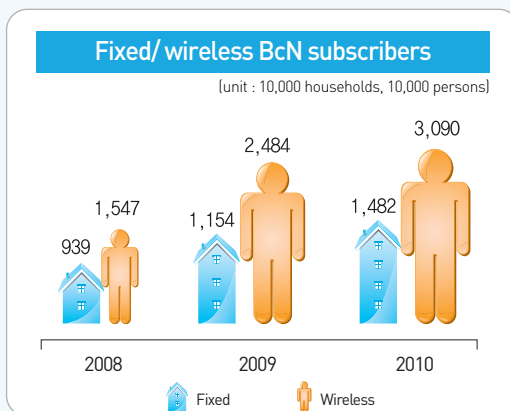
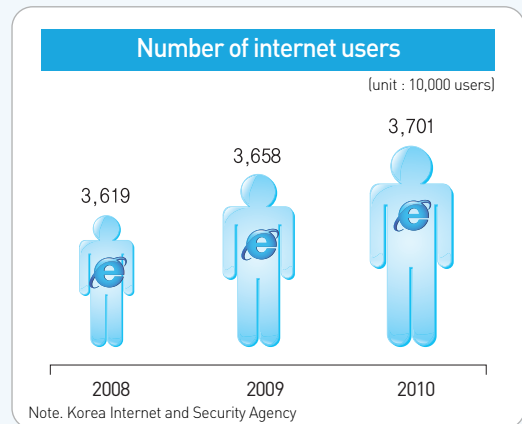
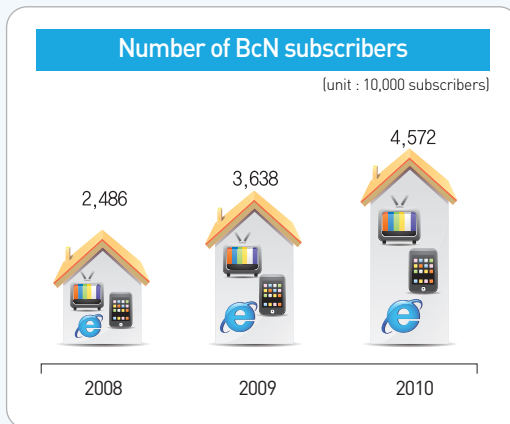
Mobile phone billing block changed

(unit : seconds)



■ The rate of BcN penetration increased, and broadcasting and communications networks were upgraded nationwide to improve, among others, the quality of internet access.

- The 7-year project for constructing BcN came to an end in 2009, providing access to 45.72 million users (fixed: 14.82 million households, wireless: 30.90 million households).
- The number of internet users, currently standing at 37.01 million users, is steadily on the rise, and the number of .kr domains grew 7.6% from the level in 2008 to 1.08 million.

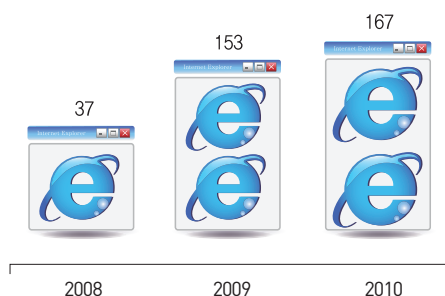


■ Active efforts were made during 2010 to create a wholesome internet and telecom environment adapted for the future information society.

- The number of websites requiring users to register with their real names increased 9.2% to 167 from the level in 2009, and the daily average number of mobile spam calls received per person fell during the same period, continuing the trend from the previous period.
- Meanwhile, the number of internet ethics lecture tours and the operation of internet ethics academies for spreading ethical behavior on the internet steadily rose.

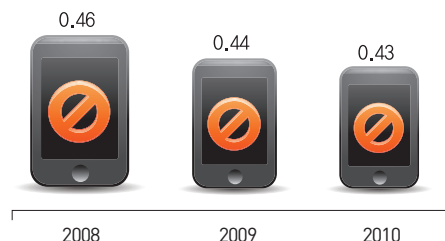
Websites requiring real-name users registration

(unit : websites)



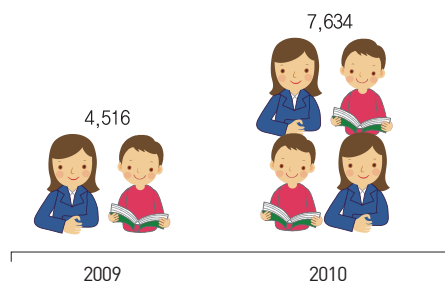
Mobile phone spam (daily average per person)

(unit : calls)



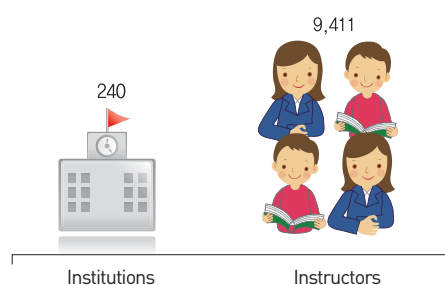
Internet ethics lecture tours

(unit : attendants)



Internet ethics academies

(unit : institutions, instructors)

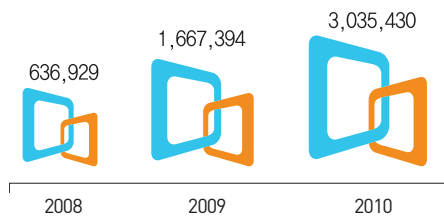


■ By increasing the diffusion of security technology and preventive security services, we have made the internet safer for Koreans.

- In 2010, the number of i-PIN issues stood at 3.04 million, an 82% increase over 2009, and the number of ISMS certificate issues also increased steadily.
- SEED, a Korean security technology, was adopted for 1,869 total systems in 2010, a 62.5% jump over 2009 (719 cases of adoption), and the daily average number of websites with incidence of personal information leakage rapidly declined over the same period.

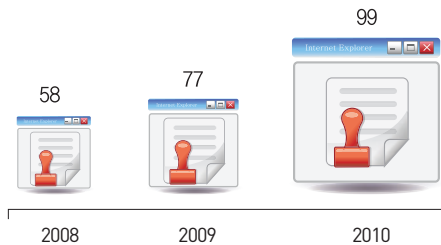
i-PIN issues in cumulative total

(unit : issues)



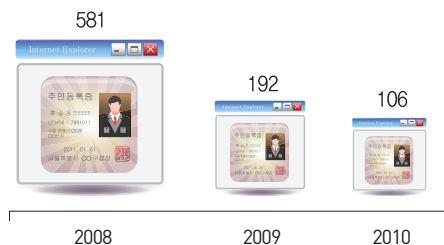
ISMS certificate issues in cumulative total

(unit : issues)



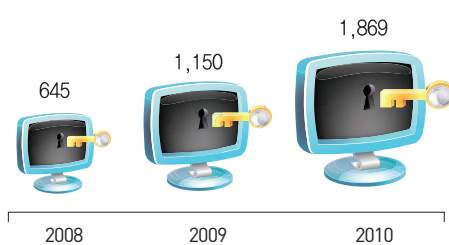
Daily average number of websites with incidence of personal information leakage

(unit : incidents)



Diffusion of SEED in Korea and overseas

(unit : cases of adoption)





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I. The Broadcasting-telecom Policy Environment



KOREA COMMUNICATIONS COMMISSION ANNUAL REPORT

1. Economic Growth and the Broadcasting and Communications Market in 2010
2. The Broadcasting-Telecom Policy Environment of Korea

I. The Broadcasting-telecom Policy Environment

1 Economic Growth and the Broadcasting and Communications Market in 2010

A. Global Macroeconomic Trends

In 2010, the global economy showed signs of brisk recovery. As a result, global GDP grew by a robust 4.6%. The pace of economic growth was particularly lively during this peri-

od among emerging market countries and non-OECD countries. Economic growth gathered momentum also among OECD countries, but its pace was slower.

However, once into the 2nd half of 2010, the rate of economic growth slowed somewhat. This is likely due to the fact that amid the fading effects of fiscal stimulus packages, the private sector was unable to keep up the pace of recovery on its own steam.

〈Table I -1〉 GDP Forecast by Country

(Unit : %)

	2010E		2011E		2012E
	Nov. 2009	Nov. 2010	Nov. 2009	Nov. 2010	Nov. 2010
World	3.4	4.6	3.7	4.2	4.6
OECD countries	1.9	2.8	2.5	2.3	2.8
US	2.5	2.7	2.8	2.2	3.1
Euro area	0.9	1.7	1.7	1.7	2.0
Japan	1.8	3.7	2.0	1.7	1.3
China	10.2	10.5	9.3	9.7	9.7

Sources: OECD Economic Outlook (Nov. 2009 & Nov. 2010); Korea Association for ICT Promotion (data modified by KAIT)

B. Trends in the World Broadcasting Market

PricewaterhouseCoopers (2010) estimated that the world media market was worth US\$ 1.322 trillion in 2009, and predicted that it will grow at a solid average annual rate of about 5.0% in upcoming years, with its value hitting US\$ 1.357 trillion in 2010 and US\$ 1.69 trillion in 2014.

By world region, the market was the biggest in 2009, in Europe, the Middle East and Africa, estimated at US\$ 463 billion in value. The media market, in North America, on the other hand, shrank 6.8% to US\$ 460 billion during the same period, but is expected to steadily grow, thereafter, to reach US\$ 558 billion in 2014. The North American market is predicted to expand at a high average annual rate of 5% after 2008.

〈Table I -2〉 Global Media Market

(unit: US\$ 1bn, %)

Region\Year	2008	2009E	2010F	2011F	2012F	2013F	2014F	CAGR (2010~ 2014)
North America	494	460	466	480	504	527	558	3.9%
Europe / Middle East / Africa	476	463	472	490	516	548	581	4.6%
Asia Pacific	344	348	366	388	415	444	475	6.4%
South America	49	50	53	58	63	70	77	8.8%
Total	1,362	1,322	1,357	1,416	1,498	1,589	1,690	5.0%

E: estimate ; F: forecast

Sources: Global Entertainment and Media outlook: 2010-2014 (PricewaterhouseCoopers, 2010); (data modified by KAIT)

C. Trends in the World Telecommunications Market

As the global economy started to slowly recover since late 2009, investment in the world telecommunications market increased in 2010, and particularly sharply in emerging markets. A rapid diffusion of smart devices

and applications was also seen during this period.

The revenue of the world telecommunications service market stood at US\$ 1.372 trillion in 2009, and is estimated at US\$ 1.402 trillion in 2010, a 2.2% increase over the previous period. The world telecommunications service market is expected to continuously

grow in coming years, at an average annual rate of 3.3%, to reach US\$ 1.598 trillion in value in 2014.

〈Table I -3〉 Telecommunications Service Market by World Region

(unit: US\$ 1bn, %)

Region\Year	2008	2009E	2010F	2011F	2012F	2013F	2014F	CAGR (2010~ 2014)
North America	72.8	64.9	69.1	70.3	75.6	77.5	83.7	5.2%
Europe / Middle East / Africa	44.3	38.6	39.4	40.4	42.4	44.6	47.4	4.2%
Asia Pacific	36.8	34.5	36.5	39.2	42.2	45.7	49.2	7.4%
South America	10.3	10.5	11.3	12.0	13.1	14.1	15.3	7.9%
Total	164.2	148.6	156.3	161.9	173.3	181.9	195.7	5.7%

Sources: World Telecom Services Market (IDATE, 2011); [data modified by KAIT]

2 The Broadcasting-Telecom Policy Environment of Korea

Amid a rapidly-evolving broadcasting and communications environment, the Korea Communications Commission is assisting the nation's broadcasting and communications industry in coping with new challenges facing them and realizing growth through its policy undertakings, aimed at promoting and accelerating the process of digital convergence, upgrading broadcasting to global standards, increasing user welfare, stimulating competi-

tion in the telecommunications market and making the broadcasting and communications use environment safer and more wholesome.

As the world economy returns to growth from the early recovery phase, the priority in the broadcasting and communications policy environment is now to foster this industry into an engine of economic growth. Developing a smart environment to usher in the smart age, reducing the digital divide by improving access to information for all in Korea and supporting green industry to enable sustainable growth are also among top policy priorities.

A. Broadcasting and Communications Industry as an Engine of Economic Growth

Over the past several years, the ICT industry has accounted for a continuously increasing share of the Korean economy. ICT, whose average GDP contribution since 2006 stands

at 8.3%, represented 8.6% of Korean GDP in 2010. However, in 2009, under the effect of the economic downturn, Korea's GDP growth rate fell somewhat. But, the rate of GDP growth accelerated again starting in late 2009, and Korea's GDP in 2010 is estimated at 1.0421 trillion won, a 5.9%p increase over the previous year.

〈Table I -4〉 Growth of the ICT Industry

(unit: %)

Classifications	2006	2007	2008	2009	2010P	Average (2006- 2010)
GDP growth rate (real)	5.2	5.1	2.3	0.3	6.2	3.8
Growth rate of the ICT industry (real)	12.6	8.7	6.8	3.9	13.7	9.1
ICT industry as share of GDP (nominal)	8.5	8.2	8.0	8.0	8.6	8.3

Note: The ICT industry, as defined by the Bank of Korea, includes both ICT device manufacturing (office, computing and accounting machinery and semiconductors and telecom devices) and ICT services (telecommunications, broadcasting, software and computer-related services).

P : preliminary

Sources: Bank of Korea; Ministry of Strategy and Finance; (data modified by KAIT)

Korea recorded a trade surplus in ICT goods and services of US\$ 59 billion in 2009, and US\$ 78 billion in 2010. Comparing this amount with Korea's total trade surplus dur-

ing the same year of US\$ 41 billion gives a very good idea just how important the contribution of ICT is.

〈Table I -5〉 ICT Imports and Exports

(unit: US\$ 1bn, %)

Classifications		2005	2006	2007	2008	2009	2010
Exports	Total exports	284	325	371	422	364	466
	ICT exports	108	119	130	131	121	154
	ICT's share of total exports	38.0%	36.6%	35.0%	31.0%	33.3%	33.0%
Imports	Total imports	261	309	357	435	323	425
	ICT imports	59	65	70	73	62	76
	ICT's share of total imports	22.6%	21.0%	19.6%	16.8%	19.2%	17.9%
Overall trade balance		23	16	15	-13	40	41
ICT trade balance		49	54	60	58	59	78

Sources: Korea Customs Service, National IT Industry Promotion Agency (NIPA); (data modified by KAIT)

B. Ushering in the Smart Age by Building a Smart Environment

In 2010, with the increasing penetration of the smartphone, data traffic expanded sharply. The accelerating diffusion of mobile devices during this period, coupled with the widespread use of wireless internet, inaugurated a new age of mobile consumption, driven primarily by consumers. The current network infrastructure became, as a result, insufficient to meet the rapidly surging demand for data traffic. New network investment is therefore necessary, as is additional frequency spectrum. In the content industry, meanwhile, developers are expected to bring to market new types of content better adapted to consumers' needs, and competition to

seize the initiative in content distribution is likely to lead to fierce marketing wars.

Notably, the year 2010 saw the completion of early groundwork for the smart environment, besides, helping broaden the use of wireless internet. The construction of a Giga internet pilot network, providing a speed ten times the speed of BcN, and the construction of 100Mbps broadband networks in rural areas with less than 50 households are some of the accomplishments made during this period, in the direction of upgrading network infrastructure to effectively meet future demand.

Amid the progress made in the creation of the smart environment, social media are enjoying a growing influence, with the number of their users continuously increasing.

This is likely to bring about an increase in privacy invasion and incidence of cyber crimes and misdemeanors. To be able to effectively respond to internet intrusion incidents, meanwhile, the response system must be overhauled and improved, and training must be conducted to produce more specialized manpower. The preventive response system for illegal spam must also be strengthened, and public awareness efforts are needed to promote decency and good manners on the internet. There should be a widespread awareness that civilized behavior on the internet is an essential requirement for internet users of the smart age, and a mechanism must be set up to ensure high ethical standards in cyber space.

C. Reducing the Digital Divide by Improving Access to Information for All

The efforts devoted over the past decade to building an advanced, world-class network infrastructure, which took the forms of BcN build-up, broadband build-up in rural areas, Giga internet and machine-to-machine communications pilot network, have afforded Korea a solid basis for economic growth. These advanced network facilities have made

possible the rapid diffusion of smart phones, tablet PCs and applications, and the broad use of smart devices and mobile internet, meanwhile, is helping to improve users' access to information.

Thanks to the improvement in the mobile environment brought about by digital convergence and trends toward smart devices, users can conveniently access information they need and form various sorts of communities based on common interests or values to share information and experiences.

On the other hand, the rising demand for information access is driving up telecom expenses for families, at the same time as causing spectrum shortage in wireless communications. For information access to effectively broaden participation in community life for everyone and help erase disparities and inequalities in our society, meaningful progress must be first made toward addressing the above issues.

D. Green Projects to Support Sustainable Growth

Planetary threats like climate change and energy shortage have made the reduction of greenhouse gas emissions and energy saving two crucial imperatives for countries world-

wide. In Korea, carbon emissions are monitored and managed under the 'Framework Act on Low-Carbon, Green Growth', and energy-saving targets are used to guide energy-saving efforts.

The Energy Saving-Target Management Program for Government Agencies is conducted in ten government agencies with the ability to implement an energy saving policy, and applies to all areas where energy is used. The greenhouse gas reduction target for 2010 was set at 4 million TOE, and a reduction potential and an energy consumption rate were assigned to each of the participating government agencies. As a result, the amount of energy saved in the broadcasting and communications field exceeded 12,000 TOE, its portion of the saving target for 2010. The energy saving target for 2011 is set to 15,700TOE, 30% more than the target for the previous year.

Green growth initiatives in Korea are aimed at improving the quality of life for all Koreans and bringing about a green lifestyle revolution. Concretely, they consist of efforts to develop land in a manner to produce less carbon and create more ecological zones. Meanwhile, as a contributing member of the international community, Korea intends to take an active part in the global dialogue on climate change.

At the same time as using the green paradigm as a source of a new momentum for national growth, Korea plans to set the example for the international community as an advanced green nation, leading the global effort for green growth.

II. Policy Goals of the Korea Communications Commission



KOREA COMMUNICATIONS COMMISSION ANNUAL REPORT

1. Overview
2. Main Accomplishments in 2009
3. Policy Goals for 2010

II . Policy Goals of the Korea Communications Commission

1 Overview

The Korea Communications Commission (hereinafter the 'KCC') was established by the 'Act on the Establishment and Operation of the Korea Communications Commission,' as a collegial body directly reporting to the President of the Republic of Korea. The purposes of the KCC, as the regulator of broadcasting and telecommunications, are to proactively respond to the phenomenon of convergence between broadcasting media and telecommunications; guarantee the freedom of broadcasting and its public and public-interest nature; and ensure a balanced growth between broadcasting and telecommunications so as to strengthen the international competitiveness of both fields.

The KCC is responsible for establishing policies to guide the process of convergence between broadcasting and telecommunica-

tions as well as policies for promoting converged digital services and developing related technologies; establishing spectrum-related policies and managing spectrum resources; establishing broadcasting and telecommunications policy; developing pro-competition policies for the broadcasting and telecommunications market; upgrading broadcasting and communications networks; preventing undesirable effects of broadcasting and communications; establishing policies for protecting broadcasting and communications users; and investigating unfair practices by broadcasting and communications businesses and mediating industry disputes and business-consumer disputes.

The KCC is composed of five standing members including the president and the vice chairman. Of the five standing members, two including the chairman are directly appointed by the President of the Republic of Korea, and the remaining three are nominated by the National Assembly and appointed by the

President of Korea.¹⁾ The standing members deliberate and vote on important issues related to broadcasting and telecommunications and the operation of the KCC (see Appendix).

There are fifteen laws that are directly and indirectly related to the KCC and its areas of responsibility, as listed below (see Appendix):

- Legal basis for establishment: The Act on the Establishment and Operation of the Korea Communications Commission
- Digital convergence: Two laws including the Framework Act on the Development of Broadcasting and Communications
- Broadcasting: Four laws including the Broadcasting Act and the Korea Educational Broadcasting System Act
- Communications: Eight laws including the Telecommunications Business Act and the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.
- Radio waves: Radio Waves Act

In May 2010, an organizational overhaul was undertaken, creating a new division responsible for next-generation internet, to strengthen the Commission's capacities in this area.

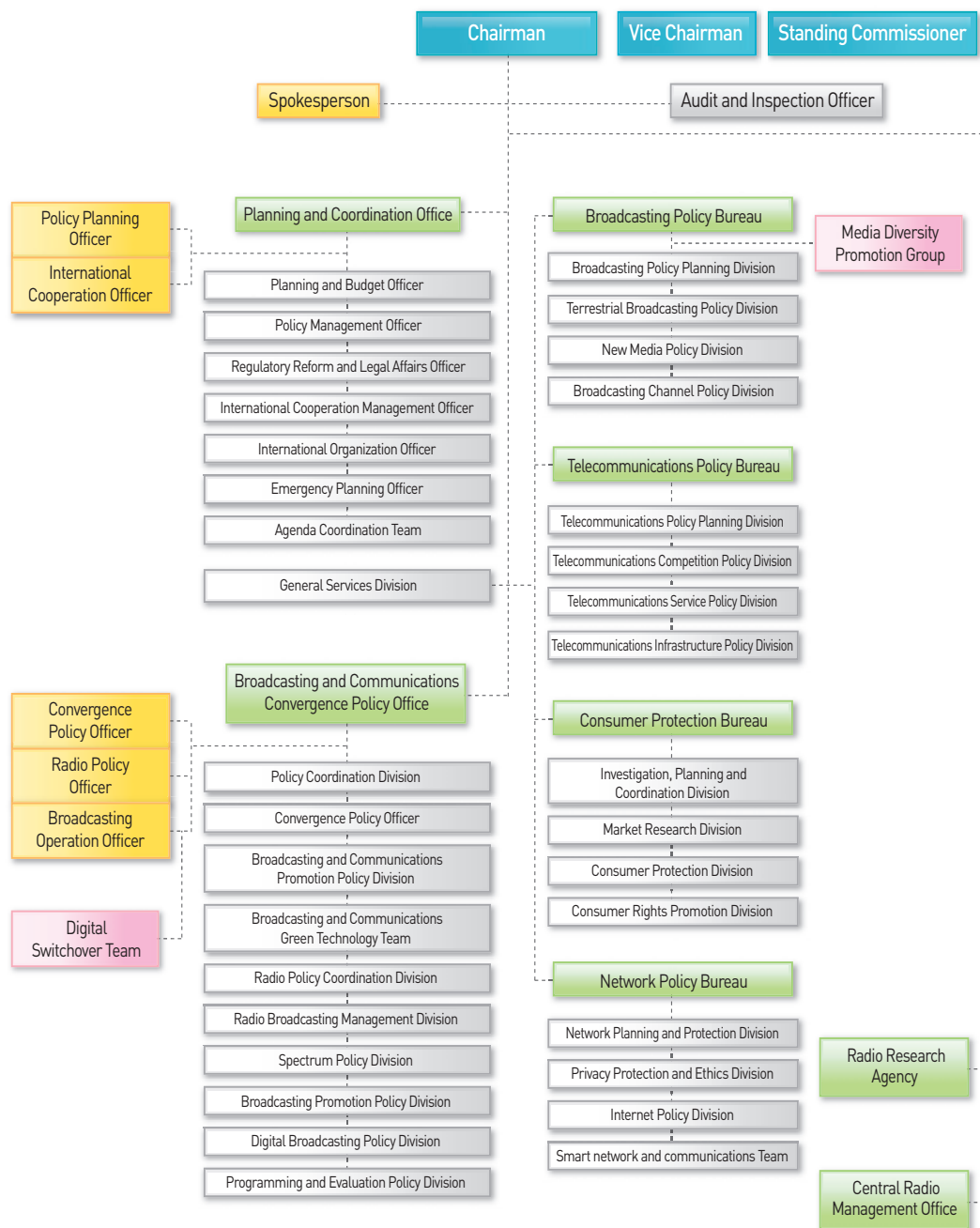
Meanwhile, to align the overall organization of the Commission and the organization of institutions under its jurisdiction with the changing broadcasting and communications environment, some of their divisions were renamed or assigned changed functions.

Following the overhaul, the Commission's organization comprises two offices, four bureaus, six chief officers, 32 departments and three teams, as shown in the chart below (for the details of the division of responsibilities, see Appendix).

In 2010, the Commission's budget expenditures amounted to 598.3 billion won, which breaks down, by funding source, to 324.6 billion won for the general account, 6.5 billion won for the Innovative City Construction special account, and 266.2 billion won for the funds. By field, the amount breaks down to 266.2 billion won for culture and tourism and 332.1 billion won for communications.

1) One of the three standing members is nominated by the negotiating body of the political party to which the President of the Republic of Korea belongs or used to belong, and the remaining two, by other negotiating bodies.

〈Figure II -1〉 Organization Chart



* The units shaded yellow are temporary units.

〈Table II -1〉 Korea Communications Commission's Budget in 2010

(unit : KRW 100mn)

Classifications		2009	2010	Change	% change
Total (Budget + Funds)		5,836	5,983	147	2.5%
By Funding source	□ Budget	2,923	3,321	398	13.6%
	• General accounting	2,912	3,256	344	11.8%
	• Innovative City Development special accounting	11	65	54	502.6%
	□ Fund appropriations	2,913	2,662	△251	△8.6%
	• Korea Broadcasting Development Fund	2,913	2,662	△251	△8.6%
	※ The portion of the Information and Communications Promotion Fund managed by the Commission	2,960	3,158	198	6.7%
By Field	□ Telecom	3,130	3,321	398	13.6%
	□ Culture and tourism	2,983	2,662	△251	△8.6%
By Expense Category	□ Wage and compensation	896	907	11	1.3%
	□ Basic expenses	167	159	△8	△4.8%
	□ Project costs	3,862	4,286	701	19.6%
	• Acceleration of broadcasting and communications convergence and digital transition	1,150	1,132	132	13.2%
	• Improvement of the quality of broadcasting and communications services and the promotion of their use	916	984	94	10.6%
	• Upgrading network infrastructure and strengthening information protection	589	948	359	61.0%
	• Protection of users' rights and the creation of a fair competition environment	257	231	△26	△10.1%
	• Development of infrastructure for radio and broadcasting industry and support for overseas expansion	694	719	126	21.3%
	• Other administrative support	256	272	16	6.3%
	□ Internal transactions (transfers between accounts and between funds, etc.)	300	500	200	66.7%
	□ Financing (using surplus funds from the Broadcasting Development Fund)	887	131	△756	△85.2%

Note 1. The value of financing projects by the Korea Communications Commission, using funding sources managed by other government agencies.

*Information and Communications Promotion Fund (managed by the Ministry of Knowledge Economy): 296 billion won in 2009 * 315.8 billion won in 2010 (R&D, standardization, etc.)

Note 2. Changes and % changes from the corresponding data in 2009.

Public institutions under the jurisdiction of the Commission and organizations affiliated

with it are listed in <Table II -2> and <Table II -3> below:

<Table II -2> Public Institutions under the Jurisdiction of the Korea Communications Commission

Name of institution	Title of the Head of institution	Head of institution	Legal basis for establishment	Purpose of establishment/ key responsibilities
Korea Communications Agency (KCA)	Director	Yoo-Suk Yang	Article 66 of the Radio Waves Act	Conducting projects aimed at the efficient management of radio waves and promoting broadcasting and communications, and radio waves; management of the Broadcasting and Communications Fund; tasks and projects commissioned by the government.
Korea Internet and Security Agency (KISA)	Director	Jong-ryeol Suh	Article 52 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.	Upgrading information and communications networks (excluding duties related to the construction, improvement and management of information and communications networks); promotion of the safe use of information and communications networks; international cooperation in broadcasting and communications and efficient support of overseas market bids by Korean broadcasting and communications businesses.

〈Table II -3〉 Organizations Affiliated with the Korea Communications Commission

Name of institution	Title of the Head of institution	Head of institution	Legal basis for establishment	Purpose of establishment/ key responsibilities
Korea Broadcasting System (KBS)	President	In-gyu Kim	Article 43 (1) of the Broadcasting Act	Setting high standards for broadcasting as a state-run national broadcasting network; efficient management of Korean and overseas broadcasting.
Korea Educational Broadcasting System (EBS)	President	Deok-hoon Kwak	Korea Educational Broadcasting System Act	Complementing school education through its educational programs; providing lifelong education for Koreans; contributing to the development of education in Korea and ensuring equal access to education.
Korea Educational Broadcasting System (EBS)	President	Jae-woo Kim	Foundation for Broadcast Culture Act	Ensuring that broadcasters fulfill their social responsibility; contributing to the advancement of broadcast culture in Korea and welfare of Koreans.

2 Main Accomplishments in 2009

A. Promotion of Converged Digital Media Services and Smooth Transition to DTV

In 2010, a viable market was created for the IPTV industry by expanding its subscriber base and the pool of IPTV content providers and distributors. An equally impressive progress was made on the technology front; IPTV2.0 and other related technologies were developed, and the selection of technical ele-

ments to be standardized was completed, allowing the standardization of closed captioning for IPTV broadcast. A new IPTV-based public service model, making most of its interactivity, was developed for use in fields like defense, education, public health and tourism. Meanwhile, new price plans were introduced, offering greater choice to IPTV users.

A new content industry strategy was drawn up to guide future efforts in this direction (Jun. 2009). Titled "Measures for Strengthening the Competitiveness of the Broadcasting and Communications Content Industry," it lays

down a series of new measures for creating a fair competition environment and boosting the competitiveness of small and medium-size content developers.

Noteworthy steps were taken in terms of legislative and regulatory improvements to facilitate the process of digital transition. Various special laws were amended, stipulating among others, the obligation of broadcasters to set up digital broadcasting stations (Apr. 2009). The 'Basic Plan for Digital Transition' (Jun. 2009) and the associated implementation plan (Dec. 2009) were established, as well as the 'Implementation Plan for the Pilot Project for the Acceleration of Digital Transition' (Dec. 2009) and the 'Plan for the Improvement of the Digital Broadcasting Reception Environment (Dec. 2009).'

The stepped-up information efforts on DTV transition raised substantially the level of public awareness of digital transition, including the awareness of the complete phase-out of analog TV broadcasting in 2012 (34.9% in 2008_ 55.8% in 2009). The rate of penetration of digital broadcasting reception devices also increased significantly (38.7% in 2008_ 55.1% in 2009).

B. Policy Undertakings to Increase User Welfare

Prices of mobile communications were massively lowered following the improvement of the mobile tariff system (Sep. 2009). Under the new tariff system, prices were slashed across the board, including the one-time subscription charge (20-27%), wireless data and prepaid call prices (15.5-23%) and the discount for long-term subscribers. Meanwhile, the waiver of the tariff approval requirement is now extended to more types of bundled services; which had the effect of making various service bundles offering large discounts available to consumers, helping reduce telecom expenses for households. Changes were also made in the low-income mobile discount program so that more people can benefit from this program, and a system was set up so that its beneficiaries can obtain discounts through a few simple steps.

Rule changes were also made concerning dispute resolution so that disputes over telecom service tariffs can be speedily reviewed and resolved (February 2009). A new service for checking any inactive mobile phone numbers (accounts) was launched (Dec. 2009) as well. Procedures for processing government-to-citizens services at the Commission were improved, resulting in a significant increase in

the rate of cases processed by the statutory deadline (89.3% → 99.8%). The welfare of telecom users was also enhanced at the level of number portability. The start of number mobility for internet telephony (VoIP), coupled with measures undertaken to simplify procedures for number mobility, shortened the time taken to complete the process (5 days → 1 day).

To protect the rights and interests of TV viewers, guidelines were prepared for service agreements for pay TV services. Meanwhile, to improve access to broadcasting for disadvantaged populations, a series of projects, costing 25 billion won (2000-2009), was implemented, providing reception devices specially designed for hearing-impaired viewers including the elderly and sponsoring the production of programs providing closed captioning or sign language interpreters.

A follow-up administrative notice on events of national interest was issued (Nov. 2009) to prevent excessive competition over transmission rights to such events as the Asian Games, football ('A' matches) and baseball (WBC) games and guarantee universal access to their broadcast. In the meantime, for the benefit of international residents or visitors in Korea, an English-language FM broadcast was launched in the Seoul metro-

politan area, Busan and the Gwangju area.

Under the goal of creating a test-bed for next-generation networks capable of providing high-quality, large-capacity multimedia services, a detailed plan was drawn up for the introduction of Giga internet (Apr. 2009). A test Giga internet network was set up, and new service models, including 3D VoD, were selected to offer pilot services to some 700 households (Oct. 2009). A pilot machine-to-machine communications network was set up as well, under a project linked with the public-sector digital convergence project, and service models based on machine-to-machine communications were also developed.

A series of measures to upgrade network infrastructure were undertaken. Low-interest loans were issued for network construction projects in rural areas, enabling IPTV, VoIP and other new converged digital services (Jun. 2009). The construction of BcN was made mandatory for telecom operators, undertaking M&A with other telecom operators (Dec. 2009). A new budget was secured to finance network projects for remote areas with less than 50 households (Dec. 2009).

As part of an effort to prepare an effective security system for national network infrastructure and increase safety on the internet,

a strategy titled 'Comprehensive National Cyber Crisis Response Measures' was established for government-wide application (Sep. 2009). Meanwhile, as a preventive solution to mobile spam, the maximum number of text messages a user can send per day was lowered (1,000→500), and restrictions were imposed on the opening of new accounts by those with known records of sending spam messages or people with low credit ratings; this has proved effective in reducing the volume of spam messages.

C. Creation of a Competitive Environment in the Broadcasting and Communications Market and Regulatory Reform

To create a legal framework for convergence between broadcasting and communications, the 'Framework Act on the Development of Broadcasting and Communications (hereinafter the "Framework Act")' bill was submitted to the National Assembly (Dec. 18, 2008). The converged digital media industry (converged broadcasting-communications industry) was, meanwhile, selected as one of the 17 new engines for economic growth (Sep. 13, 2009), and a detailed plan for foster-

ing its growth was established.

In the broadcasting industry, there was regulatory easing at several levels. The shareholding limit per person, applying to broadcasting companies, was raised, and rules related to the prohibition of running a general or news content business or holding shares in such a business by large corporations, newspapers and news agencies and foreign entities were eased as well (Jul. 2009). New types of advertising such as virtual and indirect ads were allowed to increase the demand in the advertising market.

The Broadcasting Act was amended (Jul. 2009) to repeal provisions requiring broadcast advertising to be reviewed by government institutions before airing and allow broadcasting networks to conduct internal reviews or have an external organization conduct reviews; granting, thereby, a greater level of autonomy to broadcasters.

As part of an effort to create a fair business environment in the broadcasting market, system operators (SO) are now required, as a condition for their re-licensing, to pay at least 25% of their TV service fee revenue to businesses using broadcasting channels, so as to ensure that PPs (program providers) are paid fair prices for the programs they provide. The effort to encourage broadcasting networks to

use externally-produced programs continued. As a result, the number of TV production studios increased 4.9% from the level a year earlier, and the external production costs of terrestrial broadcasting networks jumped 12.7 billion won over the same period; signs indicating a brisk growth of the independent TV production market.

All broadcasters, including terrestrial networks, system operators and satellite broadcasters, are annually evaluated for their programming and areas of activity, and the results of these evaluations are taken into consideration during the re-licensing or re-approval review. This practice has greatly helped, over the years, to improve the quality of broadcasting programs.

Meanwhile, to boost the competitiveness of the telecommunications market, a comprehensive policy regarding telecom resellers (MVNOs, Mobile Virtual Network Operators, etc.) was established, making it also possible for operators without facilities or spectrum to enter the telecom market.

Technical standards for low-power radio devices, closely related to everyday life in Korean society, have been largely improved. The power limit for low-power radio devices that may be used without reporting to the authority or obtaining approval was adjusted

upward. Meanwhile, the range of devices classified as low-power, specific-purpose TV repeaters was extended to include radio devices used for the TRS of private networks.

As for the project for spectrum re-allocation for 48 radio stations using the 950MHz band, 22 broadcasters operating these stations were compensated for losses incurred from the spectrum relocation in accordance with a comprehensive compensation plan, providing a precise method for determining the amount of compensation.

D. Overseas Expansion Support Policy to Enhance the International Status of Korean Broadcasting and Telecommunications

An implementation plan was established for 'Friendly Digital Korea,' one of the top 10 tasks for the enhancement of Korea's national brand. To assist the overseas expansion of the Korean broadcasting and communications industry, roadshows were held in various locations worldwide, and consulting provided to foreign governments with Korean broadcasting content showcased around the globe.

The Commission also took an active part in activities by international organizations such as ITU, OECD and APEC. As a result, five

members of the Commission currently hold the office of chair or vice-chair at OECD, 14 at ITU, and four at APT, increasing the integration of Korean broadcasting and communications into the international community. Meanwhile, the hosting of broadcasting and communications ministerial meetings, broadcasting and communications conferences and other high-profile international events has done wonders for Korea's status on the world scene, allowing it to take a leadership role in the global dialogue about future visions and policy directions.

The Commission also made active efforts for the diffusion of the Korean ICT policy model by providing broadcasting and communications policy-related consulting to developing countries and inviting foreign officials for training in Korea. In the meantime, the Commission supported the effort to develop world markets for Korean broadcasting and help expand the Korean wave market, through various ODA (Official Development Assistance) projects, including providing free broadcasting equipment to poor countries.

3 Policy Goals for 2010

Under the overriding goal of building a 'world-class broadcasting and communications nation,' the Commission gave itself the mission to extend the benefit of safe and easily accessible broadcasting and communications services to all Koreans in a manner to increase the economic and social efficiency of Korea and contribute to harmony and the quality of life in Korean society," while formulating the vision: 'A Dynamic First-Class Communications Nation.'

To proactively respond to changes occurring in the policy environment, such as the growing industrial and economic role of broadcasting and communications, intensified competition and increased efficiency in the telecommunications market and growing threats to the reliability and safety of network infrastructure, the Commission selected the following four priorities for its policy undertakings: diffusion and acceleration of digital convergence; upgrading broadcasting to global standards; increasing user welfare and promoting competition in the telecommunications market; and creating a safe and wholesome broadcasting and communications use environment.

〈Figure II -2〉 Policy Goals for 2010



III. Performance of the Broadcasting and Telecommunications Policy in 2010



KOREA COMMUNICATIONS COMMISSION ANNUAL REPORT

| Paragraph 1. |

Accelerating the Process of Digital Convergence and Broadening its Reach

1. The Expansion of Broadcasting and Communications Convergence Infrastructures
2. Promotion of Broadcasting and Communications Convergent Services
3. Promotion of Conversion to Digital Broadcasting
4. Overseas Provision of Broadcasting and Telecommunications Services
5. Energy-saving Policies for the Broadcasting and Communications Industry

| Paragraph 2. |

Broadcasting Practices of International Standards

1. Increased Competitiveness of the Broadcasting Market
2. More Public Responsibilities of Broadcasters
3. Increased Broadcasting Diversity
4. Increased Broadcasting Freedom due to Deregulation
5. Improved Broadcasting Quality and Guarantee of the Right to View Broadcast Programs

| Paragraph 3. |

Improvement of User Convenience and Promotion of Competition in the Communications Market

1. Convenient and Safe Communications Environment
2. Systemic Improvement to Promote Competition in the Communications Market
3. Promotion of New Communications Services
4. Promotion of Efficient Use of Radio Wave Resources
5. Maintenance of Regulatory Systems for Market-friendly Frequency Use

| Paragraph 4. |

Formation of a Safe and Sound Broadcasting and Communications Environment

1. Improvement of Internet Safety and Reliability
2. Enhancement of Networks and Activation of Their Use
3. Fostering Fair Competitive Environment and Strengthening the Protection of Users
4. Improvement of Viewer Services and Expansion of TV Access Opportunities

III. Performance of the Broadcasting and Telecommunications Policy in 2010

Paragraph 1 | Accelerating the Process of Digital Convergence and Broadening its Reach

1 The Expansion of Broadcasting and Communications Convergence Infrastructures

A. Improvement to the Legal System Following the Convergence of Broadcasting and Communications

The Korea Communications Commission (hereinafter referred to as the KCC) established a unified legal system for broadcasting and communications in order to effectively manage a wide range of convergent environments including digital cable TV, IPTV, and smart TV. Endeavors were made to systemize the laws on the development and promotion of broadcasting and communications.

In 2010, 「the Framework Act on Broadcasting and Communications Development」 (hereinafter referred to as the "Framework

Act") was established to regulate the development and promotion of broadcasting and communications. It effectively laid down the foundation required for a boost in the broadcasting and communications industry. The Framework Act will regulate broadcasting and communication planning, broadcasting and communications industry promotion, and disaster management as a means to enhance the welfare of Koreans and to promote broadcasting and communications development. The Framework Act will also see the creation of the Broadcasting and Communications Development Fund, which will be used to systematically support related industries.

Following the establishment and enforcement of the Framework Act, the KCC devised the establishment of the Framework Act on Broadcasting and Communications Development Enforcement Decree to regulate elements of the Framework Act that were trans-

ferred and enforced as Presidential Decrees. The draft of the Framework Act on Broadcasting and Communications Development Enforcement Decree stipulates the management of the Broadcasting and Communications Development Fund, the designation of fund operators, the standardization of broadcasting and communications, and the management of broadcasting and communications disasters.

B. Efficient Management of the Broadcasting and Communications Development Fund

In December 2010, drafts of the Guidelines on the Levy and Collection of Broadcasting and Communications Development Fund Fees and the Broadcasting and Communications Development Fund Management Regulations were prepared to financially support the systematic and comprehensive execution of broadcasting and communications promotion activities.

The Guidelines on the Levy and Collection of Broadcasting and Communications Development Fund Fees stipulates the calculation and collection of fees that are due from broadcasting service providers and Internet multimedia broadcasting service providers.

The draft of the Broadcasting and Commu-

nications Development Fund Management Regulations stipulates the basic aspects of fund management including the operation of the Broadcasting and Communications Development Fund Operation Council and the commissioning of tasks to the Korea Communications Agency. This draft is scheduled for finalization in December 2010 before being reviewed by the Regulatory Reform Committee in early January 2011. It will be voted on at the Regulatory Reform Committee's general meeting in mid January.

C. Development and Standardization of Core Broadcasting and Communications Technology

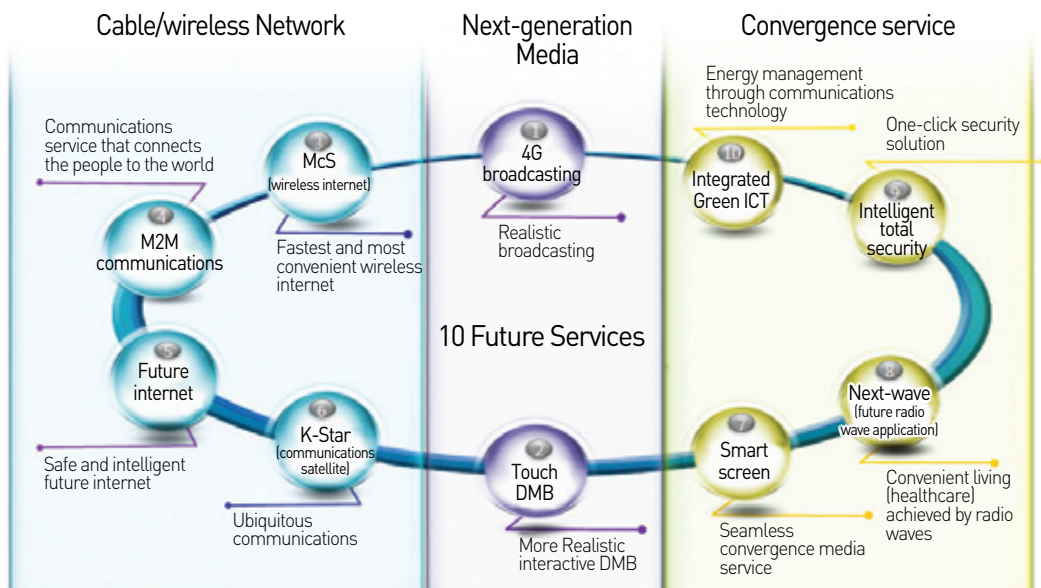
The Future Broadcasting and Communications Service Strategies were announced on May 7, 2010 as a means to energize the broadcasting and communications market and to create new growth engines. These strategies are the first comprehensive R&D plan to be implemented in the broadcasting and communications industry by the KCC since its establishment. The Future Broadcasting and Communications Service Strategies are critically noted as a blueprint for broadcasting and communications services in the future.

The KCC is planning to concentrate the

investment of the Broadcasting and Communications Development Fund (to be established in 2011) in R&D for 10 future services in accordance with the Framework Act that was established in March 2010. This plan is expected to present a new paradigm of

growth in the Korean broadcasting and communications industry by reforming and enhancing the positive cycle of technological innovation, service creation, and device/software industry growth.

〈Figure III-1〉 10 Future Broadcasting and Communications Services



In June 2010, the core WiBro and LTE system technology that was developed for early advancement into the 4G market was presented to the ITU-R and subsequently passed as an international standard at an International Standards Meeting (ITU-WP5D). Cheollian, the first Korean-made communications satellite, was built and launched in the same year. Furthermore, the Advanced T-DMB technology (up to 2 times the bandwidth of conventional T-DMB) was selected as a Korean standard and the TTA 20-pin mobile phone charging terminal standard was selected as an ITU international standard.

D. The Development of Broadcasting and Communications Professionals

The development of broadcasting and communications professionals commenced in 2010 with a focus on the development of broadcast media professionals, and broadcasting and communications technology professionals.

The development of broadcast media professionals involves the advanced training of producers, writers, and other broadcasting service personnel and the development of human resource pools for the performance enhancement of active professionals in the

promising fields of broadcast media and conversion to digital broadcasting.

Broadcasting and communications technology professionals are developed to be communication network equipment personnel required for the establishment of high-speed communication networks and the advancement of user networks.

Moreover, postgraduate personnel (Master's degree and Ph.D. holders) and specialized educators that have been trained to educate broadcasting technicians and digital cable TV technicians were provided by the Communications Policy Research Center.

2 Promotion of Broadcasting and Communications Convergent Services

A. The Discovery of New Convergent Services

The KCC held the 1st Conference on Government-Private Management of Broadcasting and Communications Convergent Services on January 28, 2010. Topics covered at the conference included the manage-

ment of changes in the broadcasting and communications convergent environment, the development of new convergent services, and increasing the competitiveness of the Korean broadcasting and communications convergent industry by using Korean-made technologies.

On May 28, 2010, the Green Broadcasting and Communications Conference was held to discuss broadcasting and communications convergent service strategies. A decision was reached at the conference for the private sector to develop and commercialize diverse convergent service models while the government is to execute trial operations in various areas of the public sector (education, public administration, transportation, healthcare, agriculture, small businesses, and finance) and to provide systemic support.

B. Support of IPTV Growth

Commercial IPTV service, the quintessential broadcasting and communications convergent service, commenced in November 2008 after service providers were selected in September 2008. Various partnerships were formed with related industries in 2010 to

expand IPTV-based public services.

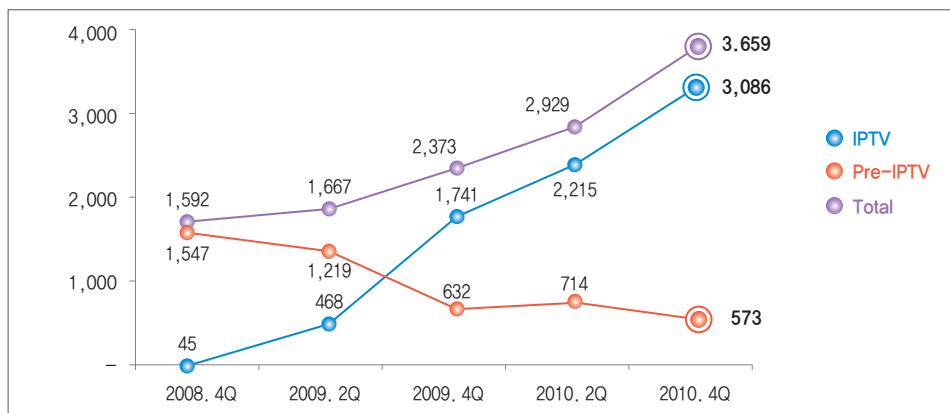
Public service models based on demand in the fields of education and national defense were developed in cooperation with various government agencies. Starting in May 2010, IPTV was supplied to all schools in Korea. As of December 2010, IPTV has been supplied to 38,755 classes throughout Korea. Starting at front-line military bases, video meetings, CUG, education and self-development services commenced in June 2010 and as of December 2010 are now in operation in 29,138 locations.

Moreover, various IPTV associations, companies, and local governments have come together to install and operate IPTV education facilities at local childcare centers for children of low-income families. 913 of such IPTV education facilities are currently in operation throughout Korea and are expected to close the education gap and present new educational models.

The number of IPTV subscribers reached 3 million in only 2 years after service commencement (as of December 17, 2010). As of December 31, 2010, there are 309 real-time IPTV subscribers and the total number of IPTV subscribers (pre-IPTV included) is approximately 3.7 million.

〈Figure III -2〉 Change in the Number of IPTV Subscribers in Korea

(Unit: 1,000 subscribers)



As of December 2010, there are 304 registered and approved IPTV content companies. These companies have been developing new IPTV technologies, such as the multi-angle service and 3D viewing, since 2010 to take the content market in a new dimension.

Meanwhile, the IPTV service providers contributed to Korea's image of a technology powerhouse by providing portable terminals and WiBro-based wireless IPTV service to key attendees at the 2010 G20 Summit Meeting.

C. Smart TV Environment Analysis and Policy Formation

In response to the increased public interest in smart TV, which is due to the proliferation

of smartphones and tablet PCs, the KCC acknowledged that smart TV transcends the boundaries of the conventional TV market and is analyzing the role of smart TV and all other smart devices (smartphone, tablet PC) in the greater environment that also includes contents and networks.

The KCC founded the Smart TV Strategies Team in September 2010 to promote the smart TV industry through regulatory system inspection and to redefine the roles of the public and private sectors in the smart TV industry. To successfully adapt to the rapidly changing smart media environment, trial operations and government-private forums will take place to create an open and innovative environment for cooperation between businesses; and media use behaviors and

market influences will be stringently analyzed to enhance regulatory systems.

D. Increased Competitiveness of the Broadcast Content Industry

1) Founding of the Digital Broadcast Content Support Center

The Digital Broadcast Content Support Center provides comprehensive support for content production, broadcasting, and distribution through its various facilities, which include studios, editorial rooms, broadcasting rooms, and offices. It will be built on a site of 10,702m² (total floor area: 55,952m², 18 ground floors and 4 basement floors) in Hallyu World in Janghang-dong, Goyang, Gyeonggi-do and will be comprised of studios (1 large, 1 medium, and 4 small), one relay mobile, and 16 editorial rooms. The Digital Broadcast Content Support Center is designed to be used by broadcasting channel operators (PP) and independent production companies.

The KCC foresees that the Digital Broadcast Content Support Center will greatly benefit small and medium content companies that are having difficulty in content production. Construction is scheduled for completion in late 2012 and an infrastructure required by small and medium content companies to pro-

duce and broadcast HD and 3D contents will be ready by 2013, the year in which digital broadcasting is expected to take place at a full scale.

2) Establishment of the Broadcast Content Investment Union

The KCC plans to encourage increased investments by the private sector in the broadcast content industry through government investment. 10 billion won was invested by the government in 2010 for the joint formation of the Broadcast Content Investment Union with the private sector.

A broadcasting and communications account was newly opened in the Small and Medium Business Fund of the Funds Union (Korea FOF). It was created to support the growth of small and medium businesses, and the fund has been reinvested in subsidiary broadcast content unions. The operation of new broadcast content investment unions in the future is expected to promote the production of promising next-generation contents and allow the private sector to contribute to the advancement of the broadcast content industry.

3) Broadcast Content Product Support

The KCC has made ongoing efforts to

increase viewer satisfaction and service provider efficiency by supporting the production and distribution of high-quality programs that are in the public's interest and also creative programs that are suitable for the media convergent environment.

In 2010, the production of 109 broadcast programs was supported. Some of the programs were, "The Tropical Jungle of Congo: The Last Legacy of the Earth" (KBS), "Tears of Africa, Tears of the South Pole" (MBC), "The Last Tundra (SBS)," and "The Spirit of China" (Korea HD Broadcasting Corp).

Notable achievements in broadcast content production in 2010 were the commencement of support for global (exported) content production, the implementation of a point system in the review of 3D contents to promote production, and follow-up assessment of programs that received production support.

3 Promotion of Conversion to Digital Broadcasting

A. Conversion to Digital Broadcasting

1) Trial Termination of Analogue Broadcasting

Uljin-gun, Gangjin-gun, Danyang-gun, and Jeju were selected for digital broadcasting conversion trials. Residents of these areas were provided with free digital converters and digital TV subsidies to support their viewing of digital TV. In September 2010, analogue broadcasting was terminated in Uljin-gun, which was followed by Gangjin-gun and Danyang-gun. Analogue broadcasting is scheduled to be terminated in Jeju in June 2011.

〈Table III -1〉 Digital Broadcasting Conversion Trial Regions

Classification	Uljin-gun	Gangjin-gun	Danyang-gun	Jeju
Termination date	14:00; Sept. 1, 2010	14:00; Oct 6, 2010	14:00; Nov. 13, 2010	14:00; June 29, 2011

※ KBS-1TV terminated analogue broadcasting 30 days after the above dates for viewer right's protection purposes.

2) Members of the Digital Broadcasting Promotions Committee and the Digital Broadcasting Steering Committee

In December 2010, the KCC founded the Digital Broadcasting Steering Committee (hereinafter referred to as the "Steering

Committee”) to cooperate with the 2nd Digital Broadcasting Promotions Committee (hereinafter referred to as the “Promotions Committee”) in the reviews and mediations. The 2nd Promotions Committee is comprised of the KCC Chairman and 20 specialists from various fields, while the 2nd Steering Committee is comprised of the members of the KCC Standing Committee and 25 specialists from various fields. The 2nd Promotions Committee and Steering Committee are expected to engage in active cooperation in order to successfully complete the nationwide digital conversion project at 16:00 on December 31, 2012 as scheduled.

B. The Digital Broadcasting Reception Environment Improvement

1) Improvement of Reception Facilities in Apartments

The KCC and Korea Radio Promotion Association joined forces to improve digital broadcasting reception facilities in apartments. Apartments eligible for these improvements were selected and progress was regularly monitored.

Also, the KCC, broadcasting companies, and the Korea Housing Corporation settled

the Joint Agreement on the Digital Broadcasting Environment Improvement in April 2010. As a result of the improvement of reception facilities in apartments in 2010, 40,518 households in 61 public rental housing complexes, that otherwise would have been unable to view digital broadcasting due to financial reasons, became able to view digital broadcasting after the conversion to digital broadcasting. As a result, the reception facility improvement efforts aptly accommodated the low-income population and contributed to the welfare of the general population and are scheduled to continue in 2011.

2) Installation and Trial Operation of Low-output Single-channel Relays

The KCC decided to carry out a trial operation of low-output single-channel relays for successful digital conversion and the universal right to digital TV viewing. The KCC aims to install 160 low-output single-channel relays between 2010 and 2012. Fourteen of them (in the 3 digital broadcasting conversion trial regions as well as others) were installed in 2010. A radio wave environment study that was conducted in 2010 in areas where low-output single-channel relays were installed confirmed that digital broadcasting signals were being normally received in fringe areas

and found no radio wave disturbance in surrounding areas. This study verified that low-output single-channel relays are an effective tool in the elimination of fringe areas and more of them will be installed in the future.

3) The Improvement and Installation of Reception Facilities in Rural Regions

The KCC executed the improvement and installation of TV reception facilities in rural regions. The installation of public reception facilities in villages are effective in eliminating small fringe areas, as the cost is low, while a consistent picture quality can be achieved. Starting with 158 locations (154 improved and 4 newly installed) in 2010, the KCC plans to digitalize the public reception facilities in 506 rural villages throughout Korea that are currently receiving analogue signals by 2012. During the course of 2010, the broadcasting

reception environments of 16,757 households were improved, granting the rural residents their universal right to view broadcast programs.

4) Supply of Satellite Receivers to Households in Absolute Fringe Areas

The KCC executed the supply of satellite receivers to households in absolute fringe areas (islands, mountainous areas, etc.) that are unable to subscribe to purchasable broadcast services due to financial reasons and that are unable to subscribe to cable TV due to their geographic location. Consequently, low-income households and those in absolute fringe areas were guaranteed their universal right to view broadcast programs and were not excluded from digital conversion.

〈Table III -2〉 Overview of Absolute Fringe Area Support

(100 million won, 1 household)

Classification	Cost (100 million won)				Supported households in fringe areas
	KBS	Local government	KCC	Total	
2005~2008	29.0	47.0	-	76.0	49,406
2009	4.6	7.3	6.3	18.3	8,104
2010	4.5	6.6	-	11.1	5,410
Total	38.1	60.9	6.3	105.4	62,920

C. Public Promotion and Support of Digital Broadcasting

1) The Comprehensive Digital Conversion Website

The KCC combined the digital conversion promotions website (www.dtvkorea.org) and the reception environment information website (www.dtv.go.kr) into one comprehensive digital conversion information website (www.dtvkorea.org).

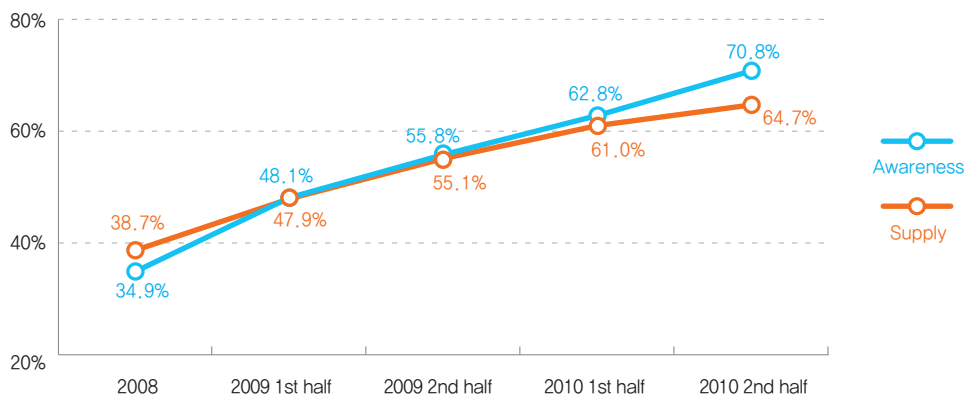
The new website is designed to aid those seeking digital broadcasting conversion and can also be used by the vision/hearing-impaired. The opening of the website was

accompanied by online promotion (keyword search on web portals, etc.) to increase the nation's awareness of digital conversion.

2) Increased Awareness of Digital Conversion and the Supply of Digital Reception Devices

The KCC carried out a digital conversion awareness study on 5,000 individuals in 16 cities and provinces throughout Korea for 1 month starting on October 29, 2010. The study showed that 70.8% of the interviewees were aware of analogue broadcasting termination and it showed a digital broadcasting receiving device supply rate of 64.7%.

〈Figure III -3〉 Change in Digital Conversion Awareness and Digital Reception Device Supply



3) Digital Conversion Support for Low-income Earners

The enforcement of the Special Act on Digital Conversion of Terrestrial TV and the Promotion of Digital Broadcasting Enforcement Decree on September 1, 2010 will provide support to low-income households that directly receive terrestrial analogue broadcasting on an analogue TV with digital broadcasting conversion. Households that qualify for support will receive 1 digital converter at no cost and subsidies will be provided for the purchase of digital TVs. Antennas and maintenance support will also be provided if required.

According to the 2011 Plan for Digital Conversion of Analogue TV Broadcasting, which was passed by the LCC on December 24, 2010, seventy thousand low-income households will be provided with DTV subsidies or free digital converters. 5,000 screen-interpreted broadcasting receivers and 8,584 subtitled broadcasting receivers will be provided to visually-impaired and hearing-impaired senior citizens.

4) Supply of Standard Digital TVs

The Digital TV Supply Increase Plan was established on February 3, 2010 and was

based on the digital conversion that was to take place in the 3 trial regions. After a selection and assessment of affordable digital TVs, 6 products from 3 companies were set as standard digital TVs and their supply to the 3 trial regions commenced on May 25, 2010

Promotional videos for standard TVs were broadcast on EBS, Arirang TV, the 5 major home shopping channels, and electric display boards as a means to increase the supply of digital TVs in Korea.

D. Digital Conversion Support for Broadcasting Companies

1) Loans for Broadcast Service Providers in Digital Conversion

The KCC has been providing loans to broadcast service providers to promote digital conversion since 2003 and 21.9 billion won was provided in loans in 2010. A total of 18 service providers received loans for HD set-top boxes, HD broadcasting systems, and other digital broadcasting equipment and systems.

2) Duty-cut on Digital TV Broadcasting Equipment

The revision of the Special Tax Control Act in August 2001 saw the KCC seeking an 85%

duty-cut on 87 pieces of digital TV broadcasting equipment. The duty-cut period was subsequently extended on 3 occasions and another revision of the Special Tax Control Act in December 27, 2010 saw the extension of

the duty-cut period to 2012. As a result the digitalization of broadcasting companies' production and broadcasting facilities were able to be sped up.

〈Table III-3〉 Overview of Broadcasting Companies' Digital Facilities

Classification	Broadcasting station	Production facility	Secondary broadcasting station
Total	63	880	1,128
Digitalized facility	63	544	440
Conversion rate (%)	100	61.8	39.2

4 Overseas Provision of Broadcasting and Telecommunications Services

A. Foundation for International Market Activities

1) Formation of International Broadcasting and Communications Activity Strategies and Consolidated Cooperation in Key Regions

The KCC formed the 2010 Strategies for International Broadcasting and Communications Activities to systematically support the export of Korean broadcasting and communi-

cations technologies and services. Moreover, the International Broadcasting and Communications Activities Conference was held a total of 5 times in 2010 to identify and incorporate industry requirements in policy-formation.

Broadcasting and communications cooperation activities took place through various consultative groups that were jointly formed with countries in the Asia-Pacific region, Africa, and the Korea-Africa IT Cooperation Forum (September 2010). The Korea-Africa IT Cooperation Forum was an economic cooperation forum held as part of the Korea-Africa Cooperation Conference under the supervision of the KCC. With the theme of "Economic progress through broadband", the forum was a great success and was attended by the

Sudanese Minister of Science and Technology, the Mauritian Minister of Communications Technology, the Chadian Minister of Finance, and the Vice-President of the African Development Bank.

2) Broadcasting and Communications Trade Agreements

The KCC endeavored to promptly review key pending issues in broadcasting and communications and come up with effective solutions to contribute to the settlement of trade agreements such as the WTO and FTA.

Key achievements in 2010 include having reached a communications friends' agreement in relation to the WTO DDA ¹⁾ and reviewing the broadcasting and communications commitment of countries wishing to join the WTO. Also, FTA negotiations with Australia, New Zealand, Columbia, and Turkey took place successfully and the influence on broadcasting and communications from the FTA that had been settled with countries like the US, the EU, and Peru was analyzed and follow-up measures were reviewed.

The Broadcasting and Communications Trade Forum was run to obtain expert consultations on trade policies and issues related to

broadcasting and communications. A collection of research data on market opening (general overview including market regulations) by potential FTA partner countries was published, reports were prepared on the broadcasting and communications trade environment, and policies for a potential Korea-China FTA were researched.

3) Support for the Overseas Provision of Broadcasting and Communications Convergent Services and Broadcast Contents

Overseas road shows were held for the global marketing of Korea's competitive broadcasting and communications products such as WiBro, DMB, IPTV, and broadcast contents.

A total of 9 road shows were held overseas in countries with market growth potential (India, Central and South America, and Africa) and in countries hosting global events such as the World Cup.

Technical service consulting was provided to countries with market potential to encourage the import of Korean technologies and services.

Exhibitions were held in Eastern Europe,

1) DDA: Doha Development Agenda

Central and South America, and Southeast Asia to encourage more countries to import a wider range of TV shows produced in Northeast Asia. New media contents and broadcasting and communications convergent content technologies were showcased at the NAB Show and MIPTV Media Market in April 2010. The broadcast content import/export policies of different countries were analyzed and incorporated in a new market activity policy-formation.

4) Provision of Information on Overseas Broadcasting and Communications Business Activities

The Overseas Broadcasting and Communications Information System (CONEX) was operated to promptly provide broadcasting and communications service providers with information on applicable systems and market trends to aid them in adapting to the rapid changes in broadcasting and communications convergence. In particular, the number of countries to whom such information is provided increased from 40 in 2009 to 47 in 2010 and the range of provided information also increased. Online consultation was provided to companies seeking to engage in broadcasting and communications business activities overseas.

In the future, more information will be provided on promising products such as the LTE, smart TV, and 3DTV. The functions of the online consultation provided by CONEX will also be expanded to provide companies with customized information on overseas markets.

5) International Promotion of Korea's Broadcasting and Communications Activities

The KCC has endeavored to consolidate Korea's image as a broadcasting and communications powerhouse by sharing its meritorious broadcasting and communications policies with the international community. In 2010, various broadcasting and communications promotional materials (videos and publications) were produced and used in road shows, exhibitions, and international events. "Beyond and More", the regular broadcasting and communications promotional publication, was awarded the International Business Award (IBA) and "Digital Convergence Korea For You", a broadcasting and communications promotional video, was aired during the 2010 World Cup (South Africa) and the G20 Summit Meeting (Korea) in order to promote Korea's outstanding broadcasting and communications services.

〈Regular Broadcasting and Communications Promotional Publication 『Beyond and More』〉



The G20 Communications Exhibition was held from November 5-13, 2010 to accompany the G20 Summit Meeting in Seoul. The exhibition provided visitors and the press with an opportunity to experience advanced broadcasting and communications technologies. The experience was further enhanced by the high-definition 3DTVs installed at the main G20 Summit Meeting venue and the mobile IPTV terminals that were handed out to G20 representatives.

〈G20 Communications Exhibition〉



B. International Cooperative Activities

1) Cooperation with International Organizations

The KCC attended and supported the agendas of meetings that were held by key international broadcasting and communications organizations such as the ITU, APT, OECD, ASEAN, APEC, and ESCAP. Members of the KCC served at the apex of the ITU, OECD, and APT and carried out 6 consecutive terms on the ITU Council.

Dr. In-eok Jeong was re-elected to serve as the vice-president at the 60th OECD ICCP that was held in France. Professor Tae-myeong Jeong and Dr. Sang-yeol Nam were re-elected to serve as the vice-presidents at the 29th WPISP (Working Party on Information Security and Privacy) and the 28th WPIE

(Working Party on Information Economy) in 2011. Professor Nae-chan Lee was re-elected to serve as the vice-president at the 44th WPCISP Meeting.

A total of 14 KCC members are serving as presidents and vice-presidents in 21 study groups in the ITU-R, ITU-T, and ITU-D. Dr. Bohyun Seo was elected to serve a 4-year term as the vice-president of the TDAG (Telecommunication Development Advisory Group) at the 5th WTDC (World Telecommunication Development Conference), the top decision-making meeting of the ITU-D.

Kyu-jin Ui was re-elected as the president of the 34th APT (Asia-Pacific Telecommunity) Management Committee.

The KCC also engaged in cooperative activities with international organizations. With the International Bank for Reconstruction and Development (IBRD), the KCC conducted a cooperative research on mobile applications and also held a joint workshop (October) in Mongolia. The KCC and IBRD also held a joint workshop, which international participants were invited to, under the theme of, "Broadband and Digital Convergence" in November.

Experts were sent to the APCICT (United Nations Asian and Pacific Training Centre for Information and Communication Technology for Development) to exchange information on

the KCC's ODA projects and to hold a joint workshop. Various events hosted by the APCICT were sponsored for the development and proliferation of information and communication in developing nations.

At its 66th meeting, the members of the UN ESCAP (United Nations Economic and Social Commission for Asia and the Pacific) strongly supported the ongoing operation of the APCICT and agreed to its permanent establishment.

2) The World Information and Communications Summit and the Korea Communications Conference

The World Information and Communications Summit 2010 was held on May 25, 2010 to consolidate international cooperation in the field of broadcasting and communications. The meeting was held under the theme of, "Expanding the Digital Economy and Culture," and the role and prospects of broadcasting and communications in the global economic crisis were discussed. The ministers and vice-ministers that attended the meeting presented ICT-based economic growth strategies and ICT policies, including internet privacy policies, and they discussed mutual cooperation schemes for achieving shared success.

〈Table III -4〉 Overview of the World Information and Communications Summit 2008-2010

Classification	2008	2009	2010
Event name	The World Information and Communications Summit 2008	The World Information and Communications Summit 2009	The World Information and Communications Summit 2010
Data	Oct 30, 2008	Jun 17, 2009	May 25, 2010
Theme	A Future Information Society for All	Creating New Opportunities through Convergence	Expanding the Digital Economy and Culture
Participating countries	<u>Korea</u> , Vietnam, Malaysia, <u>Turkey</u> , Tajikistan, Uzbekistan, <u>Cambodia</u> , <u>Paraguay</u> , <u>Guatemala</u>	<u>Korea</u> , Mongolia, <u>Thailand</u> , <u>Laos</u> , Vietnam, Cambodia, Malaysia, Indonesia, Kazakhstan, Uzbekistan, Tajikistan, Poland, <u>Saudi Arabia</u> , Nigeria, <u>Paraguay</u>	<u>Korea</u> , <u>Ghana</u> , <u>Rwanda</u> , <u>Malaysia</u> , <u>Mongolia</u> , <u>Ecuador</u> , Vietnam, Iran, Indonesia

※ Ministers from the countries that are underlined were in attendance

〈The World Information and Communications Summit 2010〉



The 6th Korea Communications Conference was held from November 8-10, 2010 under the theme of, "The Digital Future of a Smart Society." The conference was attended by 55 experts, including the ITU Deputy Secretary-

General Houlin Zhao, the IIC Secretary-General Andrea Hargrave, and Jonathan Levy of the FCC, who discussed broadcasting and communications trends and policies forecasted in the "smart society" of the future and the various courses of action to take.

3) Hosting of the ITU Plenipotentiary Conference 2014

At the 18th ITU Plenipotentiary Conference held in Mexico in October 2010, the KCC was selected to host the ITU Plenipotentiary Conference 2014 in Korea. The selection came after 192 member countries of the ITU

agreed to have Korea host the ITU Plenipotentiary Conference 2014.

The ITU Plenipotentiary Conference 2014 in Korea will be attended by 2,500 policy-makers and experts, including 120 ministers and vice-ministers from 192 countries. This will be a valuable opportunity for Korea to share with the attendees its ICT progress model and vision as well as traditional Korean culture.

C. International Exchanges

1) Broadcasting and Communications Policy Support in Developing Countries

The KCC endeavored to create a foundation for international exchanges in the field of broadcasting and communications through ODA projects that are aimed at broadcasting and communications policy-makers in developing countries.

450 personnel from developing countries were invited to Korea for ODA activities in 2010 (339 in 2009). 21 ODA activities, including cooperation with international organizations such as the APT, AfDB, ADB, and ASEAN; inter-government cooperation; and business cooperation, took place.

Policy consultation was provided to 6 countries in 2010. General policy consultation was

provided to Mongolia, Laos, and Ecuador while experts were sent to Vietnam, South Africa, and the Dominican Republic for policy-formation support.

2) Broadcasting Cooperation Agreements and Broadcasting and Communications Exchanges between North and South Korea

Based on the FTA, the KCC consolidated international broadcasting cooperation and increased cultural diversity through joint content production agreements and support for joint productions with countries that are committed to such agreements.

In 2010, joint production agreements with the ASEAN, CEPA, and India (with whom a FTA is established) were sought. Joint production agreements with more potential FTA partners were sought and a joint production agreement was sought with New Zealand (with whom FTA negotiations are underway) as part of a FTA. Also, the KCC supplied the production expenses for 4 broadcast contents jointly produced by a Cambodian broadcaster and 3 Korean broadcasters.

The KCC provided 2 of its broadcasting cooperation partners, which had been designated as critically impoverished countries by the UN, with free broadcasting equipment in

2010.

As an effort towards economic cooperation between Korea and the ASEAN, the 2010 Korea-ASEAN Broadcasting Cooperation Workshop was held under the theme of, "Digital Switchover," from November 29 to December 3, 2010. The workshop was attended by 140 officials, including 32 representatives from the broadcasting and communications organizations that are in the 9 member countries of the ASEAN.

The KCC has made an effort to establish a foundation for the reunification of Korea by establishing a sense of trust and group identity through broadcasting and communications exchanges between the 2 countries. Pending issues in the broadcasting and communications activities of the 2 countries were analyzed and new ways to cooperate were identified.

5 Energy-saving Policies for the Broadcasting and Communications Industry

The Prime Minister's Office announced the

Energy-saving Target Management Plan in March 2010. Once executed, the plan will enable 9 government departments to incorporate specific and realistic energy-saving targets and plans for their operation and the outcome to be assessed.

To support the Energy-saving Target Management Plan, the KCC held the 2nd Green Broadcasting and Communications Conference on May 28, 2010. The conference was attended by CEOs from broadcasting, communications, cable and Internet companies, and representatives from various organizations who came to an agreement to actively pursue environmentally friendly broadcasting and communications activities. Notably, an energy-saving target of 15,710 TOE, which exceeds the reduction of 12,000 TOE²⁾, that was agreed to be carried out in the broadcasting and communications industry in 2010, was announced. Attendees of the conference vowed their ongoing commitment to energy-saving by agreeing to increase the energy-saving targets for the year 2011 and 2012 by 5% and 10%.

At the 2nd Green Broadcasting and Communications Conference, the KCC announced the 2010 Green Broadcasting and Communications Directives, which will guide

2) TOE(Tonnage of Oil Equivalent): A unit of energy sources (kl, t, m³, kW) standardized based on the calories produced by 1 ton of petroleum

telecommunications companies and terrestrial/cable broadcasters to create a greenhouse gas inventory by 2011 and 2013, respectively. These directives will allow for systematic greenhouse gas emission management in the future. Other green broadcasting and communications policies presented by the KCC at the 2nd Green Broadcasting and Communications Conference included a cloud service promotion scheme, a trial low-carbon green city project, the promotion of intelligent object communications, and the development of a green ICT that will improve the current network efficiency by 1,000 times.

In September 2010, the Energy-saving Guidelines for the Broadcasting and Communications Industry (draft) were established to present to broadcasting and communications service providers with ways to set target power-consumption levels and to reduce power-consumption by devices and systems, to give the pros and cons of different power-consumption reduction methods, and to provide examples of successful power-consumption.

Paragraph 2 | Broadcasting Practices of International Standards

1 Increased Competitiveness of the Broadcasting Market

A. Maintenance of Broadcasting Laws

An increase in ex post regulations to adapt to the rapidly changing broadcasting environment has been noted as of late. Accordingly, the KCC held the 1st Broadcasting and Communications Ex Post Seminar in June 2010 to analyze ex post regulation issues in the areas of broadcasting, communications, and convergence, and to identify solutions.

Presenters at the seminar discussed ex post regulation issues in the communications market that have been made complex and diverse by the advent of the smartphone. They also discussed the possibility of the communications market's integration with the Internet Multimedia Broadcasting Business Act for the maintenance of the ex post regulations of the Broadcasting Act, the ex post regulations in the new convergent services market and their development, the need for the establishment of a dispute settlement body in

the broadcasting and communications convergent market, and the viewer/user definition and protection measures in the convergent environment.

The Broadcasting Act Enforcement Decree was reviewed and passed in August 2010. It imposes a broadcasting business ownership restriction, broadcasting time restriction, and a broadcasting time forfeit on broadcast service providers with a market share of more than 30%.

B. Promotion of Fair Competition in the Broadcasting Market

1) Broadcast/Communications Product Package Discount Regulations

The KCC announced the Regulations on Product Packages of System Operators in March 2010. The purpose of these regulations is to address the issue of reduced program fees paid to program providers as a result of system operators selling broadcasting and communications product packages as they reduce the income from broadcasting

charges due to a heavy discount on broadcast services.

The Regulations on Product Packages of System Operators allows service providers to apply discounts on product packages as they see fit. However, if the rate of discount on broadcast services specified in the terms of

use is higher than the rate of discount on communications services, the profits generated from the sale of such product packages must be distributed between the two services to meet the rates specified in the terms of use for each product.

〈Table III -5〉 Example of a Regulated Product Package Discount

Classification	Fee specified in terms of use	Combined discount rate	Current rate (distributed based on discount rate)	Regulated rate (Broadcasting : Communications = distributed to be 1 : 2)
Broadcasting	10,000won	40%	6,000 won	8,000 won
Communications	20,000won	10%	18,000 won	16,000 won
Combined service	-	-	24,000 won	24,000 won

2) Improved System Operator-Program Provider Business Relationship

In December 2009, the KCC established guidelines on the standards and procedures to be applied to business relationships between system operators and program providers. In 2010, various follow-up measures were implemented to improve channel provision to program providers by system operators and content supply practices of program providers.

In 2010, voluntary adherence to the aforementioned guidelines was promoted and a database was created by the Korean Cable

Television Association to systematically assess the level of adherence.

Also, broadcasting service business assessments were conducted to prevent MSO subsidiaries were from discriminating program providers in business relationships.

3) Broadcasting Market Competition Assessment

The Framework Act on Broadcasting and Communications Advancement, which was enforced in September 2010, to establish systematic and efficient competition regulations to be applied to the broadcasting market and

broadcast service providers stipulates assessments of competition in the broadcasting and communications market.

Following a study and trial assessment in 2008 and 2009, the KCC carried out an assessment of competition in the broadcasting platform market, channel trade market, advertising market, and the broadcast content production market based on the Broadcasting Market Competition Assessment Plan that was announced in May 2010. The outcome of the assessment will be utilized in competition policy-formation and improving and establishing regulations on fees, content/network access, combined services, and M&A reviews.

C. Promotion of New Broadcasting Channels

1) Home Shopping Channels Reserved for Small and Medium Businesses

The KCC formed policies that promote the creation of program providers catering to small and medium businesses only to increase the market activities of small and medium businesses and to increase the welfare of viewers and consumers.

In December 2010, the Program Providers

for the New Small and Medium Businesses Plan was added to the existing small and medium business support policies. In early 2011, a home shopping channel reserved for small and medium businesses newly started its operations.

These home shopping channels are required to cater to an 80% clientele that is comprised of newly established small and medium businesses.

2) Approval of New General Channels and 24-hour News Channels

In December 2010, the KCC announced the types of general channel and 24-hour news channel operators that have been approved to promote the development of global media companies through increased competition in the broadcasting market. General channels broadcast a full range of programs including news and entertainment programs. General channels and 24-hour news channels can both be accessed through cable subscription.

In 2010, four general channel operators and one 24-hour news channel operator were selected for operation.

The 5 qualification criteria for selection were as follows: responsible and fair public broadcasting, soundness of broadcast program

planning and production, soundness of organization management, financial and technical capacity, and contribution to the advancement of the broadcasting industry (19 sub-criteria were included therein).

The channel operators that were selected in 2010 will commence operation in late 2011 when preparations are complete.

D. Improvement of Terrestrial Re-transmission Policies

In February 2010, thirteen system operators approved by the OBS to engage in extraterritorial re-transmissions for viewer rights protection were approved to continue re-transmission without additional assessments until February 18, 2013 (3-year extension). In April, the terrestrial re-transmission requests from the satellite broadcasting companies Korea Digital Satellite Broadcasting Corporation and TU Media were approved.

In late 2010 there was a legal dispute between terrestrial broadcasters and cable broadcasters in regards to terrestrial re-transmission. The KCC actively provided mediation and the terrestrial broadcasters and cable broadcasters agreed to negotiate and solve the re-transmission issue without suspending broadcasting.

The KCC also formed and operated the

Terrestrial Broadcasting Re-transmission System Improvement Team to improve the terrestrial re-transmission system. The outcome of the meetings and reviews conducted by the team will be incorporated in the re-transmission policy improvement in early 2011.

2 More Public Responsibilities of Broadcasters

A. Selection and Management of Public Interest Channels

Starting with 10 types of public interest channels in 2005, the KCC selected the types and operators of public interest channels every year. In 2010, the existing 6 types of public interest channels were integrated into 3 and the minimum of 6 public interest channels granted to purchasable broadcast service providers were also reduced to 3.

In 2011, 22 public interest channels (3 types) were reviewed and 3 channels were selected for each channel type. The selected public interest channels are approved for operation from January 1 to December 31, 2011.

〈Table III -6〉 Selection of Public Interest Channels in 2011

Type	Channels	Broadcast programs
Society and welfare	Work TV, Welfare TV, Childcare TV	Programs representative of social minorities and programs that are conducive to the welfare of children and senior citizens
Science, culture and development	Arirang TV, Science TV, Art TV Arte	Programs that promote various arts and Korean culture. Programs that promote the understanding and development of science and technology
Education	EBS Plus 1, EBS English, EBS Plus 2	Various programs that provide supplementary education to children and teenagers, that reduce educational gaps caused by geography and social status, and that provide social (adult) education

B. Reviews for Broadcasting Business Permit Renewals

Current laws require terrestrial broadcasting businesses to obtain a permit from the KCC and a permit renewal before an issued permit is expired. The reviews for renewals that took place in 2010 were the first of their kind to take in a mass quantity of permit renewals since the founding of the KCC.

In February 2010, basic plans for the issuing of permit renewals for 25 cable broadcasting businesses were reviewed and passed and conditional permit renewals were issued to 23 cable broadcasting businesses in June. In November of the same year, permit renewals were issued to 330 broadcasting stations owned by 43 companies.

Based on the outcome of reviews, the KCC imposed the conditions for broadcasting digi-

talization on broadcasters and increased investment in production by regional broadcasting stations as a condition for the issuing of business permit renewals to TV broadcasting stations. The KCC also recommended the viewers' guaranteed rights to view broadcast programs and reduced the usage of coarse language in broadcast programs.

C. Public Broadcasting Infrastructure Support

In 2010, support was provided to EBS in renewing broadcasting equipment and broadcasting digitalization to improve the quality of educational broadcasting and to protect the interests of public broadcasting viewers.

Support was provided to KBS for the production and broadcasting of social education

programs and exported programs. Support to Arirang TV was increased in comparison to 2009. A broadcasting development fund of 4.4 billion won was also provided to Gugak (traditional Korean music) FM, English FM, and public services that use digital cable broadcasting.

3 Increased Broadcasting Diversity

A. Increased Broadcasting Diversity

1) Media Diversity Committee

Following the revision of the Broadcasting Act and Broadcasting Act Enforcement Decree, the KCC formed the regulations required for the founding and operation of the Media Diversity Committee. The Media Diversity Committee was founded in March 2010.

In 2010, the Media Diversity Committee came up with the viewer share research plan as well as the Guidelines on the Calculation of Viewer Shares, which detail the standards and methods involved in calculating viewer

shares. By the end of 2010, the Media Diversity Committee will carry out basic research and overseas case studies to come up with the influence indexes for various media, which will be examined thoroughly through internal meetings.

2) Calculation of the Broadcasting Businesses Viewer Shares

The KCC engaged in various discussions and came up with a plan for calculating broadcasting businesses viewer shares in order to implement a system of viewer share restriction. Based on the plan, a market share research organization was selected and a study was conducted on 33,000 households throughout Korea.

3,300 households in 16 cities and provinces in Korea were studied for 2 months starting in October 2010 to identify the viewer shares of all real-time broadcasting channels that can be viewed using a household TV receiver.

The KCC collected opinions from a wide range of sources to come up with standards for viewer share calculation. The Viewer Share Calculation Standards, which were reviewed by the Media Diversity Committee in September, were passed at the 60th general meeting of the KCC.

The Viewer Share Calculation Standards

provides detailed standards and methods of the calculation of broadcasting businesses viewer shares for the formation of viewer share regulations. All TV channels, including real-time TV channels from IPTV service providers, are subject to a viewer share calculation.

B. Regional Broadcasting Support System Enhancement

In 2010, the KCC held 12 regional broadcasting-related meetings aimed at regional broadcasting development and reviewed a total of 24 proposals. A wide range of regional broadcasting development support plans were established and executed to provide high-quality broadcasting service to regional residents and to improve regional economies via regional broadcasting.

As of December 2010, a Broadcasting Act revision that is focused on regional broadcasting system enhancement was proposed to the National Assembly of Korea by the KCC and is currently being reviewed. Upon revision of the Broadcasting Act, the Broadcasting Act Enforcement Decree and regional broadcasting program regulations will also be revised.

As part of an effort to promote regional broadcasting, the Broadcasting and Commu-

nications Development Fund fees due for regional terrestrial broadcasting and regional terrestrial radio will be lowered starting in 2011 (terrestrial broadcasting: 3.37% to 3%; terrestrial radio: 15.5% to 2.5%). As per current regulation, collection of the Broadcasting and Communications Development Fees due for regional terrestrial DMB will be postponed.

C. Increased English FM Broadcasting

In 2008, the KCC issued permits to English FM broadcasting stations in 3 regions (Seoul, Busan, and Gwangju). In 2010, the KCC commenced the support of secondary English FM broadcasting station establishment in Yeosu.

As more than 8 million visitors from 100 countries are expected to visit Yeosu during the Expo 2012 Yeosu Korea, the KCC negotiated support for the establishment of secondary English FM broadcasting stations in Yeosu with the City of Yeosu and Yeosu Expo Committee in April 2010. As a result, the funds required for the establishment of secondary broadcasting stations to expand the broadcasting of Gwangju English FM (currently only broadcast in Gwangju and western region of Jeollanam-do) into Yeosu were added to the 2011 budget. Broadcasting by

secondary English FM broadcasting stations is scheduled to commence in 2011.

4 Increased Broadcasting Freedom due to Deregulation

A. Improved Broadcast Advertisement Regulations

1) Removal of the Restriction on the Number of Advertisements

Paragraph 2 of Article 59 of the Broadcasting Act Enforcement Decree, restricted spot advertisement in terrestrial broadcasting (TV and radio) and spot advertisement and in-program advertisement of SO, PP, and DMB in both their numbers and durations. The KCC removed the restriction on the number of advertisements as a means to promote broadcast advertisement. Broadcasting businesses have been able to broadcast a full range of advertisements within a set duration. This means that shorter advertisements can be broadcast and niche markets can be created.

2) New Types of Advertisement (virtual and indirect advertisements)

The KCC authorized the broadcasting of virtual and indirect advertisements on January 26, 2010. Virtual advertisements are broadcast during sports programs and indirect advertisements are broadcast during education and entertainment programs. The Guidelines on Virtual/Indirect Advertisement, which include information on the duration, size, and subjects of virtual and indirect advertisements, were established as a guide for broadcasters and to maintain market order.

3) Lifting of the Ban on Certain Advertised Products

To promote and establish a culture of donation, donation advertisements have been allowed for broadcasting as long as they meet the conditions set by the KCC. Public interest advertisements that are not aimed at selling products are now permitted to be broadcast before and after programs by featuring characters from programs that children are familiar with.

B. Broadcast Programming and Outsourcing System Improvement

1) Improved Broadcast Programming Regulations

The KCC has authorized more foreign-produced programs to be broadcast in order to increase the programming freedom of broadcasters. The Notice on Broadcasting Programming was revised and put into effect on December 31. The notice has enabled sporting events of national interest (e.g. the Olympic Games) to no longer be classified as entertainment programs. This has been done in order to increase the programming freedom of broadcasters and to protect the viewers' universal viewing rights.

2) Increased Ratio of Korean-produced Animation Broadcasting

The KCC granted terrestrial broadcasters a 50% increase in the broadcasting time for Korean-produced animations during children's viewing hours. This measure is expected to promote the activities of the Korean animation industry by allowing Korean-produced animations to be newly aired during children's viewing hours.

3) Promotion of the Production Industry by Improving the Foreign-production System

On November 15, 2010, the KCC ordered 3 broadcast service providers and the Korea Drama Production Association to agree to a Foreign Production Participant Protection Scheme to prevent non-payment to actors and staff taking part in foreign productions. The scheme requires broadcast service providers to select sound foreign producers and for foreign producers to obtain payment insurance.

5 Improved Broadcasting Quality and Guarantee of the Right to View Broadcast Programs

A. Supervision of the Adherence and Management of Broadcast Advertisement Regulations

The KCC continuously supervises broadcast service providers' adherence to advertisement time regulations to protect viewer rights and to maintain broadcasting publicity. Broadcast advertisements and programs are required by

law to be clearly differentiated. Advertisements are regulated according to type, duration, and frequency and penalties are imposed on broadcast service providers that fail to adhere to the regulations. During the course of 2010, penalties were imposed on broadcast service providers that violated the regulations on advertisement time and non-commercial advertisement ratio 4 times.

B. Consolidation of Broadcasting Assessment Systems

1) Broadcasting Assessment

On November 10, 2010, the KCC announced the outcome of the 2010 Broadcasting Assessment. From January 1 to December 31, 2009, 153 broadcast service providers and 340 channels carried out the 2010 Broadcasting Assessment on the content, organization, and operation of broadcasting.

The Broadcasting Assessment involved an assessment report being prepared by a broadcasting assessment support team and then having it reviewed and approved by the KCC.

2) Revision of Regulations on Broadcasting Assessment

Changes in the industrial and legal environments, such as the recent increase in the number of broadcast service providers, which is due to a rise in the provision of low-output radio, data broadcasting, DMB, and IPTV services and the extension of business permit renewal period to 5 years, have brought about the need for a revision of the broadcasting assessment system. As such, the KCC partially revised the Broadcasting Assessment Regulations on December 24, 2010 after conducting research and review.

The KCC took into consideration the opinions of relevant government offices and the public and changed the name and assessment method of the User-participated Program Organization section of the Broadcasting Assessment Regulations.

3) Consumer Assessment

The KCC conducted a consumer assessment on broadcasting quality in accordance with Article 3 of the Broadcasting Act and the Broadcasting Assessment Regulations to pursue viewer satisfaction.

The assessment was conducted 4 times a year (May, July, September, and November) via an online panel of 12,000 consumers. Broadcast program assessment and channel

assessment were performed separately. In 2010, index calculation process modification, index stability assessment and broadcaster (3 major) program assessment index comparison were carried out additionally.

C. Awarding and Support of Meritorious Productions

The KCC hosted the 2010 Korea Communications Commission Broadcasting Awards to select and award programs that were broadcast in 2009 to motivate the broadcasting sector and to improve programming quality. 308 programs were judged and 1 grand award, 6 excellence awards (creativity, regional development, cultural diversity, social contribution, new media and viewer-produced), and 1 achievement award were given.

D. Prevention of Objectionable Content Production and Reduction of Coarse Language

1) Consolidated Control over Objectionable Content

The KCC consolidated its control over objectionable broadcast content to prevent the dissemination of unsavory language through broadcasting. In January, 2010, the Broadca-

sting Act Enforcement Decree was revised to allow penalties to be imposed in addition to other measures of control. Moreover, TV programs are now being monitored during initial broadcasting and broadcasters themselves are consolidating assessment of their own programs.

2) Development of Guidelines and Cooperative Measures to Reduce Coarse Language in Broadcasting

The KCC and the Ministry of Gender Equality and Family settled a cooperative agreement with 3 terrestrial broadcasters to reduce the use of coarse language in broadcasting to promote a sound youth culture. As a result, the production guidelines implemented by each broadcaster will be consolidated and monitoring and review of broadcast programs will be performed more stringently to reduce the use of coarse language. Also, contents and campaigns aimed at promoting teenagers to use refined language will be produced and broadcast.

In addition, the Broadcast Language Guidelines were established in cooperation with the Broadcasting and Communications Review Committee as clear and consistent regulations to be applied to broadcast language.

E. Acquisition of Basic Data for Broadcasting Policy-formation

1) The Broadcast Media Use Behavior Study

The KCC conducts the Broadcast Media Use Behavior Study every year to obtain statistics on the awareness and behavioral changes in the consumers of broadcast media, including terrestrial and purchasable broadcast services. The 2010 study obtained statistics on the volume of media owned and used; terrestrial TV and radio use behavior; purchasable broadcast service (cable, satellite and IPTV) use behavior; media use by time slot (media diary); foreign broadcast program use behavior; DMB use behavior; smart-phone use behavior; online broadcast service use behavior; and broadcast media use by children.

2) Verification of Program Rating Data

Reliable program rating data has become more important as the Viewer Share Restriction Regulations enforced in August 2010 have enabled program rating data to be used for not only advertisement cost calculation but also for policy-formation.

As such, the KCC examined the validity of the program rating data obtained in 2009 and

the first half of 2010 to verify whether the program rating study methods used are appropriate and whether the data obtained is reliable. The examination produced data that can be critically used in identifying more efficient methods of program rating studies.

F. Universal Right to View National Interest Events

The KCC endeavored to solve the disputes between broadcast service providers caused by the exclusive right to broadcast the 2010 Vancouver Winter Olympics and the South African World Cup. At its 15th general meeting, the KCC reached a decision to recommend that the 3 terrestrial broadcasters guarantee the public the universal right to view through free negotiation between the 3 terrestrial broadcasters.

However, the disputes were not solved and the KCC amended the Prohibited Activities in Relation to the Universal Right to View. Subsequently, the 3 terrestrial broadcasters agreed to a principle of shared and sequential broadcasting of national interest events on September 20, 2010. This means that the 3 terrestrial broadcasters will share the right to broadcast national interest events such as the London Olympic Games and the Brazil World Cup. Moreover, a new consultative body called

the Sports Development Council was established and its operation regulations are being formed.

Paragraph 3 | Improvement of User Convenience and Promotion of Competition in the Communications Market

1 Convenient and Safe Communications Environment

A. Reduced Household Communications Expenses

The KCC created the conditions required for deregulation and increased market competition to encourage service providers to reduce communications fees.

First, a system of charging mobile calling fees for "per seconds of use" instead of "per every 10 seconds of use" was implemented. This new system was first implemented by SK Telecom in March, 2010 before being implemented by KT and LG U+ in December of that same year.

Second, after the approval of a fee discount on product packages in 2007, the rate of discount was gradually increased (from 10%, 20%, to 30%) based on a fee suitability review.

Third, schemes that can be implemented to further reduce fees to accommodate the increased use of smartphone and mobile internet were devised.

Fourth, KT and LG U+ both made the CID (caller identification) service free starting in September (provided for free by SK Telecom since 2006).

The KCC's efforts in reducing household communications expenses can be indirectly verified by examining the change in household communications expenses identified by the National Statistics Office. The average monthly communications expenses incurred by a metropolitan household with 2 or more working household members decreased from 139,395 won in 2007 to 136,303 won in 2009 (2.2%). Despite the efforts of the KCC, the average monthly communications expenses increased in the final quarter of 2009. This is understood as having been caused by an increase in the use of mobile phones and mobile Internet, following the economic recovery.

B. Communications Support for the Disadvantaged

Through the Telecommunications Business Act the KCC stipulates the reduction of com-

munications fees imposed on the socially disadvantaged.

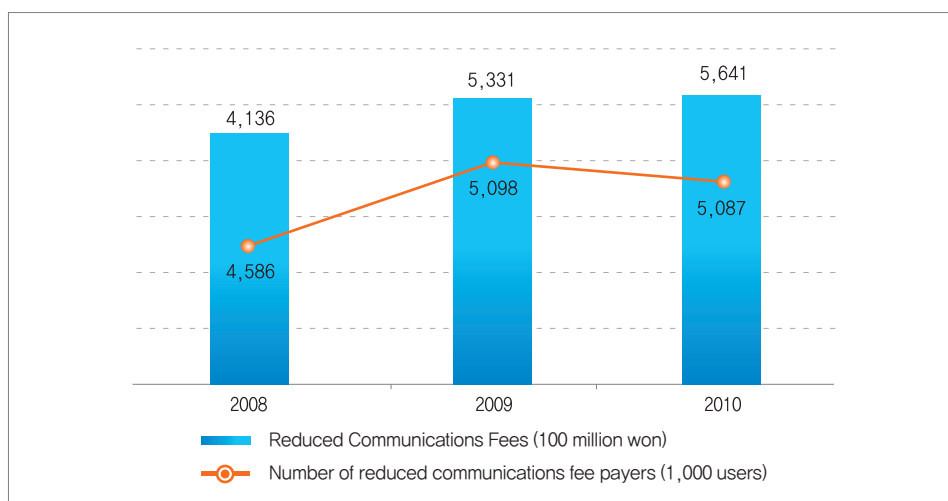
The mobile phone fee reduction system for the disabled and low-income earners was implemented in January 2000 before being expanded in eligibility in 2008. In August 2009, the simplification of the mobile phone fee reduction procedure took place in August 2009 and a further reduction was authorized for users involved in educating young children.

In April 2010, eligibility for cable phone fee reduction was expanded (before: under 18 or

over 65; after: all individuals receiving a basic living allowance) and a more simplified system of fee reduction was implemented.

While the number of users receiving a communications fee reduction has increased continuously due to systemic improvement and eligibility expansion, a small decrease was noted following a narrowing of eligibility in September 2009. On the other hand, the amount of communications fee reductions is showing an upward trend.

〈Figure III -4〉 Number of Reduced Communications Fee Payers and the Amount of Reduction



C. USIM System Improvement

While an open USIM system for 3G was implemented in July 2008 and USIM transfer was enabled within a single service provider, inter-service provider USIM transfer was not made available. As such, the KCC pursued systemic improvement for USIM transfer and issued a corrective order along with a penalty to SK Telecom and KT for impeding USIM-related user benefits. The corrective order established the practicality of the USIM locking device banning policy and guaranteed users the right to choose terminals.

D. Improvement of the Prepaid Calling Guarantee Insurance System

The KCC established the Prepaid Calling Service Standards on December 24, 2010 and designated the Korea Association for ICT Promotion as the guarantee insurance recipient. In the event of accidents, the KAIT must notify and register compensations and distribute insurance payouts.

While 100% of issued call values were previously required to be paid as an insurance premium, the KCC took into consideration scales of assets and issues and a set amount that is higher than 50% of the estimated value of

prepaid calling times issued is now required to be paid as an insurance premium in order to reduce the burden of insurance premium payment and to promote the prepaid

2 Systemic Improvement to Promote Competition in the Communications Market

A. Deregulation of the Communications Market

1) Deregulation of the Provision of New Services (service integration)

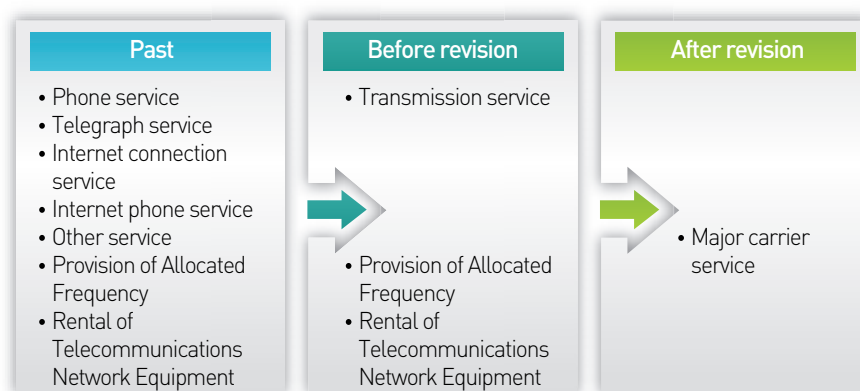
As the boundaries between services are becoming less defined due to broadband networks and the "All-IP", the KCC decided that the system of major carrier service change approval delays the advent of new services and impedes the efficient utilization of telecommunications facilities and thus revised the applicable laws to allow all major carrier services to be provided without additional permits when a single permit is acquired.

The integration of major carrier services

and the single-permit system will break down the barriers to the development and provision of major carrier services and establish a bal-

anced regulatory system to promote competition between telecommunications service providers and will contribute to user benefit.

〈Figure III -5〉 Revision of the Definition of Major Carrier Services in the Telecommunications Business Act



2) Flexible Approval of Terms of Use

The KCC has selectively approved terms of use created by communications service providers to prevent market-dominant companies from imposing unfair fees or conditions on users. However, as such an approval system restricts market competition and impedes the reduction of communications fees, approval is no longer required for a reduction in fees and a fee reduction report is now sufficient.

By maintaining a communications fee approval system, regulating unfair fee

increases by market-dominant service providers and allowing fee reductions without an approval, the KCC has become able to promote sound market competition.

3) Alleviation of Discrimination between Major Carriers, Telecom Service Resellers, and Value-added Common Carriers

Due to issues such as the disclosure and transparency of network connection requirements and application of equal connection requirements to service-based businesses, the KCC revised relevant laws to alleviate the

discrimination caused by the use of telecommunications cable equipment from major service carriers, telecom service resellers, and value-added common carriers. In the future, the revision of the Telecommunications Business Act is expected to lead to the revision of subordinate laws and a revision of communications regulations on facility provision, cross-connection, and universal service is also expected to take place.

B. Improved Cross-connection System

On December 28, 2010, the KCC confirmed and announced the cable/wireless phone network connection rate from 2010 to 2011 and passed the Revision of Telecommunications Facility Cross-connection Standards (draft).

Starting in 2013 when nationwide next-generation mobile communications service is expected to commence, a uniform mobile phone connection fee will be charged by the 3 major mobile communications service providers in order to promote sound competition and support the global trend of uniform connection fees.

To promote conversion to FTTx for cable phone subscriber networks, the connection fee was calculated as an incentive for building FTTx.

The KCC is planning to form connection

policies that are suitable for smart devices (voice/data cost separation on mobile phone networks) as well as connection policies for telecom service resellers (MVNO newly included in cross-connection agreements based on the revision of applicable laws).

C. Communication Market Competition Promotion

1) Wholesale (resale) System

On March 22, 2010, the KCC announced the revision of the Telecommunications Business Act, which advocates for a wholesale system to promote the establishment of new communications service providers and to give consumers a wider range of options. Also, the Telecommunications Business Act Enforcement Decree was enforced on October 1, 2010 to stipulate the standards of wholesale providers and their mandatory services for the implementation of a wholesale system; and the requirements of service resellers. On November 23, 2010, the parties eligible to purchase wholesale products were designated for the efficient execution of the MVNO system and the standards that are to be adhered to when settling wholesale agreements was established.

SK Telecom was ordered to come up with

terms of use that address compensation for wholesale provision and individual negotiations and to disclose them to MVNOs.

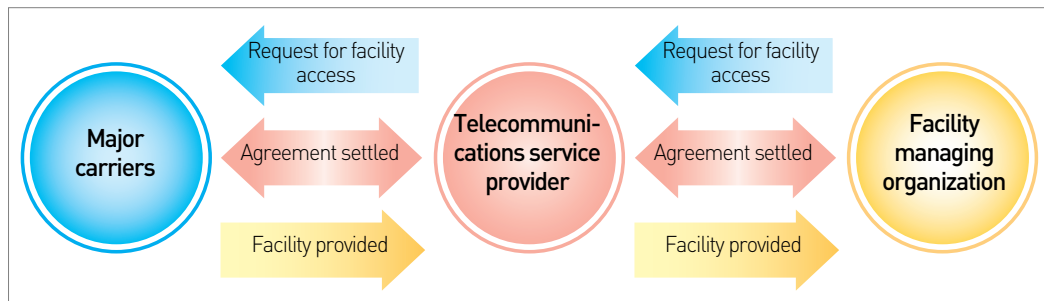
The KCC is planning to establish data wholesale price calculation standards by June 2011 to support the implementation of the MVNO system and devise ways to implement a multi-purchase discount system by taking into account market shares of MVNOs and competition environments.

2) Improved Facility Provision System

A mandatory facility provision system was

implemented in 2000 in Korea and the telephone poles, pipelines, and subscriber zone cables of KT were designated as facilities for mandatory provision in 2003. Through the 2010 revision of the Telecommunications Business Act, the KCC enabled telecommunications businesses to expand and advance their communications networks by using the telephone poles and pipelines of major carriers, the Korea Electric Power Corporation, and the Korea Expressway Corporation through agreements. This has enabled more efficient utilization of Korea's national communications resources.

〈Figure III -6〉 Concept of Facility Provision



3) Convergent App Store for Mobile Communications Service Providers

The KCC reached an agreement with the 3 mobile communications service providers to create a convergent app store. The 3 mobile communications service providers, Samsung,

and LG Electronics prepared a basic plan for its creation.

The convergent app store will not only provide a unified operation system but will also allow for content registration, and approval and verification to be executed from a single location without registering with each of the 3

mobile communications service providers. This will provide more convenience to the developer and will allow the app store to be used on all open operating systems. In addition, the standards being discussed in the WAC (Wholesale App Community)³⁾ are being examined to be applied to convergent app stores created in Korea.

3 Promotion of New Communications Services

A. Inspection of WiBro Business Plans

WiBro (Wireless Broadband Internet) service is a mobile communications technology for which Korea holds exclusive technological standards. It was commercialized for the first time in the world in Korea in June 2007. In November 2007, WiBro was selected as an international mobile communications standard. It subsequently competed with other 3G technological standards and was prepared for export overseas and was upgraded to 4G technology.

For the proliferation of the WiBro service, the KCC inspected the activities of WiBro service providers up to 2008 and promoted investment through corrective directives. Also, WiBro promotion policies were implemented to authorize changes in frequency bandwidths (8.75MHz→10MHz) and to give new service providers precedence in frequency band (2.5 GHz) selection.

B. Cap on Marketing Costs (investment promotion)

The 3 mobile communications service providers agreed that it is necessary to reduce marketing costs and increase the investment in content and technology development at a CEO meeting for wireless internet promotion. A decision was reached to reduce the marketing costs for cable and wireless internet by 22% of the sales in 2010.

Accordingly, the KCC established and announced marketing cost guidelines for communications service providers that best uphold the decision reached at the CEO meeting.

An inspection of 2010 marketing costs showed that while cable Internet marketing

3) A type of wholesale market for sharing smartphone application programs that was created by 24 prominent communications service providers around the world to compete against Apple's App Store.

by the key service providers were adherent to the guidelines; wireless internet marketing costs exceeded the limit. Nevertheless, the marketing costs were shown to have decreased since the implementation of the guidelines and the marketing cost guidelines have been effective in suppressing an increase in marketing costs. The excess in wireless internet marketing costs was understood as having been caused by an increase in the supply of smartphone and new subscribers.

C. Efficient Use of Communications Resources

1) Allocation of a Single FMC Number (070 → 010)

FMC (Fixed Mobile Convergence) is a cable/wireless convergent service that allows mobile and internet phone services to be used on a single terminal. However, FMC service users experienced the convenience of having to use different numbers when making a mobile phone call (010) and internet phone call (070).

Accordingly, the FMC decided to execute the Single FMC Number Service, which will display the mobile phone number as the caller

ID when making an internet phone call using a FMC terminal. This is expected to contribute to the promotion of the cable/wireless convergent service and to also alleviate the burden of communications fees on users.

2) Use of 010 in All Numbers

In 2004, the former Ministry of Information Communications attempted to establish policies to use "010" in all phone numbers so that 010 is used in 80% of all phone numbers. As of February 2010 the number 010 used in all phone numbers reached 80%. As a result, the need to form policies to use 010 in all numbers based on past phone number policies, policy transitions and the opinions of interest parties was brought into attention.

Accordingly, the KCC announced a policy plan in September for using 010 in all phone numbers upon termination of 2G services. It also decided to execute the "temporary number transfer to 3G", which temporarily transfers phone numbers starting with 01X to 3G, and the "01X number display service", which displays the 01X number used before changing to a phone number starting with 010.

4 Promotion of Efficient Use of Radio Wave Resources

A. Next-generation Frequency Allocation and International 4G Standardization

In response to the changes in the mobile communications frequency using the environment, such as the rise in mobile data traffic, the KCC allocated a bandwidth of 60MHz to bands of 800/900MHz and 2.1GHz for mobile communications.

The KCC performed a wide variety of international standardization activities and as a result the next-generation mobile communications technology (LTE-Advanced, IEEE 802.16m(WiBro-Evolution)) jointly presented by Korea and an overseas standardization organization at the ITU's Mobile Communications International Standards Meeting (June 2010, Vietnam) passed the 4G mobile communications international standard assessment.

In September 2010, Korea was selected to

host the 9th AWF (Asia Pacific Telecommunity Wireless Forum) and engaged in rigorous standardization activities in the Asia Pacific.

B. Next-generation Broadcasting Infrastructure

In February 2010, the KCC established the 3DTV Broadcasting Promotions Center where information is provided on 3DTV broadcasting technology specifications, products, services, and policies. In May 2010, the 3D Viewing Center was opened to give visitors a chance to view 3D broadcasting.

In October 2010, the world's first HD 3DTV broadcasting technology was developed through the ETRI and trial terrestrial, cable, and satellite broadcasting was performed. A 3DTV Pavilion was opened at the main venue of the G20 Summit Meeting in Seoul to showcase the world's first HD 3DTV. 1,000 visitors, including government officials and press from various countries, witnessed Korea's advanced broadcasting technology.

〈The World's First Trial 3DTV Broadcasting and 3DTV Pavilion at the G20 Summit Meeting〉



Development of the AT-DMB (Advanced Terrestrial DMB), which increases the transfer capacity in a single channel by up to 2 times while maintaining the reverse compatibility of terrestrial broadcasting and DMB, was completed and an outgoing transmission system was installed to conduct a trial AT-DMB operation.

In November 2010, the Broadcasting Equipment Testing Center was established for the purpose of testing the quality of Korean broadcasting equipment. The opening of the center will enable quality improvement and market promotion of 3DTV, AT-DMB, and UHDTV (Ultra High Definition TV) through tests.

C. Promotion of the Use of Radio wave Resources and Industrial Activities

To accommodate the future demand for radio waves and to create new services, the KCC operated a frequency and technology policy research team to distribute frequencies and revise technological standards. Non-licensed wireless device technology standards were revised to create a Gbps communications environment (over 10 times faster than Wi-Fi) and home network environment.

Mobile communications service was effi-

ciently provided and 3G and WiBro frequencies were expanded to promote WiBro service.

Broadcasting and communications satellite orbits and frequencies were secured and future satellite frequency use was prepared for via satellite network adjustment meetings and ITU registration. A marine weather satellite was launched in June 2010 to secure the Ka band, a frequency resource required for next generation satellite services such as 3DTV and UHDTV. Consequently, the entire process of satellite production, including design, manufacturing, and testing, became able to be carried out using Korean technology and Korea became the 10th country in the world capable of producing geostationary orbit satellites.

Terrestrial DMB was selected as an ITU standard in 2007 and broadcast in 3 countries (trial broadcasting in another 8 countries). In 2010, public opinion on terrestrial DMB was collected from 11 countries considered for DMB support, including Mexico and South Africa, and as a result Vietnam and Kyrgyzstan were selected to receive DMB support. In Vietnam, a terrestrial DMB service was carried out based on which Korean terrestrial DMB technology can become Vietnam's mobile broadcasting standard. Commercial terrestrial DMB service is scheduled to commence in Vietnam in early 2011.

D. Radio Wave Resource Redevelopment and Compensation

The KCC analyzes the use of frequencies to identify bands that require frequency withdrawal and re-allocation and considers the times of frequency demand and supply to compensate the losses experienced by frequency users.

To secure mobile communications frequencies, compensations were given for the withdrawal and re-allocation of widths of 20MHz in bands of 900MHz that are in use for governmental activities and FM broadcasting. Compensations were given for the re-allocation of bands of 1.7GHz as broadcast program relay frequencies in bands of 950 to 959MHz.

5 Maintenance of Regulatory Systems for Market-friendly Frequency Use

A. Creation of Market-based Regulatory Systems through the Maintenance of Radio Wave Laws

The KCC revised the Radio Waves Act in July 2010 to create a regulatory system for market-friendly frequency use. First, a regulatory

basis for the implementation of an auction system was created for frequencies in high demand. Second, inconvenience experienced by radio wave users was reduced by simplifying the radio station building inspection system (sample inspection). Third, stable growth of broadcasting businesses was supported by allowing mobile multimedia broadcasting radio stations to be registered by reporting (no approval required). Fourth, the basis for the establishment of environmentally friendly radio stations was created and radio wave use fees were reduced if an environmentally friendly radio station is built to protect the frequency-using environment. Fifth, the broadcasting and communications material suitability assessment system was reformed to be more market and user-friendly. Lastly, recovery activities in disaster-stricken areas were supported to create a basis for the reduction of radio wave use fees by radio stations in such areas.

B. Frequency Allocation System Improvement

The frequency allocation system grants certain parties the right to use frequencies directly used by major carriers and transmission network businesses. As it is becoming increasingly difficult for the government to

estimate the development of communications technology and changes in services and calculate the value of frequencies, the need to use market functions to calculate frequency values was brought into attention.

The KCC revised the Telecommunications Act to create an auction system that can calculate the value of high-in-demand frequen-

cies using market functions.

In addition, the KCC formed re-allocation policies for frequencies used in 9 services scheduled to expire in frequency allocation in June 2011. These include mobile communications (cellular and PCS), frequency shared communications (TRS), and wireless paging.

〈Table III -7〉 Overview of Frequency Allocation System Improvement

2000	2005	2010
<ul style="list-style-type: none"> - Frequency allocation system created · Price allocation (3% of estimated sales) · Review allocation (no price allocation) - Frequencies can be transferred in the event of price allocations 	<ul style="list-style-type: none"> - Frequency allocation calculation standardization; more flexible rights to use frequencies · Characteristics of all frequencies and radio waves of services considered · Estimated and actual sales considered - Frequency rental allowed for price allocations 	<ul style="list-style-type: none"> - Diversification of frequency allocation systems · Price allocation using an auction system · No further review required for allocation through auction - Lowest price setting regulations newly established

C. Maintenance of the Radio Wave Use Regulation System

1) Improved Radio Wave Use Fee System

The KCC collects a fee for the use of radio waves used by a radio station to cover radio wave management costs and to promote radio waves. However, radio fee payments by radio stations built by local governments and non-profit (public) radio stations are waived or reduced. Such radio wave use regulation has been continuously maintained in terms of cal-

culation and collection by taking into account the development of wireless communications technology and fairness of fee collection. Improvement in radio wave use fees also took place in 2010.

2) Improved Broadcasting and Communications Equipment Assessment System

The KCC integrated the clauses on the verification of cable devices (telecommunications equipment) in the Framework Act on Tele-

communications as the Radio Wave Act. By taking into consideration the negative effects of radio wave interference, network disturbance and reduced personnel safety that can be caused by broadcasting and communications equipment, the KCC reclassified the verification standards for different pieces of equipment (suitability approval, suitability registration, and provisional approval) and simplified the device suitability assessment procedure (testing and verification).

The KCC implemented a provisional approval system for devices that use new technologies for which suitability assessment standards are not yet set to allow the market release of such devices after confirming that no harm will be inflicted on the radio wave environment and operation stability can be achieved. Once the applicable suitability assessment standards are established, such devices must receive formal approval within a set period to minimize safety hazards.

3) Improved Radio Station Testing System

The KCC implemented the sample testing system as a means of simplifying the regulation of radio wave use to reduce inconvenience experienced by users. The sample ratio was set at 30% of the radio stations tested; all radio stations must be tested if the test

failure rate is over 15%. Irrespective of the test failure rate, radio stations that were sampled and tested but that do not produce an appropriate test outcome must be re-tested.

D. Regulated Use of Radio Wave and Support of Radio Wave Research

The KCC searches for illegal radio stations, illegal communications devices, and illegal radio signal interception facilities. It also conducts radio wave usage environmental studies. As existing radio wave detection facilities must be made more advanced and a mobile radio wave system must be built to detect new communications services, radio wave detection facilities are maintained and repaired as necessary; radio wave shadow zones are eliminated; and radio wave broadcasting detection systems are established.

Moreover, the production and distribution of inappropriate broadcasting and communications devices are inspected and controlled. The distribution, sales and technology utilization in online environments are then reviewed for the purpose of ensuring the safety of the general public.

Paragraph 4 | Formation of a Safe and Sound Broadcasting and Communications Environment

1 Improvement of Internet Safety and Reliability

A. Improved Information Protection on the Internet

1) Operation of the Internet Information Protection Council

The Internet Information Protection Council, established in 2009 as a consultative body in information protection, discussed research projects and schedules for 2010 in April. A general meeting was held in June to select key agendas. Research projects were carried out until November and the research outcome was reviewed at the end-of-year general meeting in November to devise a plan for the following year. Also, as interest in mobile security and SNS increased, an internet information protection seminar was held 2 times in 2010 to keep information protection issues in check.

2) Protection of Key Information Communications Infrastructures

There are 14 key information communications infrastructures under the control of the KCC and 31 communications infrastructures managed by organizations commissioned by the KCC. While the protective measures for infrastructures are more stringently inspected for execution, the systematic protection of newly designated infrastructures was executed through the identification of weaknesses and formation of protective measures.

For systematic information protection of the infrastructures under its control, the KCC held Chief Information Security Officer (CISO) Meetings to devise a system of cooperation with the government to be implemented in the event of security emergencies and to enable the more efficient management of infrastructures through the hiring of information protection professionals and increased budgets.

As a result, the KCC successfully created a system of combating cyber attacks such as Stuxnet codes and DDoS attacks.

3) Assessment of Information Protection on New Network Infrastructures in Advance

Information protection assessments were carried out in advance since 2006 to accompany the trial operation of new IT services. Starting with the mobile-RFID service (2006),

information protection assessments were carried out in advance on u-City (2007), RFID/USN expansion (2008), u-BcN, Giga internet (2009) and IP-USN (2010). An average of 91% of issues found in information protection are identified and handled.

〈Table III-8〉 Information Protection Assessments Performed in Advance

Classification	2006	2007	2008	2009	2010	Total
Number of projects for which an information protection assessment was performed in advance	2	3	6	15	6	32

4) Information Security Assessment

The establishment of the information security assessment system was executed in July 2004 following the revision of the Act on Information Communications Network Use Promotion and Information Protection (hereinafter referred to as the Information Communications Network Act) as the foundation for the protection of information of communications service providers (e.g. ISPs, IDCs, online stores and web portals, from online security breaches and DDoS attacks). Information security assessments are provided to these kinds of communications service providers every year.

In 2010, security breach training was provid-

ed in conjunction with information security assessments and the monitoring of the online security of communications service providers was consolidated for enhanced information security. Thanks to such endeavors, the number of communications service providers that received information security assessments in 2010 increased by 10.1% from 2009 (goal reached by 100%). Ongoing information security assessments have increased the information security efficiency of communications service providers that received the information security assessments from 39% in 2004 to 95% in 2009.

5) Information Security Management System (ISMS) Approval

Information Security Management System (ISMS) Approval is a project that was launched in 2002 to determine whether the information security management systems of businesses that apply for the approval of their own accord meet legal standards.

In 2010, twenty-two information security management system approvals were issued (a 15.8% increase from 2009). This was achieved by creating an increased awareness of the need for information security management systems through seminars and providing a variety of incentives, one of which included the issuing of points when public software technology is assessed.

Every year, reports of faults discovered through assessments for ISMS Approval are analyzed and the 10 most common faults and their corrective measures are notified to the businesses seeking ISMS Approval.

6) Convergent Service Security System

For VoIP service protection, a VoIP security breach monitoring system was established and trial operation took place in 3 businesses. A VoIP security breach prevention/management council was created to research and manage security hazards. Also, the security

capacity of VoIP resellers was analyzed and support was provided to identify security hazards and in security consulting. Threats to the security of contents and financial transactions were identified and managed by creating a testing environment in which an array of tests was conducted. Also, to manage information security threats that can become present due to the widespread use of wireless LAN; a wireless LAN security guide website (<http://www.118.or.kr>) was created and wireless LAN security promotion took place through advertisement in publications and on TV and public transport.

The Simple Guide to Wireless LAN Security and wireless LAN security pamphlets were created and distributed to 246 local governments throughout Korea and information security education was provided to businesses and the general public through seminars and practical workshops.

7) Advanced Encryption

The KCC created the foundation for the rigorous supply of Korean encryption technologies by developing SEED⁴⁾, an encryption algorithm, in 1999 and setting it as the ISO/IEC and IETF international standards in 2004. In

⁴⁾ A block encryption algorithm that divides and encrypts messages. Developed by the KISA and a team of Korean encryption specialists in 1999, its name derives from its creators' intent for it to become the "seed" of information security.

2010, the light encryption technology, HIGHT⁵⁾, was set as the ISO/IEC international standard due to an increased demand for encryption in mobile environments, thus creating the foundation for solving the global trade issue of the requirement for encryption technologies installed in security products to meet interna-

tional standards. As of 2010, SEED and HIGHT are supplied to 1,869 clients. Also, the increased use of the smartphone led to the development of an encryption library that optimizes SEED and HIGHT for utilization on smartphones.

〈Table III -9〉 Domestic and Overseas Supply of SEED and HIGHT

(unit: number)

Classification		1999~2005	2006	2007	2008	2009	2010	Total
SEED	Domestic	1,076	480	675	632	1,117	1,363	5,343
	Overseas	86	25	38	13	33	7	202
HIGHT	Domestic	-	-	-	-	166	499	665
Total		1,162	505	713	645	1,150	1,869	6,044

B. Internet Security Breach Management System Enhancement

1) Renewal of the Monitoring System and Recruitment of Experts at the Korea Internet Security Center

In 2010, the Korea Internet Security Center (established 2003) renewed its entire security breach monitoring system and its Main Briefing Room. It also added new and improved functions to prevent and manage Internet security breaches.

The Main Briefing Room was expanded in

size by more than 2 times and an additional 18 monitoring screens were installed to enable up to 18 monitoring personnel to work simultaneously.

The expertise of the security breach handling personnel has been greatly enhanced. 30 new Internet security experts were acquired for an increased large-scale Internet security breach prevention and management capacity.

2) Consolidated Domestic/International Cooperation in Security Breach Management

5) HIGHT(HIGH security and light weight) : A mobile 64-bit block encryption technology approved as an international standard by the ISO/IEC in June 2010.

Korea was the first Asian country to join the Forum of Incident Response and Security (FIRST). It has since been an active member and starting in 2003, it is serving on the steering committee of the Asia Pacific Computer Emergency Response Team (APCERT). In March 2010, Korea was re-elected to serve on the steering committee of the annual meeting of the APCERT in Thailand and in March 2011, Korea was selected to host the annual APCERT conference in Jeju, Korea. In 2010, Korea hosted the Asia Pacific Information Security Center meeting to consolidate cooperation between Korea and developing nations in the joint management of international Internet security breaches by inviting 23 officials from 15 countries.

3) Cyber Evacuation Center for DDoS Attacks

The KCC planned the establishment of the Cyber Evacuation Center for DDoS Attacks in late 2009 and formed an anti-DDoS attack system in Jun 2010. By December 31, 2010, fifty-three organizations applied for the service of the Cyber Evacuation Center for DDoS Attacks. Following the commencement of service, a total of 25 DDoS attacks were successfully defended against in a period of 3 months. By treating and blocking the IP and attack commanding servers of zombie PCs

identified to be responsible for the DDoS attacks, re-infection by malicious codes was prevented.

Since 2008, the KCC has been developing a DDoS attack management system to minimize losses from DDoS attacks by detecting and eliminating DDoS traffic in the interlocking sections of internet networks. In 2010, an extra 3 ISO/MSO operators were added to the 4 in operation since 2009 and more will be designated each year until 2015.

4) Enhanced User/Website Security

MC-Finder, an automatic website security-check system, was created to prevent malicious codes from being installed on websites to infect visitors. MC-Finder is checking for malicious codes on more than 1 million websites everyday.

The KCC is providing the general public with security-check programs, which detect infection by malicious codes, such as WHISTLE (website hacking path detection tool) and CASTLE (website security enhancement tool). WHISTLE and CASTLE were supplied 768 times and 4,949 times, respectively, in 2010.

Since 2005, the KCC has provided the general public with a web-check toolbar that detects malicious codes on websites visited and provides information on new security

hazards and their management. In November, 2010, version 3.0 of the web-check toolbar was distributed for enhanced user security and is being actively advertised.

5) Increased Information Security Awareness

As the importance of increased public awareness of information security was recognized, public promotion of information security was executed through highly-influential mass media. Educational programs and documentaries focused on promoting information security were produced and distributed and preventative measures for instructing the public on large-scale information security incident management through urgent news broadcast or subtitled broadcast was established. Information security promotions programs that were aired on TV can be viewed again on the internet.

A variety of programs on information security were broadcast by 3 terrestrial broadcasters (KBS, MBC and SBS) and 2 cable broadcasters (YTN and MBN) a total of 43 times. An information security campaign advertisement was broadcast a total of 506 times.

6) Trial Operation of a Cyber PC Infection Treatment System

The DDoS attack that took place in 2009 was only able to be contained by treating infected PCs. In the aftermath of the attack, the KCC searched for ways to prevent recurring cyber attacks by treating PCs infected by malicious codes. Consequently, the KCC established a cyber PC infection treatment system that notifies the users of PCs infected by malicious codes of the infection and supplies customized vaccination for the treatment of malicious codes.

The KCC is currently operating a comprehensive treatment system, customized vaccination system, and an infection notification system linked to 86 central/local routers of 3 ISPs. In 2010, the KCC developed and distributed 41 vaccinations customized for the treatment of Stuxnet, malicious codes disguised as G20-related e-mail and DDoS-causing malicious codes.

In 2011, a system of treatment for identified zombie PCs will be implemented on full scale and vaccinations customized for high-risk malicious codes will be developed and distributed to create a safe Internet environment.

C. Consolidated Online Privacy Protection

1) Prevention of Privacy Violation

In 2008, the KCC implemented a system that imposes a penalty for the violation of key privacy protection laws to regulate businesses to protect user privacy. The Information Communications Network Act Enforcement Decree was revised and the Standards of Penalty Application for the Violation of Privacy Protection Laws were established (finalized January 2011) to issue varying penalties according to the purpose and frequency of violation and the scale of ensuing losses.

1,039 websites that are required by law to register members using a form of ID other than resident registration numbers were inspected and ordered to implement a system of member registration using a substitute form of ID (e.g. i-PIN) by 2010. In June 2010, an additional 330 websites were ordered to implement such a system.

To increase the safety of the i-PIN, a more stringent ID verification process using a credit card was applied to the issuing of i-PINs in June 2010 and a system of identifying illegally issued i-PINs (i-PINs issued using a stolen form of identification) was created and implemented in August 2010. In November 2010, an i-PIN synchronization system was jointly developed with the Ministry of Public Administration and Security to allow i-PINs to

be conveniently used in public systems such as G4C. As a result, 1,286 private websites are using the i-PIN and 3,035,430 i-PINs have been issued as of December 2010.

Since September 2006, the supply of security servers to the private and public sectors was increased. In 2010, security server promotions videos and brochures were distributed. In December 2010, security servers and technical support were provided to small and medium businesses free of charge.

2) Management of Privacy Violation

In November 2009, the KCC created the Privacy Violation Management System to efficiently track down personal information wrongfully exposed on Korean websites. The system searches for 8 types of personal information including resident registration numbers, bank account numbers, and credit card details. Wrongfully exposed personal information is deleted immediately upon discovery.

In 2009, a hotline was jointly established with 55 web portals and web hosting associations to jointly manage mass privacy violations. In 2010, the number of such partners was increased to 103. Some of these were financial institutions, employment websites, and mobile communications service providers.

In 2010, channels of cooperation with privacy protection organizations in Taiwan, Hong Kong, Macau, and Vietnam were established to locate and control websites that disclose the personal information of Koreans. To prevent privacy violation on foreign websites, the frequency of privacy violation monitoring on Chinese websites was increased to once a week from twice a month and the number of foreign-language websites monitored per year was increased from 45 to 61. Such endeavors are expected to dramatically reduce the wrongful exposure of personal information on the internet.

3) The Personal Information Management System Approval System

The KCC created the Personal Information Management System (PIMS) Approval System and in 2010, it made the requirements for personal information management systems less demanding in order to facilitate the establishment and approval of a personal information management system by small and medium businesses.

In August 2010, a public discussion of the Personal Information Management System Approval System took place in order to collect the opinions of experts from the industrial and academic sectors. In November 2010, the

PIMS Approval System was officially implemented and then in December, a PIMS Approval System briefing session was provided to businesses that handle personal information in mass quantities to aid them in acquiring the PIMS approval in 2011.

D. Protection and Promotion of the Use of Location Information

1) Change in Laws to Empower the Police to Utilize Location Information

Currently, only emergency rescue organizations (the National Emergency Management Agency and the National Maritime Police Agency) can request location information from location information providers. However, the police are facing difficulties in ascertaining the location of victims and the reporters of crimes such as kidnapping, as they are not able to access location information.

In April 2010, the Committee on Culture, Sports, Tourism, Broadcasting & Communications combined a bill submitted by itself with a government bill to present an alternative bill to the Legislation and Judiciary Committee that will enable the police to utilize location information in order to rescue victims of crimes. The bill is currently being reviewed

by the National Assembly. If the bill is approved by the Legislation and Judiciary Committee and the National Assembly, the police will be able to use location information for emergency rescue purposes.

2) Promotion of the Use of Location Information to Develop the LBS Industry and to Advance Social Safety Networks

In June 2010, the KCC came up with a location information utilization promotion plan to develop the Korean LBS industry. The plan is based on a vision of creating the world's most advanced location information utilization environment and is designed to achieve the 3 goals of LBS industry development, social safety network advancement, and privacy protection. The 3 goals are comprised of 9 sub-tasks, which include legal system improvement, industrial support improvement, development and standardization of performance assessment technologies, and the formation of social safety network infrastructure.

3) Efficient Regulation of Location Information Providers

The KCC reviews location information providers to ensure that their operation incorporates appropriate protective measures. Workshops and conferences are held to instill

an increased awareness of location information protection in location information providers and LBS providers.

E. Sound and Ethical Use of the Internet

1) ID Verification System

The ID verification system has been in place since 2007 and in January 2009, the standards for the selection of subjects for mandatory ID verification were revised. As a result the ID verification system was applied to information communications service providers with an average number of daily users of more than 100,000.

In 2010, the ID verification system was applied to 167 websites operated by 157 information communications service providers as per expansion in the selection of subjects for mandatory ID verification.

In addition, the Overseas-residing Korean ID Verification Service was commenced to provide Koreans residing overseas with convenient access to Korean websites.

2) Internet Literacy Education

To support the curriculum reformation initiated by the government, the KCC developed Internet ethics education contents for schools. Due to an increased need for

Internet ethics education for preschoolers, the KCC also developed pre-school Internet literacy programs and executed trials at kindergartens and elementary/middle/high schools.

In 2010, the KCC executed the Internet Ethics Education Project to increase the Internet ethics awareness of 9,411 students at

240 schools and Internet ethics seminars were held nationwide as a supportive measure. Also, online/offline Internet ethics education was provided to 923 individuals involved in education.

The KCC also provides an online service that allows visitors to assess their own Internet ethics.

〈Table III -10〉 Overview of Internet Ethics Education in 2010

Classification	Elementary school	Middle school	Total
Number educated	5,928	3,483	9,411
Number of schools	161	79	240

3) Internet Literacy Promotions Activities

To create a sound online environment through public participation, the KCC formed the Public Council for a Sound Internet Environment, which is comprised of 55 internet-related organizations and businesses. During a week of campaigns in 2010, the Public Council for a Sound Internet Environment held seminars, conferences, and online/offline events that were attended by 14,383 officials and visitors.

In June and November 2010, the KCC produced and broadcast internet ethics promotions advertisements through terrestrial and cable TV (shown in newspapers also). It also produced and broadcast a documentary

through KBS on the positive and negative effects of the Internet.

The KCC formed a plan to promote Internet ethics in stages, starting with the creation of an ethical environment this year, which will then lead to an increase in Internet ethics awareness in the following year. Long-term Internet ethics promotions activities will be executed by advertising through media such as TV, radio, newspapers, and web portals and by analyzing various social phenomena related to Internet ethics.

4) Protection of Children and Teenagers from Adult Content

The KCC operates an adult content moni-

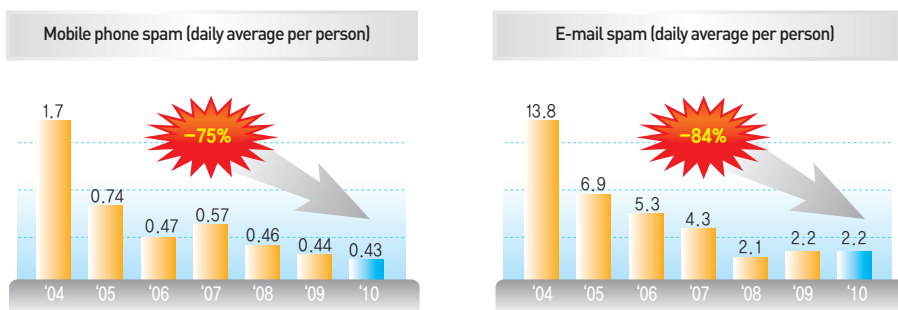
toring/blocking system to aid web hard disk service providers in controlling the distribution of adult content.

Adult content monitoring was performed on 32 web hard disk service providers with a combined total market share of 80% and as a result 89,233 illegal adult contents were identified. The KCC also provided technical support to web hard disk service providers in forming their own adult content blocking system.

5) An Improved Spam Control System

The KCC is continuously engaged in systemic improvement, anti-spam technology development, and rigorous control of spam senders to reduce spam. It has also encouraged businesses to engage in independent spam management. As a result, the quantity of received spam per user decreased by 75% (mobile phones) and 84% (e-mail) in 2010 from 2004.

〈Figure III-7〉 Change in the Average Quantity of Spam Received by 1 User per Day



The number of text messages that can be sent by a single personal user in one day was restricted in order to prevent spam transmission using mass text messaging and businesses reported as having sent multiple spam messages were penalized with reduced cable transmission speed. As a result, the number of malicious spam messages (gambling, personal loans, and illegal drugs)

decreased from 2.4 million in September to 1.6 million in December 2010.

To block incoming spam messages, the KCC reached an agreement with mobile communications service providers to provide the intelligent spam blocking service to teenagers and new users for free of charge. Consequently, all users over the age of 13 were automatically subscribed to the service,

unless specifically declined, since December 2010. Starting in 2011, the intelligent spam blocking service will be provided as a default service to teenagers and new users who under the age of 19.

Since November 2010 the KCC has been participating in the trial execution of the Global Mobile Spam Prevention Project that was implemented by the Global System for Mobile Communications Association (GSMA). The KCC will be participating in future projects created by the GSMA to share Korea's anti-spam systems and technologies, such as the one-step mobile phone spam reporting service, with the world.

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2 Enhancement of Networks and Activation of Their Use

A. Foundation for an Increased Number of Advanced Networks

1) Network Advancement for the Provision of Broadcasting and Communications Convergent Services

In 2010, the KCC achieved the following for the promotion of BcN: execution of a multi-network compatibility service (WCDMA↔WiBro, CDMA↔Wi-Fi), multi-screen service, and WiBro-based mobile IPTV; exhibition of trial BcN service outcome at the G20 Communications Exhibition; creation of standards for the interworking of a multi-network handover technology and cable/wireless instant messaging/presence service; creation of a 100M ultra broadband subscriber network capable of providing broadcasting and communications convergent service to 10 local governments and 658 villages throughout Korea for nationwide ultra broadband service; provision of 17 ultra broadband network-based specialized services including a rural area information service, video consulting, financial service and region-specific service; and establishment of the Long-term Plan for

BcN Establishment in Rural Areas to establish and promote an economic and efficient nationwide broadband subscriber network.

Consequently, the number of BcN sub-

scribers reached 45.7 million in December 2010 (cable: 14.8 million; wireless: 30.9 million), which exceeded the 2010 target of 40 million by 5.7 million (extra 14.3%).

〈Table III -11〉 Overview of BcN Supply by Year

(Unit: 10,000)

Classification	2007	2008	2009	2010	
				Planned	Achieved
Cable (households)	701	939	1,154	1,200	1,482
Wireless (subscribers)	563	1,547	2,484	2,800	3,090
Total	1,264	2,486	3,638	4,000	4,572

2) Giga Internet Service Infrastructure

The KCC executed a network advancement project to provide broadcast and communications convergent services. Based on the Long-term Broadcasting and Communications Network Development Plan established in January 2009, it continuously pursued the establishment of a giga internet service infrastructure.

In 2010, trial subscriber networks of a giga-capacity were established in Daejeon, Bucheon and select areas in Seoul to provide giga internet to 1,621 households. The WDM-PON technology and RFoG technology were also put in trial operation. Moreover, new services such as a 3D multi-angle IPTV service

and nScreen service were provided and a Broadcasting and Communications Network Information Guide System was established to promote the use of giga internet.

3) Comprehensive Plan for Broadcasting and Communications Convergent Service Quality Management

In July 2010, the KCC came up with new quality standards for cable and wireless broadcasting and communications services and established a comprehensive plan for long-term broadcasting and communications convergent service quality management which included the establishment of a quality assessment system and quality enhancement

policy-formation.

Based on this plan, the existing quality monitoring system will be consolidated and software designed for quality assessment of new services (smartphone, 3D video, etc) will be developed and supplied to users.

Synchronization of multiple service providers will be achieved for the management of quality standards and cable/wireless data traffic in Korea will be regularly monitored to form policies aimed at service improvement and network advancement.

4) Expansion of the High-speed Information Communications Building Approval System for Application in Digital Broadcasting

The need to expand the high-speed information communications building approval system, currently restricted to internet facilities, for application in digital broadcasting reception facilities has been brought into attention to create ultra broadband convergent services (u-BCN), convert to digital broadcasting and provide smart TV services.

Accordingly, the KCC operated a TFT of 20 experts from the High-speed Information Communications Approval Committee between April and July 2010 to form a new assessment scheme for approvals. A draft

assessment scheme has been prepared after 8 regional seminars and talks with prominent construction companies.

5) Expansion in the Range of Design and Supervision Activities by the Korea Information Communications Contractors Association

The KCC sought the revision of the Information Communications Corporation Act to allow the design and supervision of information communications facilities included in buildings by not only architects but also information communications service providers.

The promotion of competition in the design and supervision of information communications facilities in buildings is expected to achieve efficient design and supervision of buildings and reduced market prices. It is also expected to greatly contribute to the establishment of broadband information communications networks, subscriber network (household network) advancement, and expansion of networks capable of accommodating new media services (IPTV and smart TV).

B. Creation of an Environment for Intelligent Object Communications

1) Creation of an Environment for Intelligent Object Communications in 2010

Advancement of broadcasting and communications infrastructures and the advent of smart devices have led to the creation of information services that connect all objects in the environment to a network to automatically provide people with information on the surrounding environment and conditions. Accordingly, the KCC carried out the following 3 trial operations to prepare for nationwide proliferation in the areas of public safety, climate environment and SOC management: intelligent object communications experience service (Songpa, Seoul); verification of the efficiency of a climate information collection system based on intelligent object communications; and a green city monitoring system based on intelligent object communications.

2) Creation of an Intelligent Object Communications Service Testing Environment

In 2010, the KCC started the creating an intelligent object communications service testing environment that can increase the international market competitiveness of Korean intelligent object communications companies; and create a service-oriented

business model and standardization/approval systems. It is scheduled for completion in the first half of 2011.

Small and medium businesses will be able to use the testing environment to reduce the expenses and time required for the development of next-generation intelligent object communications modules, terminals, platforms and services. The testing environment will also allow Korean businesses to gain a competitive edge on the international market and increase small and medium businesses' technological and service capacities.

3) Promotion of Intelligent Object Communications

The KCC promoted intelligent object communications in Korea by holding the Public Intelligent Object Communications Committee, Intelligent Object Communications Forum and 2010 Intelligent Object Communications Conference to enable exchanges of information and cooperation by the suppliers and consumers of intelligent object communications.

As of 2011, the KCC is working towards establishing a plan to reduce radio wave fees charged for intelligent object communications and the Intelligent Object Communications Promotions Act (tentative name) to promote

the development and use of intelligent object communications and form appropriate public policies.

C. Promotion of Cloud Service, Future Internet and Smart Work

1) Promotion of Cloud Service

In November 2010, the Cloud Service Testbed was established to allow small and medium IT businesses to test cloud-based technologies and business models, and the Cloud-based IPTV Trial Operation was executed to incorporate the cloud technology in IPTV service.

Also, a scheme to establish a system of recognition of meritorious cloud service providers was created and a Cloud Team was created within the Future Convergent IT Service Security Research Team to identify and solve cloud security issues.

2) Creation of the Future Internet Forum

The KCC formed the Future Internet Committee on May 19, 2010 to utilize future internet as a new national growth engine. At the first committee meeting, the Future Internet Strategies were discussed in depth. The Future Internet Strategies follows the 10

Future Service Strategies announced on May 7 and focus on creating future internet policies customized for Korea so it can create the world's best IT infrastructure to overcome the current limits of the internet and create new convergent services.

In 2010, the KPP Program was created through private-government partnership to form an environment in which the various sectors of the society can take part in the creation of the future internet. Systematic relationships of cooperation were formed between the private organizations and academic organizations such as the Future Internet Forum and FN 2020 Forum. Conferences were held to support exchanges of information and promote cooperation between various organizations.

3) Promotion of Smart Work

After the Smart Work Promotions Strategies were announced by the KCC in July 2010 to nationally promote smart work in cooperation with the National IT Strategies Committee and the Ministry of Public Administration and Security, the private and public sectors are cooperating to create an environment in which 30% of the entire Korean workforce can engage in smart work. The KCC established a smart work promo-

tions plan and created a smart work guide book and smart work information protection guidelines for businesses. The smart work promotions plan includes the support of national and overseas promotion of the smart work culture; promotion of smart work by women, the aged and small and medium businesses; and creation of a safe and convenient smart work environment.

D. Support of Internet Business Promotions

1) Promotion of Internet Business Partnerships

The KCC held the Internet Korea Conference to promote cooperation between internet service providers and bring into light the new ideas and services of small and medium internet service providers of merit. The Private-Public Internet Cooperation Council was established as a means of adherence to the 2009 Declaration of Cooperation.

The Web Biz Startup Program, an industry-linked new internet service development support project, was executed to discover creative ideas and support the development of new services. The 5th Korean Internet Awards was held to select and award 15 businesses, orga-

nizations and individuals that have contributed to the application of the internet in the society, business and technology through activities such as the development of new internet technologies and services; creation of user right enhancement programs; and implementation of independent regulatory systems.

2) Next-generation Internet Address (IPv6) Utilization Plan

As the allocation of internet addresses (IPv4) is set to end in 2011 around the world and the demand for internet addresses is rapidly rising, the KCC came up with a plan to accelerate the conversion to next-generation internet addresses (IPv6).

The KCC has set the 3 tasks of IPv6-based commercial service support; promotion of increased awareness of IPv6 conversion and support of the disadvantaged; and operation of a IPv6 conversion system to aid the IPv6 conversion of key services (mobile communications, web hosting, etc) and engage in promotions, personnel development and private-public partnerships. Efforts will be made to promote the voluntary IPv6 conversion by various industries by including web portal service providers, equipment manufacturers, CATV service providers and security companies as members of the IPv6 Conversion Council;

creating backbone networks by 2013; supporting IPv6 conversion by 100 websites; and promotion of IPv6 equipment development by manufacturers.

3) Domain Names in Korean ".한국"

The need for non-English domain names in non-English speaking countries was recognized toward the end of the 90s. In October 2009, the Internet Corporation for Assigned Names and Numbers (herein after referred to as the ICANN) held a meeting in Seoul. Officials attended from around the world to review and pass a scheme for creating non-English domain names. Domain name applications were submitted starting on November 16, 2009.

The ICANN's domain name approval comprises a national domain name assessment and domain manager assessment. The KCC submitted an application for the Korean national domain name ".한국" based on industrial consensus to the ICANN in May 2010. In September 2010, the ICANN approved ".한국" as the Korean national domain name following an assessment. In September 2010, the KCC selected the KISA as the ".한국" domain manager and submitted an application to the ICANN. Review of the application by the ICANN is expected to be

completed in the first half of 2011.

When the domain name manager approval is given by the ICANN and final domain registration policies are set, the KISA will start providing the ".한국" national domain name service in late 2011.

4) Online Advertisement Promotion Plan

In 2010, the KCC focused on policy-formation through forums and meetings to adapt to the changes in the internet advertisement market. 10 key tasks were set in the 3 areas of development of an internet advertisement market of global standards; creation of global competitiveness through advanced internet advertisement distribution; and creation of a sound internet advertisement market. The Internet Advertisement Market Plan was formed and announced after being reviewed and passed at the 60th KCC Meeting.

E. Promotion of the Use of Wireless Internet

1) Wireless Internet Promotion Plan

To form the policies that became necessary due to the advent of the smartphone, the KCC created a policy think tank comprising 60

experts in February 2010 and established the Wireless Internet Promotion Plan to create a smart mobile service industry of international standards.

To achieve the vision of a Smart Mobile Powerhouse, the KCC set 10 tasks in the 4 areas of smart mobile capacity of global standards; common and productive use of the smart mobile technology; creation of the world's best broadband wireless network; and development of next-generation mobile technologies and personnel.

2) Improved Wireless Internet Environment through the Expansion of Wireless Broadband Networks

The KCC discussed network management to accommodate a rise in wireless traffic and formed a number of policies at its January strategic meeting.

The Wireless Broadband Development Conference was held and attended by industrial and academic leaders in April to form wireless broadband network development policies. After the conference, the Wireless Broadband Network Development Plan was established in June.

The KCC implemented policies likely to encourage Wi-Fi service providers to build more facilities to induce increased investment

in Wi-Fi by the private sector. As of 2010, the number of zones serviced by the 3 major Wi-Fi service providers was increased to 66,000.

A national study was conducted to identify the Wi-Fi facilities installed by public organizations and thus increase the utilization of Wi-Fi. As a result, information on fees and installed locations was obtained. The Public Wi-Fi LAN Service Provision Guidelines were developed and set as the TTA group standard (TTAK.KO-06.0253) to create a safe and convenient wireless LAN environment.

3 Fostering Fair Competitive Environment and Strengthening the Protection of Users

A. Enhanced User Protection

1) Prevention of Losses and Increased Benefits

The KCC created a legal basis for user protection in the broadcasting and communications market and carried out expert investigations of policy issues that must be addressed to improve broadcasting and communications services. Broadcasting and communications

service providers were made to provide users with a wider range of options in fee payments.

Systemic improvement was implemented to impose no fees for the use of wireless data service guides and re-transmitted data to enable users to use wireless data services more at a lower cost. Fee statements were made more specific to accommodate users' right to view detailed information and minimize complaints.

2) Automatic Response System Service Improvement Guidelines

The KCC established the ARS Service Improvement Guidelines in November 2009 and recommended the voluntary adherence by public and private organizations that provide ARS services. In 2010, the KCC inspected and assessed the adherence to the ARS Service Improvement Guidelines.

A survey showed that 60 out of the surveyed 279 organizations implemented systemic improvement in 2010 according to the guidelines. As of 2011, 48 organizations are planning systemic improvement thus ARS services are expected to improve in the future.

3) Mobile Phone After-sale Service Guidelines

Following the release of smartphones, there

has been a sharp increase in user dissatisfaction with mobile phone after-sale services since the end of 2009. In 2010, the KCC negotiated with mobile communications service providers and establish after-sale service guidelines to be applied to all mobile phones including smartphones. The Terminal After-sale Service Guidelines established by the KCC contain regulations that must be adhered to by mobile communications service providers, who are also mobile phone vendors.

Key stipulations of the Terminal After-sale Service Guidelines are that all mobile phone vendors must accept terminal after-sale service applications and return terminals to owners after repairs; and that purchasers of terminals must be notified on after-sale service procedures in writing.

4) Broadcasting and Communications User Protection Declaration and Events

The KCC created the Broadcasting and Communications Service User Protection Week and held various events (forums and conferences) to promote user protection amidst changes in the broadcasting and communications market caused by the "smart big bang".

During the 2nd User Protection Week in

2010, user protection policies implemented by the government and service providers were discussed and announced. During the week, events were held for broadcasting and communications service education; MOUs were signed by various organizations to conduct nationwide broadcasting and communication service education; and the Broadcasting and Communications Service User Protection Declaration was signed by broadcasting and communications service providers.

The KCC provides support through the website Wise User to help users in selecting appropriate broadcasting and communications services. The Wise User website was created in 2009 to provide comprehensive and objective information on the use broadcasting and communications services.

2) Broadcasting and Communications User Protection Center

The KCC established the Broadcasting and Communications User Protection Center at the KAIT for broadcasting and communications user protection in March 2010. The center provides information and education on the diverse services offered on the broadcasting and communications market to users and supports user protection policies through market monitoring and analysis of user com-

plaints.

The Broadcasting and Communications User Protection Center's main functions are as follows: provision of beneficial information to aid user selection of services; improved user benefits and convenience; market monitoring of various services (mobile phone, high-speed internet, VoIP, IPTV, etc); improvement of inconveniences experienced by users through field investigation; operation and promotion of user privacy protection services; and promotion of user protection by service providers through mediation of user complaints.

B. Fair Competition in the Broadcasting and Communications Market

1) Control of Unfair Competition in the Broadcasting and Communications Market

Fair competition in the broadcasting and communications market is promoted as follows. First, objectionable activities by mobile phone and internet service providers that constitute unfair competition are investigated and controlled.

Second, systematic control of disputes regarding the right to broadcast key sporting events such as the World Cup is executed to

create an advanced broadcasting culture of free negotiation and cooperation by broadcasters and provide the viewers the universal right to view broadcast programs.

Lastly, a legal basis for broadcasting accounting systems and follow-up control measures were established. Accordingly, revision of the Broadcasting Act was initiated (March 11, 2010) and the Broadcasting Business Accounting Regulations (draft) was prepared to accommodate any changes in laws regarding the establishment of broadcasting accounting systems.

2) Broadcasting and Communications Service Quality Assessment

a) 3G Service Quality Assessment

Due to continuing user complaints regarding the quality of 3G mobile phone services, a quality assessment of voice and video calling services was conducted. The regions of Korea identified as requiring quality improvement in the 2009 nationwide quality assessment were re-assessed to verify investments by service providers for quality improvement and promote service improvement.

Assessment outcome was notified on broadcasting and communications user web portals to let users search and view a range of quality information by region and service

provider. As a result, quality competition was promoted to create a fair competition environment for service providers; investments in calling quality improvement by service providers was encouraged; and increased user right protection awareness was achieved.

b) VoIP Quality Assessment

VoIP service experienced a slow start due to its low quality. However, the increased speed of high-speed internet and the advancement of the VoIP technology are leading to a more prevalent use of VoIP. Nevertheless, there are still user complaints regarding quality issues and the frequency of such complaints is also increasing with an increased subscriber pool.

The KCC started active VoIP quality assessment in 2009 and in 2010, VoIP quality assessment was made a responsibility of service providers. Outcome of VoIP quality assessments by service providers is notified on broadcasting and communications user web portals for users to search and view information by region and service provider.

c) Cable/wireless Data Service Quality Assessment

Since 2007, the KCC has been assessing the quality of cable high-speed internet services (All-IP broadcasting and communications

service) and wireless data services (3G and WiBro).

In 2010, the quality assessments performed in 2009 were referenced to conduct assessment in regions with poor quality and those where quality assessment was not performed. Quality improvement investments by service providers were assessed and guidelines were provided to improve service quality.

d) Broadcast Service Quality Assessment

In 2009, the KCC created an IPTV service quality assessment system to improve IPTV service quality and increase user convenience. The system was put to trial operation and stabilization of IPTV service at its onset was sought.

In 2010, the quality assessment system established in 2009 was used to assess IPTV service quality in Seoul, Gyeonggi, Incheon, Chungcheong, Jeolla, Gyeongsang, Gangwon and Jeju. Trial quality assessment was also conducted on digital cable TV and digital satellite broadcasting.

3) Policy Support through Communications Accounting Systems

The purpose of communications accounting systems is creating, organizing and submitting accounting information required to form

competition policies in the communications market such as cross-connection systems, universal service systems and subscriber cable sharing. The need for regulations to control accounting regulation violation became evident. In March, the Telecommunications Business Act was revised to charge a fine of up to 10 million won to major carriers in violation of accounting regulations.

The KCC supported communications policy-formation to determine the connection fees for 2010 and 2011 based on verification of broadcasting and communications service providers' business reports and cross-connection cost statements. Universal service loss preservation funds were verified to calculate objective and fair fee contributions.

C. Fast and Effective Civil Appeal Processing

1) Increased Satisfaction with Customer Service

The KCC was active in processing broadcasting and communications civil appeals promptly. The Purchasable Broadcast Service Use Guidelines were implemented in January 2010 to protect viewer rights. In June and November 2010, adherence to the guidelines

was inspected to reduce the number of civil appeals regarding broadcast service. The Viewer Complaint Processing Committee reviewed matters of user interest and issued warnings and recommendations to service providers to increase user satisfaction.

Trends in civil appeals were analyzed and civil appeal processing periods were monitored for adherence to the set period. The number of civil appeals regarding communications increased in 2010 from the previous

year.

In June 2010, broadcasting and communications service providers were inspected on their processing of civil appeals. A civil appeal processing assessment by the Anti-Corruption and Civil Rights Commission in 2010 showed that 99.8% of civil appeals were processed within the required period and users that submitted civil appeals regarding a user-service provider relationship showed a level of satisfaction increased by 6%.

(Table III-12) Overview of Civil Appeals in 2010

Classification	2009	2010	Share	Decrease from 2009
Broadcasting	7,339	6,488	15.9%	-11.6%
Communications	25,670	34,425	84.1%	34.1%
Total	33,009	40,913	100%	23.9%

2) Improvement of Broadcasting and Communications Dispute Mediation Systems

The KCC improved broadcasting and communications dispute mediation systems to effectively solve disputes that are becoming increasingly diverse and complex.

First, the Broadcasting Dispute Mediation Committee was reformed into the Broadcasting and Communications Dispute Mediation Committee to form policies for

communications finances and broadcasting dispute mediation.

Second, financial matters processing period was extended and financial document reviews were made stricter for more efficient dispute mediation.

Third, target average dispute processing periods were reduced from 60 days to 39 days to process user complaints faster.

Lastly, quarterly broadcasting and communications service provider meetings will be held to analyze user complains through

diverse channels. Solutions to disputes are identified and the Broadcasting and Communications Dispute Issues Report is published to analyze trends in international disputes.

3) Enhanced Cooperation between International Dispute Mediators

The KCC held the 2nd International Broadcasting and Communications Dispute Forum to examine domestic and international broadcasting and communication dispute management and to develop ways to handle disputes more effectively in a changing broadcasting and communications environment.

Invited to the forum were experts from Korea, the US, UK, Japan and Hong Kong, who discussed examples of disputes. The Korea-Japan Broadcasting and Communications Dispute MOU was signed to establish a more cooperative relationship.

D. Broadcasting and Communications Ex Post Regulation System

1) Prohibition of Illegal Broadcasting Activities and Consolidated Control

The KCC implemented a system that prohibits the illegal broadcasting activities specified in the Broadcasting Act. Various governmental departments were consulted in revising the Broadcasting Act to specify prohibited broadcasting activities in May.

While the Fair Trade Committee opposed the revision of the Broadcasting Act to prevent redundant clauses (already existing in the Fair Trade Act) being created, it came to recognize the need for the revision due to the nature of broadcasting after a series of meetings. In July 2010, a plan for revising the Broadcasting Act to specify prohibited broadcasting activities was submitted to the National Assembly.

2) Consolidated Control of Prohibited Communications Activities

The revision of the Telecommunications Business Act in March 2010 brought about the need for subordinate laws as stipulations were made on prohibited activities such as wholesale provision and mobile content profit division. The KCC collected opinions from communications service providers for the revision of the Telecommunications Business Act Enforcement Decree in April 2010; collected the opinions of other governmental departments and businesses to be influenced

by the revision in July 2010; and revised the Telecommunications Business Act Enforcement Decree in October 2010 to stabilize the MVNO market and promote mobile content transactions.

3) Broadcasting and Communications Market Investigation System and Enhanced Investigator Capacity

The KCC created a broadcasting and communications market monitoring system to promptly adapt to market changes such as the advent of new product packages and increased users. The system serves to reduce objectionable activities and improve regulation of service providers.

Also, legal, accounting and computing education was provided to market investigators for enhanced performance. In December 2009, a plan for customized investigator education was established. In February 2010, a basic education plan to enhance investigator capacity was established.

4 Improvement of Viewer Services and Expansion of TV Access Opportunities

A. Consolidated Viewer Right Protection and Viewer Support

1) Viewer Media Center

The KCC established the View Media Center for increased regional viewer welfare through media education, broadcasting facility rental and viewer-participated program production support.

The Viewer Media Center White Report was published in March 2010 to analyze the performance of the Viewer Media Center and come up with improvement plans. Consequently, various projects of the Viewer Media Center were synchronized and media education was made more effective.

Viewer Media Center policies in the future will need to focus on stabilization of ongoing projects and the establishment of new centers in regions without them to encourage viewer participation in broadcasting and media education.

2) Media Education and Viewer Right Promotion Activities

The KCC executed media education and user right promotion through media addiction prevention education, sound media culture

education and control of broadcasters regarding which user complaints were made.

The International Media Education Conference was attended to analyze the examples and policies of media education in developed nations. In 2010, the sound media culture education materials were developed and distributed and media education was provided to the children of disadvantaged families (single-parent, low-income, etc).

Complaints made to the User Complaint Processing Committee were looked into using the KCC Civil Complaint Processing System through regular investigations. Systematic support was provided in media education by collecting expert and public opinions at policy

forums.

3) Guaranteed Viewers' Right to Access Programs

The KCC supported the right of viewers to access programs by supporting the production of 3,500 user-participated programs by 63 broadcasters including KBS.

A viewer-participated program production support seminar was held to collect opinions from interest parties for application in program production in 2010. Field assessments of support providers were performed to improve fund operation efficiency and overall efficiency of support provided.

〈Table III-13〉 Overview of Civil Appeals in 2010

(Unit: 1 case, 1 viewer)

Performance index	2008	2009	2010
Number of user-participated programs financially supported	2,500	3,335	3,500
Number of Viewer Media Center users	126,572	142,623	179,750

4) Transparency in the Organization and Operation of Viewer Committees

The KCC prepared a proposal to achieve transparency in the organization and operation of viewer committees. Details of the proposal were applied to the internal regulations

of 42 broadcasting businesses. Opinions on a scheme to improve the organization and operation of viewer committees were collected through conferences (held 4 times) and seminars (held in 5 regions) attended by broadcasting businesses.

B. Increased Opportunities for the Disadvantaged to Access Broadcast Services

The KCC improved the right of vision/hearing-impaired viewers by supporting broadcasters in the production of subtitled/sign language programs.

〈Table III -14〉 Support of Vision/hearing-impaired Viewers

Support	Achievement
Broadcasting receivers for vision/hearing-impaired viewers supplied	136,062 units supplied
Production of subtitled/sign language programs supported	Program overview: 96% subtitled, 5.1 sign language, 6% screen description

1) Improved Right of the Disadvantaged to View Broadcast Programs

By 2010, the KCC supplied vision/hearing-impaired viewers with 136,200 broadcasting receivers to improve their right to view broadcast programs. 7,505 subtitled program receivers for the hearing impaired, 4,000 screen-described program receivers for the vision-impaired, and 5,672 receivers for aged viewers with hearing difficulties were supplied (17,177 in total).

The Program Viewing Device Technical Support Council, comprising disability-support groups, business groups and social service groups, was formed. Through seminars and meetings, opinions on how to improve receiver performance and supply were collected. As a result, a simplified procedure of

application for receiver devices for senior viewers with hearing difficulties was applied.

A study on the utilization of broadcast program receivers and broadcasting of programs for the disabled is conducted once a year to address issues and form a broadcasting system that can adapt to environmental changes. In addition, a broadcast program receiver supply and disability-supported program broadcasting monitoring system was formed for improved efficiency.

2) Support of Disability-supported Program Production

Support was provided to 46 broadcasting businesses (38 terrestrial broadcasters, 5 news/public/general channel operators and 3 system operators) in the production of disabil-

ity-supported programs to improve the viewing right of the vision/hearing-impaired.

〈Table III-15〉 Disability-supported Broadcasting by Terrestrial Broadcasters in 2010

[Unit: %]

Classification	KBS1	KBS2	MBC	SBS	EBS	Average
Subtitled broadcasting	99.0	100.0	92.1	94.7	94.2	96.0
Sign language broadcasting	8.4	0.9	4.3	5.7	6.2	5.1
Screen-described broadcasting	4.1	8.7	6.4	4.1	6.6	6.0

※ Programs that cannot be made disability-supported excluded

Foreign disability-supported broadcasting policies were studied to form disability-supported broadcasting policies suitable for Korea and disability-supported broadcasting guidelines are being formed to improve the viewing right of the disabled.

C. Press Victim Relief Support

The KCC formed policies required for the operation of a press regulation system to protect the personal rights of Koreans while maintaining the freedom of press. The press regulation system provides prompt and fair mediation in personal rights disputes. By reducing the time and costs involved in lawsuits and demanding the social responsibili-

ties of the press, the press regulation system contributes to a sound press culture based on respect for the personal rights of Koreans.

By protecting and extending the rights of viewers and users through broadcast and online press victim education for both relief and prevention, the press regulation system was able to achieve the KCC's goal of protection of viewer rights and increased welfare.

Appendix



KOREA COMMUNICATIONS COMMISSION ANNUAL REPORT

1. KCC's Affairs
2. Department Job Description of Korea Communications Commission
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4. Regulatory Reform Initiative in 2010
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6. KCC's List of Agenda
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1. KCC's Affairs

A. Areas of Responsibility (pursuant to Article 11 of the Act on the Establishment and Operation of the Korea Communications Commission)

1. Broadcasting regulation
2. Telecommunications regulation
3. Issues related to spectrum research and the management of spectrum resources
4. Other responsibilities assigned by this Law or other laws to the Korea Communications Commission

B. Key Areas of Deliberation by the Commission (pursuant to Article 12 of the Act on the Establishment and Operation of the Korea Communications Commission)

1. Issues related to the basic planning of broadcasting and communications
2. Issues related to licensing, re-licensing, approving and registering broadcasters, including revocation of a licenses or cancellation of any approval granted
3. Issues related to licensing, or revoking the license of, telecommunications operators
4. Issues related to the efficient use of frequency spectrum resources
5. Issues related to the establishment of broadcasting and telecommunications technology policies
6. Issues related to ensuring fair business practices in the distribution of broadcasting programs
7. Issues related to upgrading the quality of broadcasting and communications services and universal services
8. Issues related to the coordination of joint projects between broadcasters and telecommunications operators, mediation of disputes between the latter or between the latter and users

9. Issues related to the authorization of arrangements and agreements between telecommunications operators on the supply or sharing of telecommunications facilities, interconnection or information sharing
10. Issues related to the enforcement of rules prohibiting certain practices by broadcasters and telecommunications operators such as taking disciplinary dispositions or imposing fines
11. Issues related to broadcast advertising and its programming
12. Issues related to broadcasting and communications research and support therefor
13. Issues related to the processing of viewer complaints, protection of broadcasting and communications users and ensuring their welfare
14. Issues related to the establishment, management and operation of broadcasting and communications funds
15. Issues related to international cooperation and trade in broadcasting and communications
16. Issues related to North-South Korea cooperation and exchange in broadcasting and communications
17. Issues related to the planning and execution of the Commission's budget
18. Issues related to developing and submitting legislative proposals including amendment and repeal proposals, relevant to the Commission's areas of responsibility and enacting, revising and repealing the Commission's internal bylaws and regulations
19. Other issues delegated to the Commission under this Law or other laws for its deliberation.

2. Department Job Description of Korea Communications Commission

〈Appendix Table-1〉 Division and Sections of the Korea Communications Commission and Their Duties and Responsibilities

			Duties and Responsibilities
Planning and Coordination Office	Policy Planning Officer	Planning and Budget Officer	<ul style="list-style-type: none"> ○ Management of policy-making and planning processes across all areas of the Commission's activities, and organizational and personnel coordination ○ Budget planning, management of income and expenses and accounting
		Policy Management Officer	<ul style="list-style-type: none"> ○ Comprehensive management of and support for the Commission's regulatory activities, performance management and trend analysis ○ ICT planning for the Commission and the implementation and operation of information systems
		Regulatory Reform and Legal Affairs Officer	<ul style="list-style-type: none"> ○ Developing or reviewing legislative bills and cooperation with the legislature and other external bodies ○ Administrative adjudication and affairs related to lawsuits, the approval of incorporation, appointment of officials in affiliated organizations or approval of new appointments therein
		Emergency Planning Officer	<ul style="list-style-type: none"> ○ Response to national emergencies and the management of security measures and disaster response measures ○ Planning for the management of accidents and disasters paralyzing telecommunications systems and improving the response system
		Agenda Coordination Team	<ul style="list-style-type: none"> ○ Calling for the meeting of the Commission, developing an agenda and documenting the meetings ○ Receiving agenda items proposed for the Commission's meetings and organizing subcommittees and expert committees
	International Cooperation Officer	International Cooperation Management Officer	<ul style="list-style-type: none"> ○ Developing international cooperation policy including inter-governmental cooperation ○ Negotiations with WTO, FTA and other international organizations on broadcasting and communications-related issues and the management of North and South exchange in broadcasting and communications
		International Organization Officer	<ul style="list-style-type: none"> ○ Relations with international organizations involved in broadcasting and communications-related activities ○ Operation of broadcasting and communications-related international organizations and policy development

			Duties and Responsibilities
Broadcasting and Communications Convergence Policy Office	Convergence Policy Office	Policy Coordination Division	<ul style="list-style-type: none"> ○ Development of broadcasting-telecom convergence policy, and the development and evaluation of medium and long-term broadcasting and communications service policy ○ Making plans for medium and long-term and annual rolling operation plans for funds managed by the Commission, and the management and evaluation of projects financed through these funds
		Convergence Policy Officer	<ul style="list-style-type: none"> ○ Developing plans for the promotion of converged digital services ○ Formulation of a national vision and growth strategy based on broadcasting and communications and digital convergence
		Broadcasting and Communications Promotion Policy Division	<ul style="list-style-type: none"> ○ Development of policies for the promotion and distribution of broadcasting programs ○ Support for the production of public-interest programs and Korean-language broadcasting overseas
		Broadcasting and Communications Green Technology Team	<ul style="list-style-type: none"> ○ Development of broadcasting and communications technology promotion-related policy and manpower development ○ Green IT plans for the broadcasting and communications field
	Radio Policy Officer	Radio Policy Coordination Division	<ul style="list-style-type: none"> ○ Establishment of basic plans for spectrum promotion and policies related to spectrum assignment and auctioning ○ Spectrum use and spectrum fee-related policy development, surveillance of spectrum and security activities for the broadcasting and communications field
		Radio Broadcasting Management Division	<ul style="list-style-type: none"> ○ Policy development in the areas of fair use of spectrum and viewing support technology for hearing-impaired viewers ○ Radio station-licensing and inspection policies and broadcasting and communications and information device certification policy
		Spectrum Policy Division	<ul style="list-style-type: none"> ○ Developing policies to promote the efficient use of spectrum resources ○ Development of spectrum resource use technology plans, assignment of satellite spectrum and international registration
	Broadcasting Operation Officer	Broadcasting Promotion Policy Division	<ul style="list-style-type: none"> ○ Policy measures for guaranteeing universal access to broadcasting and protecting viewers' rights ○ Comprehensive policymaking responsibility for broadcast advertising
		Digital Broadcasting Policy Division	<ul style="list-style-type: none"> ○ Policy development in the areas of DTV reception environment and DTV transition ○ Policy undertakings to provide TV services to remote areas with limited access to broadcasting

			Duties and Responsibilities
	Broadcasting Operation Officer	Programming and Evaluation Policy Division	<ul style="list-style-type: none"> ○ Policy development in TV programming, ○ Basic plans for TV program evaluation and review and rule-making related to the programming of externally-produced programs
Broadcasting Policy Bureau		Broadcasting Policy Planning Division	<ul style="list-style-type: none"> ○ Comprehensively responsible for broadcasting service policy ○ Medium and long-term broadcasting plans and public TV policy
		Terrestrial Broadcasting Policy Division	<ul style="list-style-type: none"> ○ Terrestrial TV policy and local TV development policy ○ Policy related to licensing and re-licensing of terrestrial broadcasters and other approval processes
		New Media Policy Division	<ul style="list-style-type: none"> ○ Basic planning for new media and cable TV services ○ Policy related to licensing and re-licensing of system operators
		Broadcasting Channel Policy Division	<ul style="list-style-type: none"> ○ Policy for the promotion of projects involving the use of broadcasting channels ○ Policy for ensuring equal access to TV/ broadcasting content
Telecommunications Policy Bureau		Telecommunications Policy Planning Division	<ul style="list-style-type: none"> ○ Comprehensively responsible for telecommunications service policy ○ Medium and long-term policy related to the telecom industry and the promotion of WiBro
		Telecommunications Competition Policy Division	<ul style="list-style-type: none"> ○ Medium and long-term competition promotion policy for the telecommunications market ○ Policy related to licensing and merging of common carriers and the telecom resale scheme
		Telecommunications Service Policy Division	<ul style="list-style-type: none"> ○ Policy-making and improvement measures related to mobile handset subsidy programs ○ Telecom user research and analysis and regulations related to use of telecom services
		Telecommunications Infrastructure Policy Division	<ul style="list-style-type: none"> ○ Management of overall telecommunications resources ○ Establishment, management and maintenance of telecom facilities
Consumer Protection Bureau		Investigation, Planning and Coordination Division	<ul style="list-style-type: none"> ○ Broadcasting and communications market research policy and medium and long-term policy on dispute resolution procedures and systems ○ Creation and operation of a broadcasting dispute conciliation committee and legal advisory committees
		Market Research Division	<ul style="list-style-type: none"> ○ Investigation of unlawful, unfair or irregular business practices and issuance of corrective action orders ○ Policy related to auditing the accounting practices of broadcasting and communications companies

		Duties and Responsibilities
Consumer Protection Bureau	Consumer Protection Division	<ul style="list-style-type: none"> ○ Policy for the protection of broadcasting and communications users ○ Regulatory improvement to increase the welfare of telecom users and make the use of telecom services easier and more convenient
	Consumer Rights Promotion Division	<ul style="list-style-type: none"> ○ Supervision of the creation and operation of viewers committees ○ Programming management for viewer-produced programs and viewer-participated programs and support for disadvantaged populations to improve their access to broadcasting
Network Policy Bureau	Network Planning and Protection Division	<ul style="list-style-type: none"> ○ Policy development for upgrading, and ensuring the safety and reliability of, broadcasting and communications networks ○ Ensuring interoperability between broadcasting and communications networks and their standardization
	Privacy Protection and Ethics Division	<ul style="list-style-type: none"> ○ Policy related to the protection of personal information within broadcasting and communications networks and legislative activities for the enactment and amendment of related laws and regulations ○ Policy related to licensing and re-licensing of location information service providers and internet ethics
	Internet Policy Division	<ul style="list-style-type: none"> ○ Expansion of internet use infrastructure and the promotion of internet use ○ Development and standardization of internet address resources
	Smart network and communications Team	<ul style="list-style-type: none"> ○ Promotion of new internet business models such as machine-to-machine communications and cloud services ○ Development of smart work infrastructure and the promotion of smart work
Spokesperson		<ul style="list-style-type: none"> ○ Public communication on key policy undertakings and support for press briefing ○ Analysis, evaluation of, and response to, media reports
Audit and Inspection Officer		<ul style="list-style-type: none"> ○ Audit of the Commission and its affiliated organizations ○ Audit of broadcasting and communications-related institutions reporting to the Commission, review of petitions submitted to the Commission and the investigation of rule-breaking activities and other illegal or unfair activities
General Services Division		<ul style="list-style-type: none"> ○ Personnel management, including reward and discipline, training and the management of employee history ○ Policy support to the Commission, ceremony and event management, building and security management

3. KCC-related Laws

〈Appendix Table -2〉 Laws Related to the Korea Communications Commission

Law	Description	Dates Enacted and Amended	
Act on the Establishment and Operation of the Korea Communications Commission	<ul style="list-style-type: none"> ○ Legal basis for the establishment of the Korea Communications Commission, composition and organization structure thereof ○ Responsibilities of the Korea Communications Commission; its method of operation; establishment of a deliberation committee 	Feb. 29, 2008 Mar. 22, 2010	Enacted Amended
Framework Act on Broadcasting and Communications Development	<ul style="list-style-type: none"> ○ Basic directions and plans for broadcasting and communications policy ○ Promotion of broadcasting and communications; establishment of technical standards; disaster management; establishment of the Broadcasting and Communications Development Fund 	Mar. 22, 2010 Mar. 31, 2010	Enacted Amended
Internet Multimedia Business Act	<ul style="list-style-type: none"> ○ Classification of internet multimedia businesses (IPTV service providers, content providers) ○ Market entry restrictions, service zones and ownership restrictions 	Jan. 17, 2008 Mar. 22, 2010	Enacted Amended
Broadcasting Act	<ul style="list-style-type: none"> ○ Policy development for upgrading, and ensuring the safety and reliability of, broadcasting and communications networks ○ Ensuring interoperability between broadcasting and communications networks and their standardization 	Jan. 12, 2000 Mar. 22, 2010	Enacted Amended
Korea Educational Broadcasting System Act	<ul style="list-style-type: none"> ○ Capital of the Korea Educational Broadcasting System and capital contributions ○ Appointment of board members; creation of a board of directors 	Jan. 12, 2000 Mar. 22, 2010	Enacted Amended
Foundation for Broadcast Culture Act	<ul style="list-style-type: none"> ○ Establishment of a board of trustees for the Foundation for Broadcast Culture ○ Legal basis for the establishment of the Broadcast Culture Promotion Fund 	Dec. 26, 1998 Feb. 29, 2008	Enacted Amended
Special Act on the Digital Transition of Terrestrial TV Broadcasting and Promotion of Digital TV	<ul style="list-style-type: none"> ○ Phase-out date for analog TV broadcasting ○ Measures to ensure low-income viewers' access to DTV 	Mar. 28, 2008 Apr. 22, 2009	Enacted Amended
Radio Waves Act	<ul style="list-style-type: none"> ○ Technical standards for telecommunications equipment and facilities ○ Management of accidents and disasters disrupting telecommunications 	Dec. 30, 1961 Jul. 23, 2010	Enacted Amended

Law	Description	Dates Enacted and Amended	
Framework Act on Telecommunications	<ul style="list-style-type: none"> ○ Technical standards for telecommunications equipment and facilities ○ Management of accidents and disasters disrupting telecommunications 	Aug. 10, 1991 Jul. 23, 2010	Enacted Amended
Telecommunications Business Act	<ul style="list-style-type: none"> ○ Classification of telecommunications services and service providers, market entry rules, pro-competition measures and mechanisms to ensure fair competition ○ Telecommunications user protection system 	Aug. 10, 1991 Mar. 22, 2010	Enacted Amended
Protection of Communications Secrets Act	<ul style="list-style-type: none"> ○ Procedures for communications interception and accessing communications data ○ Telecommunications operators' duty to cooperate to ensure the secrecy of communications 	Dec. 27, 2003 Nov. 2, 2009	Enacted Amended
Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.	<ul style="list-style-type: none"> ○ Restrictions on the collection and use of internet users' personal information ○ Requirement to use real name for internet bulletin board users and ban on the transmission of illegal spam messages 	May 12, 1986 Mar. 22, 2010	Enacted Amended
Internet Address Resources Act	<ul style="list-style-type: none"> ○ Use and management of internet address resources ○ Establishment and operation of the internet dispute conciliation committee 	Jan. 29, 2004 Jun. 9, 2009	Enacted Amended
Information and Communications Construction Business Act	<ul style="list-style-type: none"> ○ Registration of construction businesses; technical standards for construction design ○ Restrictions on the scope and number of contracts granted to single constructors and restrictions on subcontracting 	Jan. 22, 1971 Apr. 12, 2010	Enacted Amended
Act on the Protection, Use, etc. of Location Information	<ul style="list-style-type: none"> ○ Classification of location information businesses; market entry rules ○ Rules on the use of personal location information by emergency rescue organizations 	Jan. 27, 2005 Mar. 22, 2010	Enacted Amended
Framework Act on National Informatization	<ul style="list-style-type: none"> ○ Acceleration of the construction of broadband network infrastructure ○ Construction and management of the broadband R&D network 	Aug. 24, 1995 Mar. 22, 2010	Enacted Amended

4. Regulatory Reform in 2010

〈Appendix Table -3〉 Regulatory Reform in 2010

		Project	Status
Broadcasting	1	Partial allowance of advertising asking for donations in cash or in kind	Notice amended
	2	Extending the allowed scope of advertising using animation characters	Notice amended
	3	Animation programming quotas eased	Notice amended
	4	Waiver and reduction of Broadcasting Development Fund contributions for certain broadcasters	Enforcement decree enacted
	5	A channel created to lodge protests related to Broadcasting Development Fund contributions	Enforcement decree enacted
	6	Requiring relay operators to simply report business registration changes (lifting the approval requirement)	Amendment bill pending in the National Assembly
	7	Lifting the requirement on relay operators to report on their status of operation	Amendment bill pending in the National Assembly
	8	Lifting the registration requirement for music cable TV operators	Amendment bill pending in the National Assembly
	9	Fees removed for the licensing and approval review of IPTV operators	Notice amended
	10	Improvement of the system for broadcasting and communications-related dispute resolution	Amendment of the enforcement decree underway
Telecommunications	11	Ensuring fair competition in conjunction with the introduction of wholesale telecom services	Notice issued
	12	A new fine to replace license suspension for certain violations by information and communications businesses	Amendment of the enforcement decree underway
	13	Easing of rules related to fines imposed on information and communications construction businesses	Amendment of the enforcement decree underway

		Project	Status
Telecommunications	14	Clarification of the criteria for the exemption of responsibility of telecom operators with regard to unlawful practices by sales centers	Amendment of the notice underway
	15	Improvement of the rules related to the waiver of reporting requirements on value-added telecom operators	Enforcement decree amended
	16	Improvement of the approval procedures for cases of merger and acquisition	Enforcement decree amended
	17	Reduction of amounts of fines imposed on telecommunications operators on certain violations	Amendment of the notice underway
	18	Improvement of the personal information protection system	Notice repealed
	19	Easing re-licensing criteria for information and communications construction businesses	Amendment bill pending in the National Assembly
Radio Waves	20	Improvement of the broadcasting and communications device certification system	Enforcement decree amended
	21	Improvement of the low-power, same-channel DTV repeater approval system	Notice amended
	22	Eased licensing criteria for amateur radio technicians	Enforcement decree amended
	23	Introduction of amateur radio technician categories not requiring a license exam	Enforcement decree amended
	24	Expansion of the allowed antenna power range for amateur radio operators	Enforcement decree amended
	25	Improvement of the certification system for medical devices using high frequency waves	Amendment of the notice underway
	26	Easing of requirements related to the installation of a lightning rod and grounding for antenna systems	Notice amended
	27	Simplification of document submission requirements for the approval review of a new radio station	Notice amended

5. Financial Statements 2010

□ Budget Execution in 2010

〈Appendix Table -4〉 Budget Execution in 2010

(unit: KRW 1mn)

Category		Budget (A)	Real Budget(B)	Actual (C)	Rate of Execution [%](C/B)
Income	Total	616,529	616,529	632,493	102.6
	General accounting	350,363	350,363	340,328	97.1
	Innovative City Construction special accounting	0	0	1	-
	Broadcasting Development Fund	266,166	266,166	292,164	109.8
Expenses	Total	598,299	598,861	607,652	101.5
	General accounting	325,637	325,637	313,067	96.1
	Innovative City Construction special accounting	6,496	7,058	2,421	34.3
	Broadcasting Development Fund	266,166	266,166	292,164	109.8

Notes: 1. The budget execution rate for Innovative City Construction special accounting is low mainly due to the delay in the construction of the new building for the relocation of the Radio Research Agency to a location outside the capital area (KR 24.21million unexecuted → rolled over to the fiscal year 2011).

2. As for the Broadcasting Development Fund, due to an increase in income, the rate of execution for income and expenses surpassed the planned amount by 9.8%.

□ Broadcasting Development Fund

1) Assets and Liabilities

〈Appendix Table -5〉 Assets and Liabilities of the Broadcasting Developing Fund

(unit: KRW 1mn)

	FY2010(A)	FY2009(B)	Change(A - B)	
			In amount	In % rate
Assets	429,750	410,276	19,474	4.7
Liabilities	0	0	0	0
Capital	429,750	410,276	19,474	4.7

2) Income and Expenses

〈Appendix Table -7〉 Income and Expenses of the Broadcasting Developing Fund

(unit: KRW 1mn)

	FY2010(A)	FY2009(B)	Change(A - B)	
			In amount	In % rate
Net program costs	162,946	147,333	15,613	10.6
Costs	469	1,574	△ 1,105	△ 70.2
Income	180,418	166,613	13,805	8.3
Result	△ 17,003	△ 17,706	703	4.0

Note: The results corresponds to net income for the period in corporate accounting, and their amounts are preceded by the symbol △.

□ Budgets and Expenses by Program

〈Appendix Table -8〉 Budgets and Expenses by Program

(unit: KRW)

Program	Budget	Expense
Total	598,860,664,300	607,652,003,730
Chapter 130 (field). Communications	332,694,664,300	315,487,734,020
Sub-section 131 (area). Broadcasting and communications	332,694,664,300	315,487,734,020
〈 General accounting 〉	325,637,069,000	313,067,103,290
Paragraph 1000. Acceleration of convergence between broadcasting and communications	1,650,000,000	1,650,000,000
Paragraph 1200. Improvement of broadcasting infrastructure	13,557,000,000	13,557,000,000
Paragraph 1300. Infrastructure development for the radio and broadcasting industry	7,448,000,000	6,940,949,780
Paragraph 1500. Expansion of infrastructure for spectrum management and research	35,558,000,000	33,072,892,320
Paragraph 3100. Upgrading telecommunications services	25,109,000,000	25,077,648,360
Paragraph 4100. Protection of users and the promotion of fair competition	2,100,000,000	2,041,807,340
Paragraph 4300. Upgrading network infrastructure	17,911,000,000	17,911,000,000
Paragraph 4400. Strengthening information protection	76,853,000,000	76,853,000,000
Paragraph 5100. Strengthening international cooperation in broadcasting and communications	12,420,000,000	12,413,186,800
Paragraph 7100. Administrative support for broadcasting and communications	133,031,069,000	123,549,618,690
〈 Innovative City Construction Special Accounting 〉	7,057,595,300	2,420,630,730
Paragraph 1500. Expansion of infrastructure for spectrum management and research	7,057,595,300	2,420,630,730
Chapter 060 (field). Culture and tourism	266,166,000,000	292,164,269,710
Sub-section 061 (area) Arts and culture	266,166,000,000	292,164,269,710
〈 Broadcasting Development Fund 〉	266,166,000,000	292,164,269,710
Paragraph 1100. Acceleration of convergence between broadcasting and communications	37,068,000,000	34,931,925,650
Paragraph 1200. Acceleration of convergence between broadcasting and communications (financing)	11,500,000,000	11,500,000,000
Paragraph 1400. Infrastructure development for the radio and broadcasting industry	6,016,000,000	5,954,130,110
Paragraph 1600. Creation of infrastructure for the promotion of broadcasting	42,990,000,000	40,866,685,220
Paragraph 1700. Creation of infrastructure for the promotion of broadcasting (financing)	22,000,000,000	21,998,493,110
Paragraph 2100. Improvement of broadcasting infrastructure	61,420,000,000	58,585,688,500
Paragraph 4200. Protection of users and the promotion of fair competition	22,092,000,000	21,714,433,290
Paragraph 5200. Strengthening international cooperation in broadcasting and communications	4,120,000,000	4,041,639,430
Paragraph 7200. Operating costs for the Broadcasting Development Fund	723,000,000	307,079,060
Paragraph 9000. Internal transaction expenses	50,000,000,000	50,000,000,000
Paragraph 9700. Operation of surplus funds	8,237,000,000	42,264,195,340

6. KCC's List of Agenda

〈Appendix Table -9〉 List of Agenda Items

Session	Date	Type	Item
1st	Jan. 14 (THU)	Voting	Vote on foreign capital investment in FEBC (Far East Broadcasting Co.)
		Voting	Vote on proposals to allow vote in writing and receive written reports and procedures for internal delegation of responsibilities for greater efficiency in the Commission's deliberative and voting process
		Reporting	The status of legislative activities on laws related to the Korea Communications Commission and issues related to the 'Korea Communications Commission's Legislative Plan 2010 (draft)'
		Reporting	On amended decrees to the 'Technical Standards for Telecommunications Equipment and Facilities'
		Reporting	On the 'Basic Plan for the Promotion of Internet Business for Another Internet Boom (draft)'
		Reporting	On the 'Support Strategy to Assist the Oversea Expansion of the Korean Broadcasting and Communications Industry 2010 (draft)'
2nd	Jan. 15 (FRI)	Voting	Vote on tariff filings of 14 system operators (including CJ Hello Vision Eunpyeong)
		Voting	Vote on the retransmission of foreign broadcasting programs by internet multimedia broadcasting service providers (Australia Network and other foreign broadcasting networks)
3rd	Jan. 27 (WED)	Voting	Vote on the proposal for the grouped review of administrative rule amendments (proposals) for improvement and simplification of administrative forms ('Korea Communications Commission Rules Related to the Entry into Force of the Information and Communications Construction Business Act' and 21 other regulations)
		Voting	Vote on the imposition of fines on two broadcasters (including CU Media) for violations of rules on the programming of broadcast advertising
		Voting	Vote on tariff filings of 16 system operators (including C & M)
		Voting	Vote on the registration and registration change of three businesses using broadcasting channels (including Korea HD Broadcasting Corp.)
		Voting	Vote on the re-approval of a business using data broadcasting channels (Korea Economic TV)
		Voting	Approval of the merger between common carriers and license change for system operators (merger of CMB Eastern Gwangju and CMB Gwangju)
		Voting	Approval of the merger between common carriers and license change for system operators (Tbrod Nakdong's absorption of Tbrod Dongnam, Tbrod Northern Busan and Tbrod Western Busan)
		Voting	Approval of changes in the call termination (080)/ interconnection agreement between KT and LG Telecom
		Reporting	On the 'Regulatory Reform Tasks 2010'

Session	Date	Type	Item
4 th	Jan.29 (FRI)	Voting	Vote on the licensing of the satellite broadcast station of Korea Digital Satellite Broadcasting Co.
		Voting	Vote on the amendment proposal for certain provisions of the 'Rules on the Enforcement of the Emergency Resources Management Act by the Korea Communications Commission' (administrative notice)
		Voting	Vote on issues related to the 'Basic Plan for Viewer Welfare Projects 2010 (draft)'
		Voting	Vote on changes proposed to the 'Broadcasting Evaluation Rules'
		Reporting	About the 'Award Plan for the Korea Communications Commission Broadcasting Awards 2010'
		Reporting	About the 'Plan for the Establishment and Operation of the Media Diversity Committee' (draft)
		Reporting	About the enactment of rules related to the establishment and operation of the Media Diversity Committee
		Reporting	About the designation of organizations for certification of the number of daily newspaper issues
5 th	Feb. 3 (WED)	Voting	Vote on the price of frequency spectrum to be reassigned after the expiration of its assignment in March 2010 and the assignment review plan
		Voting	Vote on the 'Basic Plan on the 2010 Broadcasting and Communications Policy Research Project (draft)'
		Reporting	Issues related to the '800/900MHz and 2.1GHz Spectrum Assignment Plan (draft
6 th	Feb.9 (TUE)	Voting	Vote on the details of the operation of the planed 'Special Committee on Regulatory Reform and Legal Improvement' and the candidates nominated for the committee
		Voting	Vote on the 'WiBro Implementation Plan (draft)' by WiBro operators
		Voting	Vote on the 'Policy Directions for the Retransmission of Terrestrial TV Outside the Zone'
		Voting	Vote on the '2010 Basic Plan on Re-licensing of System Operators' (draft)
		Reporting	About the 'Plan on the Composition and Operation of the Media Diversity Committee ' (draft)
		Reporting	About the draft 'Rules on the Composition and Operation of the Media Diversity Committee'
		Reporting	About the 'Review Plan in Relation to the Acquisition of On media by CJ O Shopping' (draft)
7 th	Feb.12 (FRI)	Voting	Vote on details related to the registration and registration change of businesses using broadcasting channels(WA Media and 2 other companies)
8 th	Feb.12 (FRI)	Voting	Vote on changes proposed to the 'Method and Criteria for Calculating Compensation for Universal Service Loss' (administrative notice)
		Voting	Vote on the '800/900MHz and 2.1GHz Spectrum Assignment Plan' (draft)

Session	Date	Type	Item
8 th	Feb.12 (FRI)	Voting	Vote on corrective action orders to be issued on accounting rule violations found upon the review of financial reports of KT and 20 other common carriers
		Reporting	On the improvement of the USIM system
		Reporting	On the submission of proposals to the Capital Area Development Committee
9 th	Feb.26 (FRI)	Voting	Vote on the details of tariff approval procedures for internet multimedia broadcasting service providers(SK Broadband and LG Telecom)
		Voting	Vote on the registration and registration change of two organizations using broadcasting channels (City of Seoul and one other organization)
		Voting	Approval of the retransmission of foreign broadcasting programs (by Fashion TV HD)
10 th	Feb.26 (FRI)	Voting	Vote on the licensing of KBS 3FM, a new standard FM radio station
		Voting	Vote on dispositions to take against excessive hedging by KDB (Korea Digital Satellite Broadcasting)
11 th	Mar. 4 (THU)	Voting	Vote on the amendments proposed for the Enforcement Decree to the 'Act on the Protection, Use, etc. of Location Information'
		Reporting	About the amended provisions of the 'Enforcement Decree to the Radio Waves Act'
12 th	Mar.10 (WED)	Reporting	About the 'Master Plan for the Promotion of the Private Sector's Use of Public Information' (draft)
13 th	Mar.15 (MON)	Other	Hearing in the case of engagement in practices banned for their detrimental effects on universal viewing rights by SBS, KBS and MBC
14 th	Mar.16 (TUE)	Voting	Vote on the imposition of a fine on a broadcaster for violation of the mandatory programming quota rules for the 3Q 2009 (Yedang Entertainment)
		Voting	Vote on the registration of two businesses using broadcasting channels (including Planet Media)
		Voting	Vote on the retransmission of programs of foreign broadcasters (DVL TV S.A. and one other company)
		Voting	Vote on the license change of a system operator (following CMB Daejeon's absorption of CMB Eastern Daejeon and Han CN)
15 ^h	Mar.17 (WED)	Voting	Vote on the appointment of a new director for the Educational Broadcasting System (EBS)
		Voting	Vote on corrective action orders to be issued to SBS, KBS and MBC on their engagement in practices banned for their detrimental effects on universal viewing rights
		Voting	Vote on issues related to the regulation of bundled service products offered by system operators
		Voting	Vote on administrative sanctions to be issued against two system operators (GTB (Gangwon Television Broadcasting) and SBC (Silla Broadcasting Corporation))

Session	Date	Type	Item
15 ^h	Mar.17 (WED)	Voting	Vote on issues related to administrative sanctions to be issued against companies violating personal information protection laws and regulations
16 th	Mar.26 (FRI)	Voting	Vote on the retransmission of programs of three foreign broadcasters (including Russia Today of TV-Novosti) by Korean internet multimedia broadcasting service providers
		Voting	Vote on the license change of 23 system operators (including C&M)
		Reporting	Vote on the registration and registration change of three businesses using broadcasting channels (including R&L Natural Life)
17 th	Mar.30 (TUE)	Voting	Vote on the '2010-2011 Plan for the Designation of Universal Service Providers (draft)'
		Voting	Vote on changes proposed to the 'Guidelines on the Operation of the Assets of the Broadcasting Development Fund'
		Voting	Vote on changes proposed to the 'Broadcasting Development Fund Contribution Rates for Terrestrial Broadcasting Networks'
		Voting	Vote on issues related to the appointment of members of the Media Diversity Committee
		Voting	Vote on issues related to the enactment of the 'Rules on the Composition and Operation of the Media Diversity Committee'
		Voting	Vote on changes proposed to the 'Rules on Receiving, Reviewing and Resolving Viewer Complaints'
		Voting	Vote on the corrective action order to be issued to KT for practices related to providing dedicated lines to its IDC users, deemed to undermine users' welfare.
18 th	Apr.7 (WED)	Voting	Vote to finalize the phase out date for analog TV broadcasting
		Voting	Vote on corrective action orders on violations of the maximum limit on shareholding per person in a broadcasting company under the Broadcasting Act
		Reporting	On the 'Recommendations on the Composition and Procedures of the Viewers' Committee' (draft)
19 th	Apr.13 (TUE)	Voting	Vote to approve the 'Guidelines on the Operation of the Green Certification Program'
20 th	Apr.21 (WED)	Voting	Vote on the details of the improvement proposed for the t-commerce system, using secondary data broadcasting
		Voting	Vote on CJ O Shopping's acquisition of stock shares of On media
		Voting	Vote on changed re-licensing conditions for GTB (Gangwon Television Broadcasting)
		Reporting	On the 'Master Plan for the Promotion of Wireless Internet to Build a Competitiveness Smart Mobile Society' (draft)
21 st	Apr.21 (WED)	Voting	Vote on the registration of an internet multimedia broadcasting content provider(IPTV Educational Broadcasting)

Session	Date	Type	Item
21 st	Apr.21 (WED)	Voting	Vote on the retransmission of foreign broadcasting programs by internet multimedia broadcasting service providers (programs of NATGEO WILD HD (NGC Network International, LLC) and one other foreign broadcasters)
		Voting	Vote on tariff filings of 52 system operators (including JCN Ulsan)
		Voting	Vote on facility changes of 10 system operators (including HCN Secho)
22 th	Apr.23 (FRI)	Voting	Vote on corrective action orders to be issued to SBS, KBS and MBC on their engagement in practices banned for their detrimental effects on universal viewing rights
23 rd	Apr.26 (MON)	Voting	Vote for the selection of assignees of the 800/900 MHz and 2.1GHz spectrum shortly to be freed
24 th	Apr.28 (WED)	Voting	Vote on the licensing of 13 new location information companies including Samsung Electronics
		Voting	Vote to approve the retransmission of terrestrial TV by two satellite broadcasters (KDB and TU Media)
		Voting	Vote on the administrative sanction against a system operators (YBN (Yongseo Broadcasting Network))
		Voting	Vote on the administrative sanction against a broadcaster for violation of the requirement to publicly disclose the programming officer and report the change of programming officer (MBC Daejeon)
		Voting	Vote on the imposition of fines on 10 broadcasters for broadcast advertising-related violations (including Orion Cinema Network)
		Reporting	Vote on amendments proposed for the 'Enforcement Decree to the Special Act on the Digital Transition of Terrestrial TV Broadcasting and Promotion of Digital TV'
25 th	May 7 (FRI)	Voting	Vote on the retransmission of programs of three foreign broadcasters including Cbeebies of BBC Worldwide Ltd.
26 th	May 7 (FRI)	Voting	Vote on the imposition of fines on 10 broadcasters including Orion Cinema Network on broadcast advertising-related violations
		Voting	Vote on improvements proposed for the criteria for the imposition of fines for TV advertising-related violations and the authorization of vote in writing
		Voting	Vote on the approval of the acquisition of a mobile satellite communications business by a common carrier (Global Star Asia Pacific Ltd.'s acquisition of LG Telecom Mobile Satellite Communications)
		Voting	Vote on the re-licensing of three businesses using broadcasting channels including Hyundai Home Shopping
		Reporting	On the 'Next-generation Broadcasting and Communications Service Strategy for the Age of Convergence and Mobile Communications' (draft)
		Reporting	On the 'Plan for the Evaluation of Competition in the Broadcasting Market' (draft)

Session	Date	Type	Item
26 th	May 7 (FRI)	Reporting	On the setting up of relay stations for terrestrial DMB operators (Seven local terrestrial DMB operators including KBS)
27 th	May 12 (WED)	Voting	Vote to appoint a new trustee for the Foundation for Broadcast Culture
		Voting	Vote on amendments proposed for the 'Enforcement Decree to the Radio Waves Act'
		Reporting	On the timeline of the selection of businesses using general broadcasting channels and specialized news channels
28 th	May 18 (TUE)	Voting	Vote on amendments proposed for the 'Enforcement Decree to the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.'
		Reporting	On the timeline of the selection of businesses using general broadcasting channels and specialized news channels
		Reporting	Results of the telecom service quality evaluation conducted in 2009
29 th	May 20 (THU)	Voting	Vote on the registration of an internet multimedia broadcasting content company (IB Media Net)
		Voting	Vote on tariff filings submitted by three internet multimedia broadcasting service providers including KT
		Voting	Vote on the telecom facility interconnection agreement between SK TELECOM and Sejong Telecom
		Voting	Vote on the registration change of two businesses using broadcasting channels including CMAX Communications
30 th	May 26 (WED)	Voting	Vote on the request for the suspension of a disposition taken in relation to a broadcasting review (request by KBS)
31 st	May 28 (FRI)	Voting	Vote on amendments proposed to the 'Rules on the Composition and Operation of the South-North Korea Broadcasting Exchange Committee'
		Voting	Vote on the amended provisions of the 'Radio Equipment and Facility Rules for the Introduction of Radio Communications Equipment and Digital Mobile Radios for Mobile Communications'
32 th	Jun.1 (TUE)	Voting	Vote on the administrative sanctions against six businesses using broadcasting channels for violations of the requirement to report registration changes (including CJ Media)
		Voting	Vote on the proposed improvement of the TV-based electronic commerce system using secondary data broadcast
		Reporting	On the amended provisions of the 'Enforcement Decree to the Special Act on the Digital Transition of Terrestrial TV Broadcasting and Promotion of Digital TV'
		Reporting	On the amended provisions of the 'Enforcement Decree to the Telecommunications Business Act'
33 th	Jun.7 (MON)	Voting	Vote on the extension of the term of members of the Broadcasting Development Fund Management Committee

Session	Date	Type	Item
33 th	Jun.7 (MON)	Voting	Vote on the imposition of fines on five broadcasters, including KBS, for violation of the sponsorship notification requirement
		Voting	Vote on the '2010 Basic Plan for Re-licensing of Terrestrial Broadcasters' (draft)
		Voting	Vote on the re-licensing of 23 system operators including Tbroad Gangseo
34 th	Jun.10 (THU)	Voting	Vote on the 'Plan for the Promotion of Location Information Utilization to Foster the Growth of the LBS Industry and Upgrade Social Safety Nets' (draft)
		Voting	Vote on the 'Changes to the 2010 Broadcasting Development Fund Operation Plan' (draft)
		Voting	Vote on corrective action orders to be issued to SK TELECOM and KT on USIM-related business practices deemed to undermine users' welfare
		Voting	Vote on the '2010 Basic Plan for Re-licensing of Terrestrial Broadcasters' (draft)
		Reporting	On the amended provisions of the 'Act on the Protection, Use, etc. of Location Information'
		Reporting	On the 'Regulator Reform Plan for Broadcasting, Telecommunications and Internet' (draft)
		Reporting	On the 'Detailed Categories of Prohibited Practices Related to Billing Telecommunications Services and Internet Multimedia Broadcasting Services and Review Criteria' (administrative notice)
35 th	Jun.11 (FRI)	Reporting	On the amended provisions of the 'Enforcement Decree to the Broadcasting Act'
		Voting	Vote on the imposition of fines on a broadcaster for advertising-related violations [Two One Media]
		Voting	Vote on the registration and registration change of six businesses using broadcasting channels including CJ Media
		Voting	Vote on tariff filings by 45 system operators including DSD (Dongseo Digital Broadcasting)
		Voting	Vote on the license change of a system operator (following the merger between CMB Daejeon and KCTV Daejeon)
36 th	Jun.11 (FRI)	Voting	Vote to approve facility changes of 53 system operators, including C&M
		Voting	Vote on the '2010 Basic Plan for the Re-licensing of Terrestrial Broadcasters'(draft)
37 th	Jun.30 (WED)	Reporting	About the amended provisions of the 'Enforcement Decree to the Broadcasting Act'
		Voting	Vote on the '2011 Budget and Fund Operation Plan Request'
		Voting	Vote on 'Assignment Policy Directions for Spectrum Expiring in June 2011'
		Voting	Vote on changes proposed to the administrative notice on radio equipment for radio stations with WED? that may be opened without reporting to the authority
		Voting	Vote on the 'Plan for the Licensing Review of New Radio Broadcasting Stations' (draft)

Session	Date	Type	Item
37 th	Jun.30 (WED)	Voting	Vote on the '2010 Basic Plan for Re-licensing Satellite Broadcasters' (draft)
		Voting	Vote on the '2010 Basic Plan for Re-licensing Terrestrial Mobile Multimedia Broadcasters'(draft)
38 th	Jul.2 (FRI)	Voting	Vote to approve changes to the telecom facility interconnection agreement between SK Telecom and Korea Cable Telecom
		Voting	Vote on administrative sanctions for violations of personal information protection related laws and regulations
39 th	Jul.6 (TUE)	Voting	Vote on a request to suspend dispositions taken as part of a broadcasting review (MBC)
		Voting	Vote on the registration of an internet multimedia broadcasting (Moum Media)
40 th	Jul.8 (THU)	Voting	Vote on the re-opening of the case on the KBS-2TV program, 'Buja-ui Tansaeng'
		Voting	Vote on the 'Basic Plan for Surveying Viewing Shares of TV Networks' (draft)
		Reporting	On the enactment of an enforcement decree to the 'Framework Act on the Development of Broadcasting and Communications'
41 st	Jul.12 (MON)	Voting	Vote on disciplinary actions to take against false or exaggerated advertising related to the digital transition of cable TV
42 nd	Jul.15 (THU)	Voting	Vote on issues related to the designation of a certification body for the number of issues of daily papers
		Voting	Vote to approve the largest shareholders of common carriers and change of the largest capital investors of system operators (Gangwon Networks, GBN (Gangwon Broadcasting Network), HNB (Hana Broadcasting)
		Voting	Vote on amendments proposed for the 'Enforcement Decree to the Special Act on the Digital Transition of Terrestrial TV Broadcasting and Promotion of Digital TV'
		Voting	Vote on issues related to the 'Implementation Plan for the Jeju Digital Transition Pilot Project' (draft)
		Voting	Vote on issues related to the 'Establishment and Operation of Digital Broadcasting Transition Support Center'
		Voting	Vote on issues related to the 'Establishment and Operation of Digital Broadcasting Transition Support Center'
43 rd	Jul.16 (FRI)	Voting	Vote on the tariff filing of an internet multimedia broadcasting service provider (LG U+)
		Voting	Vote on changes proposed to the 'Licensing, Reporting, Registration and Approval Procedures for Internet Multimedia Broadcasting Service Providers and Criteria Therefor'
		Voting	Vote on the registration and registration change of three businesses using broadcasting channels, including HCN Media
		Voting	Vote on the license change of system operators and approval of their merger (merger between CJ Hello Vision and CJ Hello Vision Dream City)

Session	Date	Type	Item
43 rd	Jul.16 (FRI)	Voting	Vote to approve the change of the largest capital investor of a system operator and the largest shareholder of a common carrier (the largest capital investor changed at CMB Jeonnam of CMB Holdings)
		Reporting	Vote on changes proposed to the 'Rules on the Technical Standards of Telecommunications Equipment and Facilities'
44 th	Jul.20 (TUE)	Voting	Vote on the 'Upgrading Smart Work Infrastructure and Preparatory Steps for Promoting the Adoption of Smart Work in the Private Sector' (draft)
45 th	Jul.23 (FRI)	Voting	Vote to approve the termination of the basic telecommunications service business of Debureo Net.Co.,Ltd..
		Voting	Vote on the imposition of fines on SBS for violation of the corrective action order related to universal viewing rights
46 th	Jul.29 (THU)	Voting	Vote on the '2.5GHz WiBro Spectrum Assignment Plan' (draft)
		Voting	Vote on the licensing of four new radio broadcasting stations (FM), including FEBC
		Voting	Vote on the 'Plan for the Licensing Review for KBS TV1 Gyeongin' (draft)
47 th	Aug.9 (MON)	Voting	Vote on the imposition of fines on 11 broadcasters for broadcast advertising-related violations (including EPG)
		Voting	Vote on the registration of a business using broadcasting channels (IT BMG)
		Voting	Vote on tariff filings of 24 system operators, including CMBTV
48 th	Aug.13 (FRI)	Voting	Vote to approve members appointed to the Broadcasting Evaluation Committee
		Reporting	Results of the investigation on the alleged ownership limit violation by a PP belonging to the CJ group
		Reporting	Vote on changes proposed to the 'Information and Communications Construction Business Act' and the Enforcement Decree thereto'
49 th	Aug.17 (TUE)	Voting	Vote on the licensing of KBS TV1 Gyeongin and the license change of KBS TV 1
		Voting	Vote on the re-opening of the case on the MBC-TV program 'Gaein-ui Chwihyang'
		Reporting	On the 'Basic Plan for the Approval Process of Business Using General Broadcasting Channels and Specialized News Channels' (draft)
50 th	Aug.18 (WED)	Voting	Vote on amendments proposed for the 'Enforcement Decree to the Special Act on the Digital Transition of Terrestrial TV Broadcasting and Promotion of Digital TV'
51 st	Aug.19 (THU)	Voting	Vote on amendments proposed for the 'Enforcement Decree to the Broadcasting Act'
52 nd	Aug.24 (TUE)	Voting	Vote on the administrative notice proposal 'The Phase-out Date for Analog Emergency Broadcast and Broadcasting Stations by Pilot Project Area'
53 rd	Sep.3 (FRI)	Voting	Vote on changes in the telecommunications facility interconnection agreement between SK Telecom and SK Telink
		Voting	Vote on tariff filings of eight system operators, including YBN

Session	Date	Type	Item
53 rd	Sep.3 (FRI)	Voting	Vote on the registration and registration change of businesses using broadcasting channels
54 th	Sep.8 (WED)	Voting	Vote on issues related to the conciliation of the dispute between Korea Leisure Fishing Broadcasting and CJ Hello Vision
		Voting	Vote on the appointment of members to the Universal Viewing Rights Committee
		Voting	Vote on amendments proposed for the 'Enforcement Decree to the Telecommunications Business Act'
		Reporting	On 'Detailed Criteria for the Imposition of Fines for Accounting Violations' (administrative notice proposal)
		Reporting	Vote on the 'Conditions, Procedure and Method of Wholesale Service Supply and Criteria for Price-setting' (administrative notice)
55 th	Sep.15 (WED)	Voting	Vote on the spin-off of CJO Shopping
		Voting	Vote on the '2011 Basic Plan for the Selection of Public-interest Channels'(draft)
		Voting	Vote on the enactment of the 'Detailed Categories of Prohibited Practices Related to Billing Telecommunications Services and Internet Multimedia Broadcasting Services and Review Criteria' (administrative notice)
		Voting	Vote on the details of the unification of mobile number pre-digits to 010
		Voting	Vote on changes proposed to the 'Guidelines on the Certification of Broadband Information and Communications Buildings'
		Reporting	On the 'Implementation Plan for the IPv6 Migration of Internet Addresses' (draft)
		Reporting	On the amended provisions of the 'Enforcement Decree to the Radio Waves Act'
56 th	Sep.16 (THU)	Voting	Vote on the imposition of fines on four broadcasters for broadcast advertising-related violations (including CU Media)
		Voting	Vote on the registration and registration change of four businesses using broadcasting channels (including Daum Communications)
		Voting	Vote to approve facility changes of 19 system operators including C&M
57 th	Sep.17 (FRI)	Voting	Vote on changes proposed to the 'Rules on the Technical Standards of Telecommunications Equipment and Facilities'
		Voting	Vote on issues related to the 'Basic Plan for the Licensing Review of Common Carriers'(draft) -WiBro business by KMI (Korea Mobile Internet)
		Voting	Vote on the 'Basic Plan for the Approval Process of Business Using General Broadcasting Channels and Specialized News Channels' (draft)
		Reporting	On the administrative notice proposal 'Eligibility Criteria for Prepaid Call Service Guarantee Insurance and the Calculation Method for Policy and Claim Amounts'
		Reporting	On the amended 'Conditions for the Supply of Facilities, etc. and Criteria for the Calculation of Fees' (administrative notice)
58 th	Sep.24 (FRI)	Voting	Vote on administrative sanctions against three telecom operators (including KT) for violation of personal information protection laws and regulations

Session	Date	Type	Item
58 th	Sep.24 (FRI)	Voting	Vote on corrective action orders to be issued to three mobile carriers for practices related to the issue of differentiated handset subsidies, deemed to undermine users' welfare
		Voting	Vote on the '2011 Basic Plan for the Selection of Public-interest Channels' (draft)
		Reporting	On the administrative notice proposal 'Criteria for the Calculation of Viewing Shares of TV Networks'
59 th	Oct.13 (WED)	Voting	Vote on the re-licensing review of product-distributing businesses using data broadcasting channels
		Voting	Vote on the tariff filing of an internet multimedia broadcasting service provider (LG U+)
60 th	Oct.14 (THU)	Voting	Vote on the rural area BcN construction plan as part of the conditions for the approval of LG U+'s absorption of LG Dacom and LG Powercom
		Voting	Vote on amendments proposed for the 'Enforcement Decree to the Information and Communications Construction Business Act'
		Voting	Vote on the 'Master Plan for the Promotion of the Internet Advertising Market'(draft)
		Voting	Vote on the administrative notice proposal 'Criteria for the Calculation of Viewing Shares of TV Networks'
61 st	Oct.20 (WED)	Voting	Vote on the licensing of eight new location information companies, including Nokia Korea
		Voting	Vote on administrative sanctions against three telecom operators (including KT) for violation of personal information protection laws and regulations
		Voting	Vote on the licensing of two new radio broadcasting stations (FM), including WBS FM
		Voting	Vote on the license change of a satellite mobile multimedia broadcaster (SK Telink's absorption of TU Media)
		Reporting	On the establishment and operation of a regulatory improvement team for the retransmission of terrestrial TV
		Reporting	On 'Market Definition in View of the Evaluation of Competition in the Broadcasting Market' (draft)
62 nd	Oct.21 (THU)	Voting	Vote on the grouped reviewing of, and voting on, amendment proposals to administrative notices related to the 'Telecommunications Business Act'
63 rd	Nov.2 (TUE)	Voting	Vote on the licensing of a basic telecommunication service (WiBro business by KMI)
		Reporting	On detailed criteria for the approval of businesses using general broadcasting channels and specialized news channels
64 th	Nov.3 (WED)	Voting	Vote on the authorization of the retransmission of foreign broadcasting programs by an internet multimedia broadcasting service provider (KT) for a limited period of time
		Voting	Vote on the telecommunications facility interconnection agreement between SKT and KCT

Session	Date	Type	Item
64 th	Nov.3 (WED)	Voting	Vote on the telecommunications facility interconnection agreement between SKT and KT
		Voting	Vote on the registration and registration change of three businesses using broadcasting channels, including Yonhap Infomax
		Voting	Vote on tariff filings of 52 system operators including HNB
65 th	Nov.10 (WED)	Voting	Vote on issues related to the results of the 2010 Broadcasting Evaluation
		Voting	Vote for the approval of the liquidation of HNB stock by one of its constituent shareholder
		Voting	Vote on 'Detailed Criteria for the Approval of Businesses Using General Broadcasting Channels and Specialized News Channels' (draft)
		Voting	Vote on the timeline of the selection of businesses using general broadcasting channels and specialized news channels
		Reporting	On changes to the plans for setting up relay stations of seven regional terrestrial DMB operators, including KBS
66 th	Nov.15 (MON)	Voting	Vote on the administrative notice proposal 'Conditions, Procedure and Method of Wholesale Service Supply and Criteria for Price-Setting'
		Voting	Vote on amendments proposed for the 'Enforcement Decree to the Radio Waves Act'
		Voting	Vote on the proposal for the introduction of a certification system for personal information protection and management systems
		Voting	Vote on the 'Smart Mobile Security Master Plan' (draft)
		Reporting	On the '2010 Master Plan for Spam Prevention' (draft)
67 th	Nov.18 (THU)	Voting	Vote on corrective action orders to SK Telecom, KT and LG U+ on wireless data service-related practices, deemed to undermine users' welfare
		Voting	Vote on the re-licensing of six regional terrestrial DMB operators as terrestrial mobile broadcasting service providers, including MBC Andong
		Voting	Vote on the selection of public-interest channels for 2011
		Reporting	On directions for home shopping channel policy favorable to the growth of SMEs
68 th	Nov.19 (FRI)	Voting	Vote on the registration of four businesses using broadcasting channels, including CTNI
		Voting	Vote on the license change of system operators and approval of merger with common carriers (CJ Hello Vision's absorption of CJ Hello Vision Haeundae/ Gijang and Korea Cable TV Modu)
		Voting	Vote to approve facility changes of 14 C&M-affiliate system operators
		Voting	Vote on the 'Criteria of What Constitutes a Negligible Item Concerning Changes in an Interconnection Agreement'
69 th	Nov.26 (FRI)	Voting	Vote on the re-licensing of 43 terrestrial broadcasters, including KBS, for 2010
		Voting	Vote on the administrative notice proposal 'Criteria for Determining Households Needing Support Pursuant to Article 11 (2) of the Enforcement Decree to the Special Act on Digital Transition'

Session	Date	Type	Item
69 th	Nov.26 (FRI)	Voting	Vote on the imposition of fines on two broadcasters (including Living TV) for violations related to disciplinary actions issued following a broadcasting review
70 th	Nov.29 (MON)	Voting	Vote on disciplinary actions against broadcasters failing to comply with the requirement to obtain the consent of subscribers for collective reception agreements subscriptions
71 st	Dec.2 (THU)	Voting	Vote on the enforcement decree proposed to the 'Framework Act on the Development of Broadcasting and Communications'
		Voting	Vote on the nominees for the Viewer Complaints Committee
		Voting	Vote on corrective action orders to SK Telecom, KT and LG U+ for practices related to wireless data services, deemed to undermine users' welfare
		Reporting	On the 'Plan for the Acceptance of TV License Fee Approval-Related Documents and Their Processing'(draft)
		Reporting	On the revised provisions of the 'Rules on the Evaluation of Broadcasting'
		Reporting	On the revised provisions of the 'Notice on Broadcast Programming, etc.'
72 nd	Dec.8 (WED)	Voting	Vote on the 'Plan on the Approval Review of Businesses Using General Broadcasting Channels and Specialized News Channels' (draft)
73 rd	Dec.10 (FRI)	Voting	Vote on the telecommunications facility interconnection agreement between SK Telecom and SK Broadband
		Voting	Vote on the registration of two businesses using broadcasting channels (including Safe TV)
		Voting	Vote on changes proposed to the 'Criteria for Accounting Separation in the Telecommunications Industry'(administrative notice)
		Voting	Vote on a plan to allow the grouped review and approval of amendment proposals to administrative rules for process simplification
74 th	Dec.13 (MON)	Voting	Vote on the 'Re-announcement on the Assignment of 2.5GHz WiBro Spectrum'
		Voting	Vote on the 'Assignment Plan for Radio Pager Spectrum' (draft)
		Voting	Vote on the revised 'Radio Facility Rules' and other administrative notices
		Voting	Vote on foreign capital investment in FEBC
		Voting	Vote on a home shopping channel policy proposal to support the growth of SMEs
		Reporting	On the administrative notice proposal 'Rate Schedule for Broadcasting and Communications Development Fund Contributions'
		Reporting	On the draft 'Rules on the Operation and Management of the Broadcasting and Communications Development Fund'
		Reporting	On the administrative notice proposal 'Rules on Broadcasting and Communications Research and Development' and rules appended thereto
75 th	Dec.16 (THU)	Voting	Vote on amendments proposed to the administrative notice 'Basic Services and Their Providers Subject to the User Agreement Approval Requirement'
		Voting	Vote on amendments proposed to the administrative notice 'Common Carriers Required to Obtain Approval on Telecommunications Facility Interconnection and Sharing, and Information Supply Agreements'

Session	Date	Type	Item
75 th	Dec.16 (THU)	Voting	Vote on amendments proposed to the administrative notice 'Conditions for the Supply of Facilities, etc. and Criteria for the Calculation of Fees'
76 th	Dec.22 (WED)	Voting	Vote on the 'Basic Plan for the Licensing Review of Common Carriers' (draft) - WiBro business of the Mobile Internet Consortium
		Voting	Vote on a common carrier's plan for the acquisition of internet telephone and international call businesses (CJ Hello Vision's acquisition of the internet telephone and international call division of Sejong Telecom)
		Voting	Vote on the re-licensing of two satellite broadcasters (KDB and SK Telink)
		Voting	Vote on the re-licensing of a terrestrial mobile multimedia broadcasting service provider (GTB)
		Voting	Vote on the re-licensing of HNB
		Voting	Vote on the administrative sanction against KFM
		Voting	Vote on the review plan for the merger between MBC Changwon and MBC Jinju and the resulting license change
		Voting	Vote on administrative sanctions to be issued against 35 companies for violations of personal information protection laws and regulations (including MS Harmony)
		Voting	Vote on the administrative notice proposal 'Fine Schedule for Accounting-related Violations'
		Reporting	On the 'Award Plan for the 2011 Korea Communications Commission Awards' (draft)
77 th	Dec.24 (FRI)	Voting	Vote on changes proposed to the 'Rules on the Evaluation of Broadcasting'
		Voting	Vote on the '2011 Implementation Plan for the Digital Transition of Analog TV' (draft)
		Voting	Vote on the 'Smart Mobile Security Master Plan' (draft)
		Voting	Vote on the administrative notice proposal 'Eligibility Criteria for Prepaid Call Service Guarantee Insurance and the Calculation Method for Policy and Claim Amounts'
78 th	Dec.28 (TUE)	Voting	Vote on amendments proposed to the administrative notice 'Criteria for the Interconnection of Telecommunications Facilities' following the determination of connection fees for 2010-2011
		Voting	Vote on amendments proposed to the 'Notice on Broadcast Programming'
		Voting	Vote to enact and amend administrative notices, including 'Criteria for the Imposition of Fines for Violations of Personal Information Protection Laws and Regulations'
		Reporting	On the amendment of certain provisions of the 'Enforcement Decree to the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.'

Session	Date	Type	Item
79 th	Dec.29 (WED)	Voting	Vote on the imposition of fines on three broadcasters (including JBS) for violating programming quotas for 4Q 2009
		Voting	Vote on the request to retransmit foreign broadcasting programs (of two broadcasters including Euro channel of Euro channel Inc.)
		Voting	Vote on the reassessment of the amount of the fine imposed on SK Telecom
		Reporting	Vote on the administrative notice proposal 'Application Procedures for Household Digital Transition Support'
80 th	Dec.31 (FRI)	Voting	Vote on the selection of companies approved as businesses using general broadcasting channels and specialized news channels

7. 2010 Monthly Major Achievements

〈Appendix Table -10〉 2010 Calendar

○ Jan. 2010

Date	Event (s)
Jan. 13	New Year's reception with ventures and startups
Jan. 13	1st meeting of the Council for Overseas Expansion Support for Korean Broadcasting and Communications Businesses
Jan. 14	Announcement of the 2010 strategy for supporting the overseas expansion of Korean broadcasting and communications businesses
Jan. 18	New Year's conference with CEOs of internet companies and heads of related business associations
Jan. 19	New Year's reception with new media firms
Jan. 19	1st meeting of the Broadcasting and Communications Technical Advisory Team
Jan. 20	Inauguration ceremony for the 2010 DTV transition pilot project team; 4th meeting of the DTV Broadcasting Promotion Committee
Jan. 25	New Year's conference with CEOs of telecom companies
Jan. 28	Information meeting on the introduction of personal identification means other than resident registration number to register with internet websites
Jan. 28	1st meeting of the Public-Private Partnership Committee for Green Converged Digital Media Services
Jan. 28	Communiqué released on 2009 broadcasting and communications trends
Jan. 28	Meeting of the Jeju DTV Transition Pilot Project Steering Committee

〈New Year's reception with ventures and startups〉



〈1st meeting of the Broadcasting and Communications Technical Advisory Team〉



○ February 2010

Date	Event (s)
Feb. 2	3DTV Promotion Center opened
Feb. 2	The 2010 list of internet companies required to use real-name registration announced
Feb. 3	'Plan for the Promotion of Digital TV Diffusion' announced
Feb. 8	'Top 10 Safety Tips for Smartphone Users' announced
Feb. 9	Agreement on methods of cooperation with the Ministry of Culture, Sports and Tourism, for the establishment of the Digital Broadcasting Content Support Center
Feb. 16	Vote on the '800/900 MHz, 2.1 GHz Spectrum Assignment Plan' (draft)
Feb. 16	Vote on changes proposed to 'Method and Criteria for Calculating Compensation for Universal Service Loss' (administrative notice)
Feb. 17	Acceptance for 2010 loan applications for digital broadcasting facility investment begins
Feb. 23	Digital TV Viewer Support Center opened in Uljin-gun
Feb. 26	Digital TV Viewer Support Center opened in Danyang-gun

〈3DTV Promotion Center inaugurated〉



〈Digital TV Viewer Support Center opened in Uljin〉



○ March 2010

Date	Event (s)
Mar. 2	'Personal Information Security Self-Diagnosis' website opened
Mar. 4	Vote on the amended 'Enforcement Decree to the Radio Waves Act'
Mar. 4	Broadcasting and Communications User Protection Center opened
Mar. 5	Digital TV Viewer Support Center opened in Gangjin-gun
Mar. 5	CEO conference hosted on the theme of the promotion of wireless internet
Mar. 8	Announcement of low-price basic digital TV models selected as popular diffusion models
Mar. 8	Decision to host the APCERT General Meeting 2011 in Korea
Mar. 11	National Information Security Index 2009 announced
Mar. 11	Conference with broadcasting company CEOs hosted
Mar. 16	2nd meeting of the Committee for Support of the Overseas Expansion of Korean Broadcasting and Communications
Mar. 16	20-pin cell phone charger approved as an international standard by ITU
Mar. 17	Appointment of a new director for the board of EBS
Mar. 17	Vote on the regulation method for service bundles by system operators
Mar. 22	Conference with IT SMEs on ways to promote wireless internet
Mar. 23	1st meeting of the 2nd Special Committee on Regulatory Reform and Legal Improvement
Mar. 24	A seminar on cooperation for the promotion of the smartphone industry jointly hosted with the Presidential Council for Future and Vision
Mar. 25	2010 Korea Communications Commission Broadcasting Awards ceremony
Mar. 29	Results of the Malicious Code Removal Tool Survey in the 2nd half of 2009 announced
Mar. 29	Mobile Advertising Policy Forum inaugurated
Mar. 30	Vote on the nominees to the 1st Media Diversity Committee

〈Broadcasting company CEO conference〉



〈2010 Korea Communications Commission Broadcasting Awards〉



○ April 2010

Date	Event (s)
Apr. 1	Fixed Telecom Discount Procedure Simplification System begins operation
Apr. 1	A roundtable hosted on the protection of users' right to choose in the mobile environment
Apr. 1	Conference with internet company CEOs hosted
Apr. 1	MOU signed with Korea Land and Housing Corp and Seoul Housing Corp on a joint project for improving digital TV reception
Apr. 6	Start of government support in digital transition pilot project areas (Ulsan, Daejeon, Gangjin)
Apr. 7	Vote on the compensation amount for loss incurred in 2008 for universal services and the amount of the share of loss borne by service providers
Apr. 7	Vote on the phase-out date for analog TV broadcasting of Dec. 31, 2012 (04:00)
Apr. 8	Broadband Wireless Network Development Committee convened
Apr. 8	4th Government-wide National Employment Strategy Conference held
Apr. 14	Green Certification Program for Green Growth begins
Apr. 14	Award ceremony for the MIPTV New Media Content Contest 2010
Apr. 20	Korea Communications Commission President's conference with the former Information and Communication Minister
Apr. 21	Vote on the 'Master Plan on the Promotion of Wireless Internet'
Apr. 22	55th 'Information and Communications Day' ceremony held
Apr. 23	Rural Community Smart Infrastructure Development Council inaugurated
Apr. 23	MOU signed with World Bank on ICT cooperation
Apr. 26	Vote on assignees of 800/900 MHz and 2.1GHz spectrum
Apr. 26	2nd Corporate Information Security Management Strategy Seminar held
Apr. 27	2nd Public-Private Sector Partnership Committee for Green Converged Digital Media Services meets
Apr. 27	Broadcast Programming Evaluation Policy Working Group meets
Apr. 28	Mobile Security Forum inaugurated
Apr. 28	Assignees of 800/900 MHz spectrum selected

〈MOU on Digital TV Reception Improvement signed〉



〈Information and Communications Day ceremony〉



○ May 2010

Date	Event (s)
May 4	Conference with members of the Korea Venture Business Women's Association
May 6	ICT Forum Korea 2010 held
May 7	App services for iPhone by the Korea Communications Commission begin
May 7	'Next-generation Broadcasting and Communications Service Strategy' announced
May 11	Association for Next-generation Digital Converged Service Security Research inaugurated
May 12	Broadcasting and communications emergency drill conducted (-May14)
May 12	Passport Information System for Koreans Overseas piloted
May 13	Marketing Guidelines for Telecommunications Operators published
May 14	Next-generation Broadcasting and Communications Service Strategy Conference hosted
May 14	Kim Jae-woo appointed new trustee for the Foundation for Broadcast Culture
May 17	ITU-T SG3 Meeting hosted (-May 21)
May 18	Results of the quality evaluation of four telecom services (Sep. 2009 - Apr. 2010) announced
May 18	Conference with cloud service company CEOs hosted
May 19	3DTV Promotion Center's website and experiential center opened
May 19	Terrestrial 3DTV pilot broadcasting begins for the first time in the world
May 19	Next-generation Internet Committee inaugurated
May 20	Conference with broadcasting company CEOs hosted
May 24	Broadcasting and Communications Ministerial Meeting and World IT Show (-May 28)
May 25	Release of 6 basic digital TV models from 3 manufacturers selected as popular diffusion models
May 27	Green IPTV Service Pilot Project for the Promotion of Cloud Services begins
May 28	2nd Green Broadcasting and Communications Committee meets

〈Cloud service company CEO conference〉



〈Conference on Next-generation Broadcasting and Communications Service Strategy〉



○ June 2010

Date	Event (s)
Jun. 1	Conference with representatives of 10 IT-related associations
Jun. 1	Vote to approve TV-based electronic commerce
Jun. 5	Korea Internet Dream Star inaugurated
Jun. 8	Digital Broadcasting Content Support Center plan announced
Jun. 9	Public-private MOU on support for the development of smart mobile apps
Jun. 10	Information Security Symposium 2010 held
Jun. 10	Vote on a regulatory improvement plan for broadcasting and communications, and internet fields
Jun. 10	Vote on the 'Plan for the Promotion of Location Information Utilization to Foster the Growth of the LBS Industry and Upgrade Social Safety Nets'
Jun. 14	Vote on the '2010 Basic Plan for Re-licensing of Terrestrial Broadcasters'
Jun. 28	Machine-to Machine-Communications Conference 2010 hosted
Jun. 29	1st Ex-post Broadcasting and Communications Regulation Seminar held
Jun. 29	Public hearing on the 'Guidelines on the Protection and Use of Online Behavioral Information' (draft)
Jun. 29	Respective roles of smartphone information security actors announced
Jun. 30	Disclosure of broadcasting companies' assets in 2009
Jun. 30	Policy directions for the assignment of frequency spectrum expiring in June 2011 announced

〈MOU on support for the development of smart mobile apps〉



〈2010 Machine to Machine Communications Conference〉



○ July 2010

Date	Event (s)
Jul. 8	Conference with industry, academic experts and researchers in the 3D TV field
Jul. 9	6th meeting of the DTV Broadcasting Promotion Committee convened
Jul. 14	MOU on cooperation for greater efficiency in the protection of personal information
Jul. 15	Korea ABC (Audit Bureau of Circulations) selected as the certifying body for the number of issues of daily papers
Jul. 16	Award ceremony held for the 7th Hacking Defense Contest
Jul. 20	A smart work promotion strategy meeting held
Jul. 22	MOU signed with Gyeonggi-do Province for the establishment of a digital broadcasting content support center
Jul. 22	Announcement of the list of sponsors for the Broadcasting Awards; information meeting on the regulation of new types of advertising
Jul. 26	3rd meeting of the 2nd Special Committee on Regulatory Reform and Legal Improvement convened
Jul. 29	Vote on the WiBro spectrum assignment plan
Jul. 30	Public hearing on the amendment bill to the 'Act on the Protection, Use, etc. of Location Information'
Jul. 30	Conference with broadcasting company CEOs hosted

〈3D TV conference with industry, academic and research experts〉



〈MOU with Gyeonggi-do Province for the establishment of a digital broadcasting content support center〉



○ August 2010

Date	Event (s)
Aug. 3	EMC registration and type registration certificates issued for Apple iPhone 4
Aug. 16	Public hearing held on a planned certification scheme for personal information protection systems
Aug. 16	Improvements made in the billing system for mobile phone value-added services
Aug. 18	Conference with telecom CEOs for cooperation and win-win relationships between large companies and SMEs
Aug. 18	'Government-to-citizen Service Trends in Broadcasting and Communications during 1st Half 2010' released
Aug. 19	Public hearing for the development of criteria for the calculation of viewing shares of TV networks
Aug. 19	Broadcasting and Communications Quality Evaluation Workshop 2010 hosted
Aug. 20	Single-number FMC service authorized
Aug. 25	i-Pin web service launched
Aug. 31	Viewers' Media Center (Busan, Gwangju) now open seven days a week

〈Conference with telecom CEOs for cooperation and win-win relationships between large companies and SMEs〉



〈Public hearing held on a planned certification scheme for personal information protection systems〉



○ September 2010

Date	Event (s)
Sep. 1	Korea Clean Mobile Council (KCMC) launched
Sep. 1	DTV transition of terrestrial TV completed in Uljin-gun for the first time in Korea
Sep. 2	Public hearing on the 'Basic Plan for the Approval of Businesses Using General Broadcasting Channels and Specialized News Channels' (draft) (-Sep.3)
Sep. 5	Beautiful Internet World Week events begin (-Sep.10)
Sep. 6	'Great Roundtable for Building a Beautiful Internet World' held
Sep. 9	Internet Korea Conference (IKC) 2010 hosted (-Sep.10)
Sep. 9	Korea-Equator MOU on information and communications cooperation
Sep. 9	A public-private partnership consultation body for the internet established
Sep. 13	Asia-Pacific Wireless Forum (AWF) hosted (-Sep.16)
Sep. 14	'Guidelines on Mobile Handset After-Sale Services' issued
Sep. 15	Jeju Digital TV Viewer Support Center opened
Sep. 15	Vote on the unification of mobile number pre-digits to 010
Sep. 15	Vote on the 'Implementation Plan for the IPv6 Migration of Internet Addresses'
Sep. 24	Corrective action orders issued to, and fines imposed on, SK Telecom, KT and LG U+ for practices related to the issue of differentiated handset subsidies, deemed to undermine users' welfare
Sep. 28	'Cyber Shelter System' launched
Sep. 29	Results of the 2010 Internet Use Survey released

〈Declaration of the completion of digital TV transition in Uljin〉



〈'Beautiful Internet World Week' declared〉



○ October 2010

Date	Event (s)
Oct. 1	4th meeting of the 2nd Special Committee on Regulatory Reform and Legal Improvement held
Oct. 6	Digital TV Transition Declaration Ceremony held in Gangjin-gun
Oct. 8	MOU for Cooperation in Efforts to Promote Youth's Use of Polite Language
Oct. 8	Members appointed to the 3rd Internet Address Dispute Mediation Committee
Oct. 14	A seminar on the safety of 3D viewing
Oct. 14	Vote on the administrative notice proposal 'Criteria for the Calculation of Viewing Shares, etc.'
Oct. 14	Vote on the 'Master Plan for the Promotion of the Internet Advertising Market'
Oct. 21	Decision to host the 2014 ITU Plenipotentiary Meeting
Oct. 21	Distribution of the handbook 'Wi-Fi Security Made Easy'
Oct. 27	Workshop on the Plan for the Use of Telecommunications Repeaters (doubled as an event to celebrate the development of the weather satellite Chollian using Korean technology only)
Oct. 29	HD 3DTV pilot broadcast

〈MOU for Cooperation in Efforts to Promote Youth's Use of Polite Language〉



〈HD 3DTV pilot broadcast〉



○ November 2010

Date	Event (s)
Nov. 1	2nd Broadcasting and Communications User Protection Week (-Nov.4)
Nov. 2	Expert roundtable held on 'Detailed Criteria for the Approval Review of Businesses Using General Broadcasting Channels and Specialized News Channels' (draft)
Nov. 3	Seoh Jong-ryeol appointed Director of the Korea Internet and Security Agency
Nov. 3	Digital TV transition pilot project in Danyang-gun completed
Nov. 3	Expert conference held on 'Directions for Next-generation Internet Policy'
Nov. 4	'Improvement Strategy for the Use of Prepaid Mobile Call Service' announced
Nov. 4	2nd International Broadcasting and Communications Dispute Conciliation Forum hosted
Nov. 4	Ceremony held for the Broadcasting and Communications User Protection Week
Nov. 5	G20 Experiential Show: The Future of Broadcasting and Communications (-Nov.13)
Nov. 8	2010 International Broadcasting and Communications Conference hosted (-Nov.10)
Nov. 8	Green certificate issued for the first time in the broadcasting and communications field
Nov. 10	Vote on 'Detailed Criteria for the Approval Review of Businesses Using General Broadcasting Channels and Specialized News Channels and the Method of Application'
Nov. 10	Results of the 2010 Broadcasting Evaluation released
Nov. 11	Joint workshop on 'Broadcasting Manpower Development Strategy for the Smart Media Age' hosted
Nov. 15	Broadcasting equipment testing and certification center opened

〈G20 Experiential Show: The Future of Broadcasting and Communications〉



〈Broadcasting and Communications User Protection Week ceremony〉



○ November 2010

Date	Event (s)
Nov. 16	Broadband and Digital Convergence Workshop jointly hosted with World Bank
Nov. 17	4th Internet Telephone (VoIP) Security Technology Seminar
Nov. 17	Kick-off meeting of the Advisory Committee for Broadcasting Content Promotion
Nov. 19	Personal information protection online portal opened
Nov. 22	Radio Broadcasting Conference 2010
Nov. 23	Public forum held on the theme of 'Broadcasting Content Promotion Strategy Aligned with Smart TV Development
Nov. 23	14th Hacking Prevention Workshop (-Nov.24)
Nov. 23	'Smart Mobile Office Implementation Plan' announced
Nov. 24	'Strategy for Fostering the Growth of the Broadcast Advertising Industry in the Smart Age' announced
Nov. 26	Vote on the 2010 re-licensing of terrestrial broadcasters
Nov. 30	Meeting for the completion report of the 2010 Machine-to-Machine Communications Pilot Project
Nov. 30	LBS Conference 2010 held
Nov. 30	'Implementation Plan for the Promotion of Wireless Internet for Content (WINC) Services' announced

〈Radio Broadcasting Conference 2010〉



〈LBS Conference 2010〉



○ December 2010

Date	Event (s)
Dec. 1	KIF Venture Investment Conference and Fair held
Dec. 2	Members appointed to the 3rd Viewer Complaint Committee
Dec. 3	Symposium 'Digital Convergence: Recreating Our Society' held
Dec. 3	2010 Internet Ethics Contest award ceremony
Dec. 6	Public hearing on directions for home shopping channel policy favorable to the growth of SMEs
Dec. 6	Conference on the upgrading of broadcasting and communications network infrastructure hosted
Dec. 7	5th Korea Internet Awards ceremony
Dec. 8	Results of the 2010 Broadcasting Industry Survey released
Dec. 9	Digital Media Fair and a ceremony celebrating the 2nd anniversary of the launch of IPTV
Dec. 10	Public-Private Partnership Council for Converged Digital Services
Dec. 10	Members appointed to the 2nd Committee for the Promotion of Digital Broadcasting

〈Korea Internet Awards ceremony〉

〈Digital Media Fair and a ceremony celebrating the 2nd anniversary of the launch of IPTV〉

○ December 2010

Date	Event (s)
Dec. 13	2010 Machine-to-Machine Communications Conference
Dec. 13	Visits to information security firms and a CEO conference
Dec. 14	Inaugural general meeting held for the Smart Work Forum
Dec. 14	Next-generation Applied Radio Wave Services Seminar hosted
Dec. 15	Public-Private Partnership Conference for the Promotion of the Broadcasting Equipment Industry
Dec. 21	2010 Information Security Awards ceremony
Dec. 22	2010 premier of broadcasting content produced under the Korea Communications Commission's sponsorship
Dec. 24	Vote on the '2011 Implementation Plan for the Digital Transition of Analog TV Broadcasting'
Dec. 24	'Master Plan for Smart Mobile Security' announced
Dec. 28	Vote on fixed-wireless telephone network connection fees for 2010-2011
Dec. 31	Selection of companies approved as businesses using general broadcasting channels and specialized news channels

〈Conference for the Promotion of the Broadcasting Equipment Industry〉



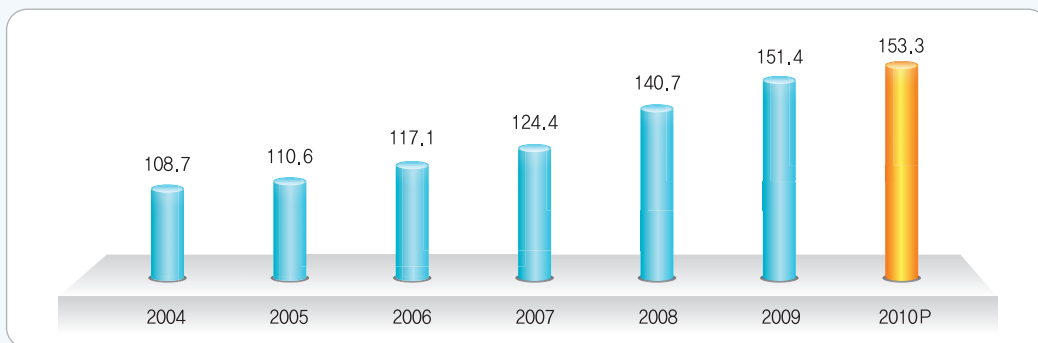
〈Selection of companies approved as businesses using general broadcasting channels and specialized news channels〉



8. Broadcasting and Telecommunications Industry in 2010 by Sector

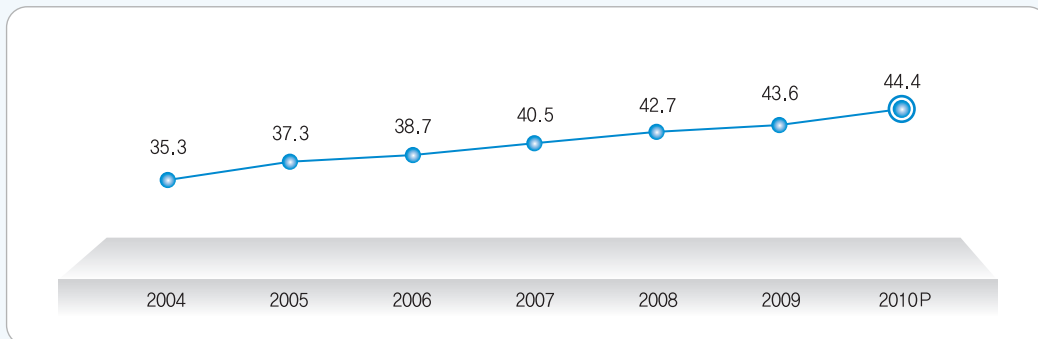
■ Total Production of the Broadcasting and Communications Industry

(unit: KRW 1 tm)



■ Telecom Service Sales

(unit: KRW 1 tm)



■ Broadcasting Service Sales

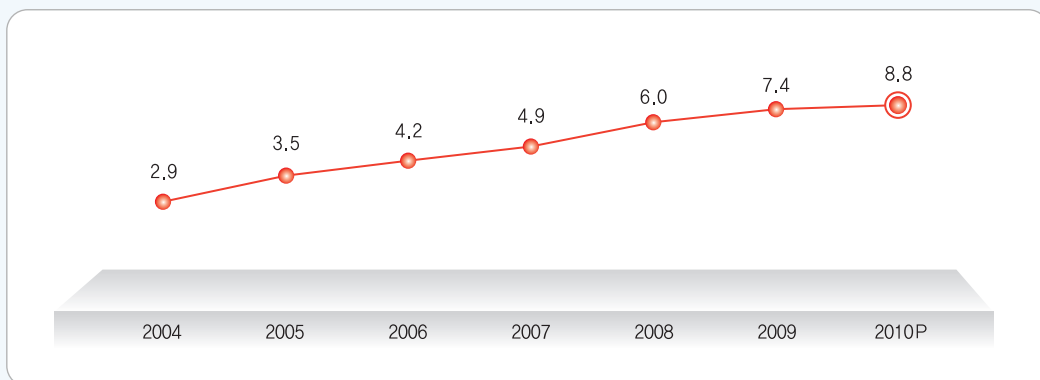
(unit: KRW 1 tm)



※ The above information on the current status of the broadcasting and communications industry by sector was taken from the 'Statistical Yearbook of the Broadcasting and Communications Industry (2010)' and 'Monthly Broadcasting and communications Industry Statistics (Dec. 2010),' published by the Korea Association for ICT Promotion (KAIT).

■ Converged Digital Media Service Sales

(unit: KRW 1 tm)



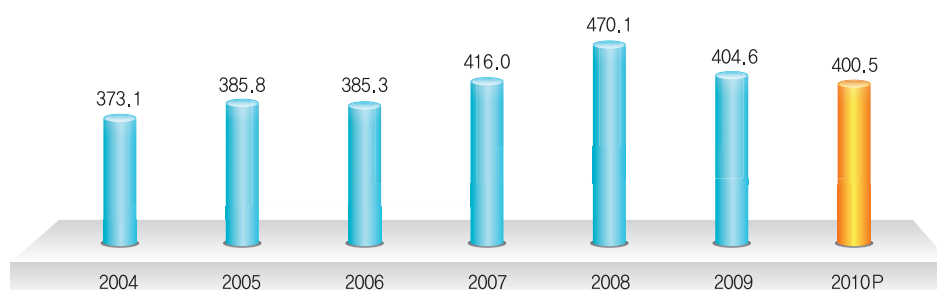
■ Broadcasting and Communications Device Sales

(unit: KRW 1 tm)



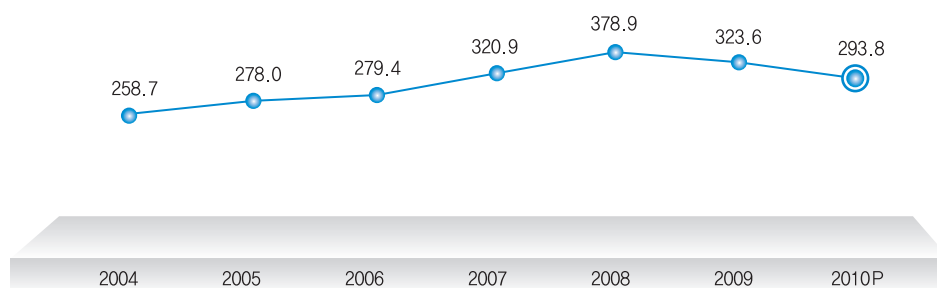
■ Total Broadcasting and Communications Device Exports

(unit: US\$ 100mn)



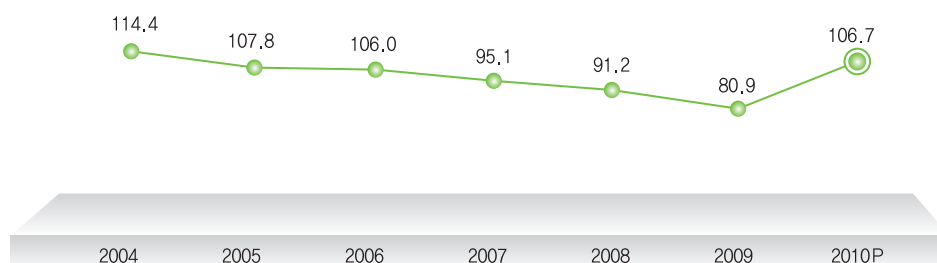
■ Telecom Device Exports

(unit: US\$ 100mn)



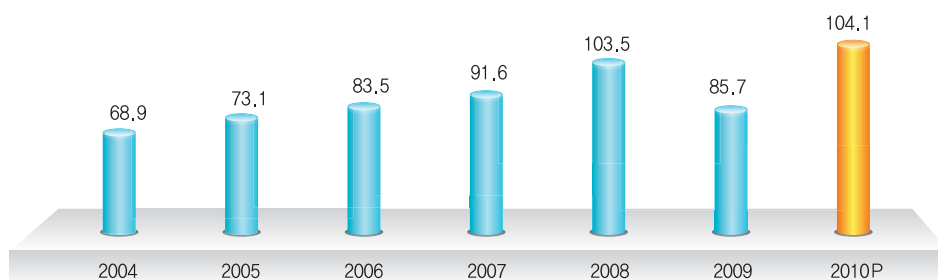
■ Broadcasting Device Exports

(unit: US\$ 100mn)



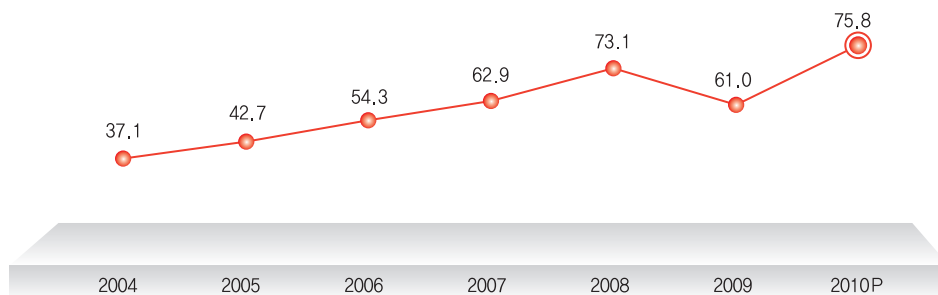
■ Broadcasting and Communications Device Imports

(unit: US\$ 100mn)



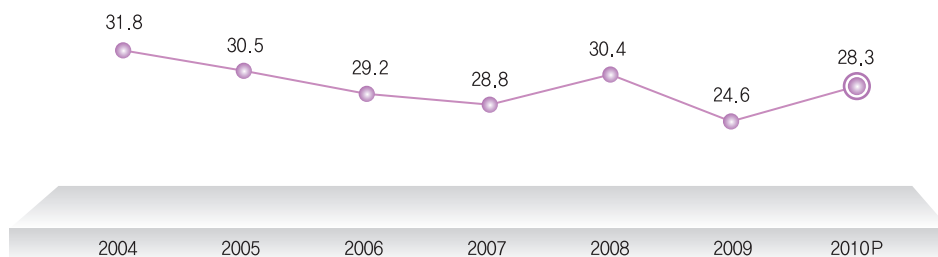
■ Telecom Device Imports

(unit: US\$ 100mn)



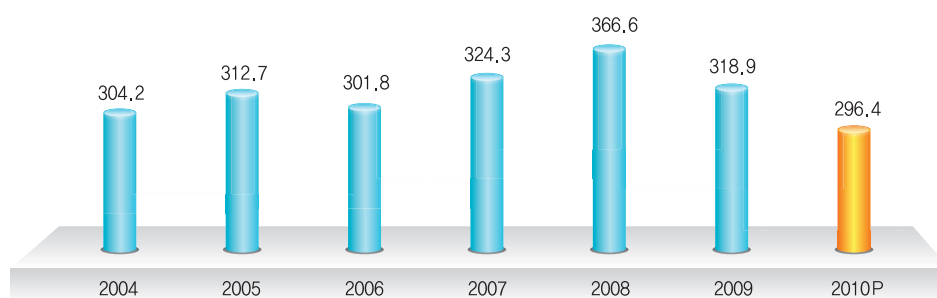
■ Broadcasting Device Imports

(unit: US\$ 100mn)



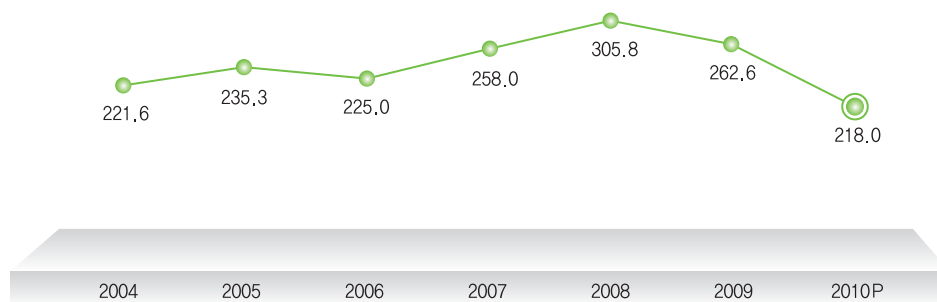
■ Broadcasting Device Imports

(unit: US\$ 100mn)



■ Telecom Device Trade Balance

(unit: US\$ 100mn)



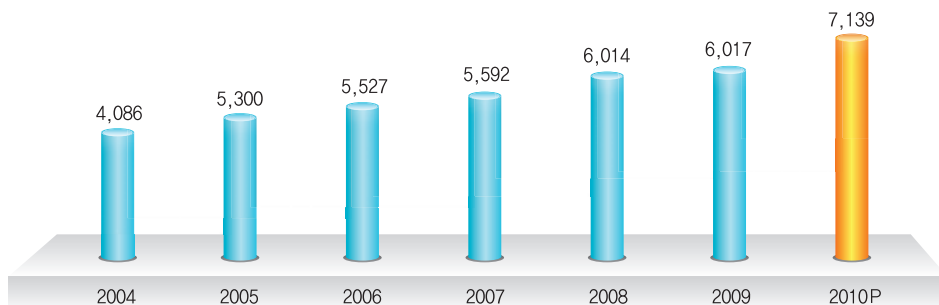
■ Broadcasting Device Trade Balance

(unit: US\$ 100mn)



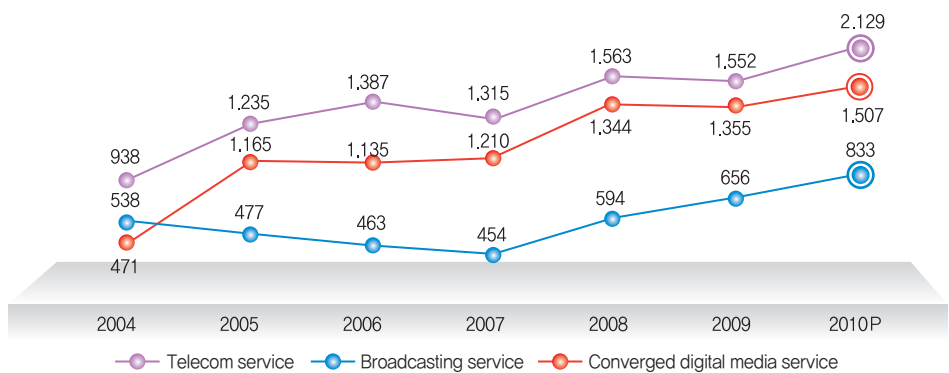
■ Total Number of Companies in Broadcasting and Communications Industry

(unit: number of companies)



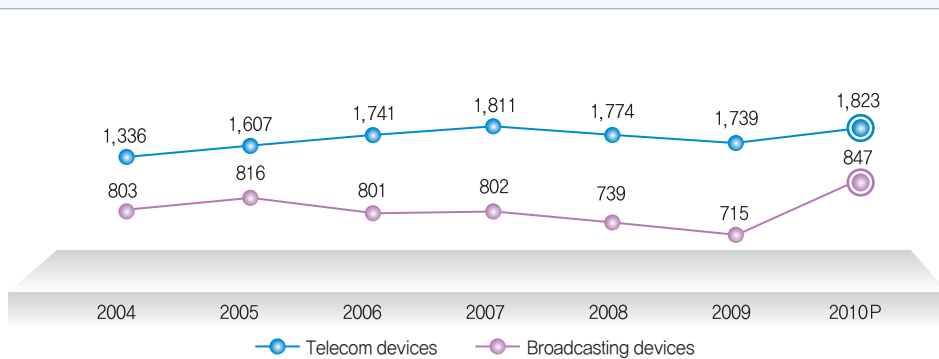
■ Number of Broadcasting, Telecom and Converged Digital Service Providers

(unit: number of companies)



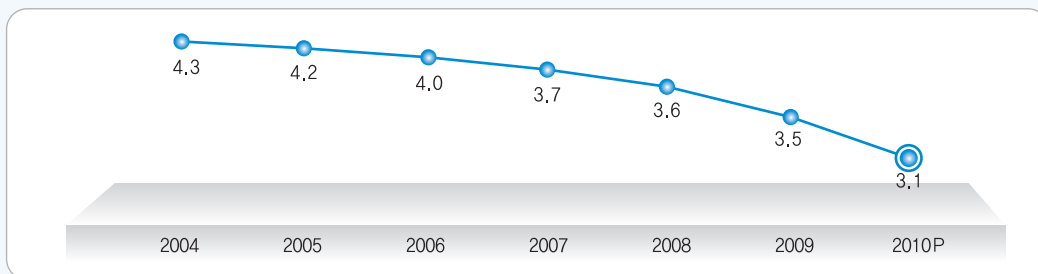
■ Number of Broadcasting and Communications Device Manufacturers

(unit: number of companies)



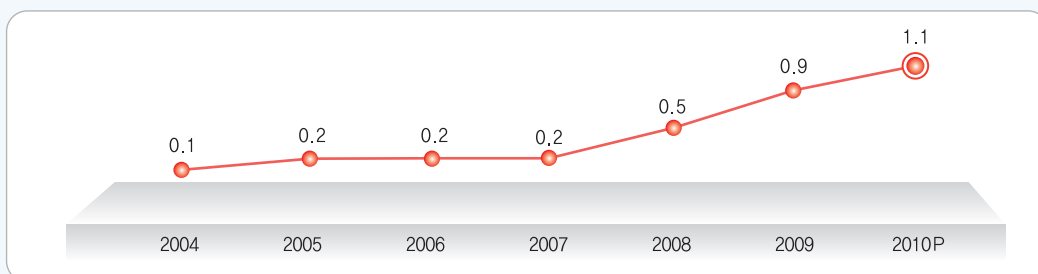
Local Telephone Service Revenue

(unit: KRW 1 tm)



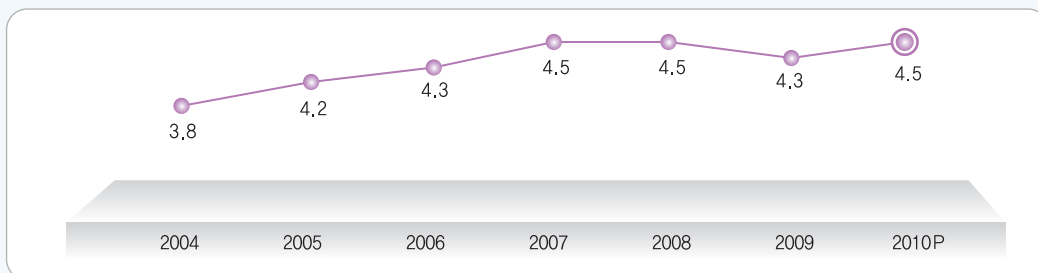
Internet Telephone Service Revenue

(unit: KRW 1 tm)



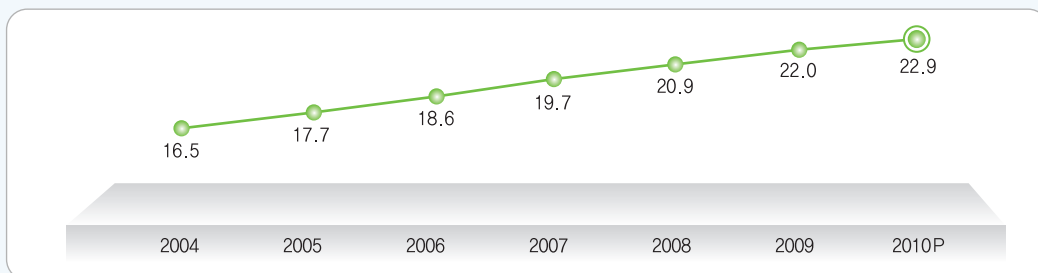
Broadband Internet Access Service Revenue

(unit: KRW 1 tm)



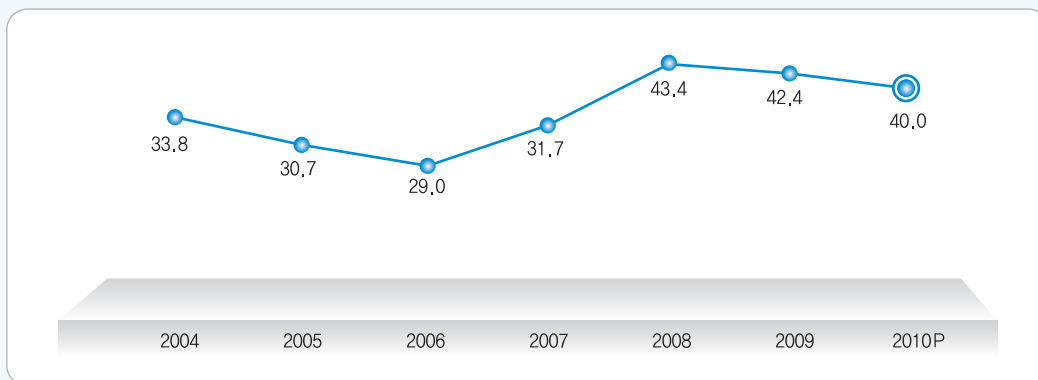
Mobile Service Revenue

(unit: KRW 1 tm)



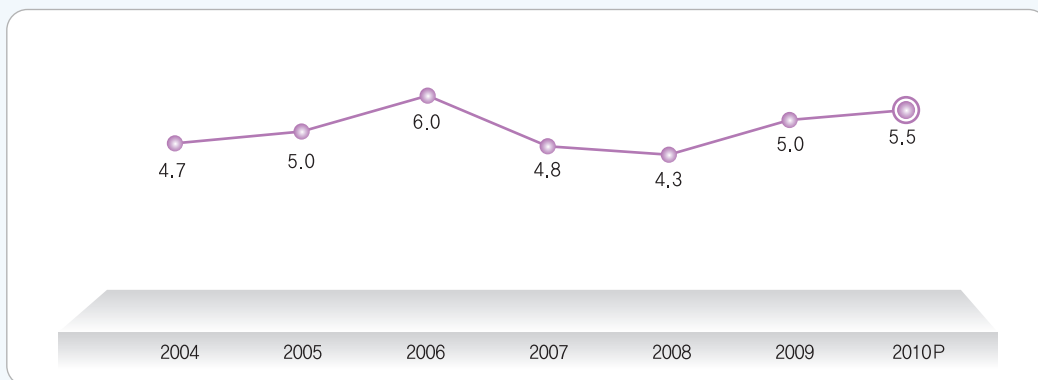
■ Portable Device Sales

(unit: KRW 1 tm)



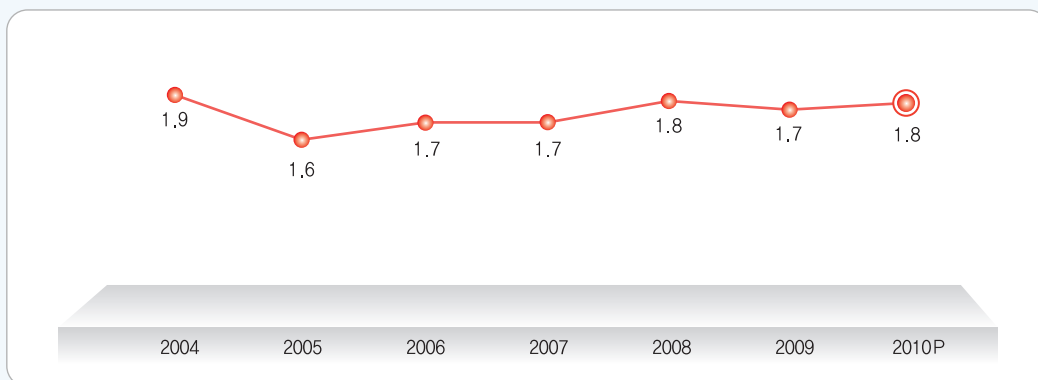
■ DTV Sales

(unit: KRW 1 tm)



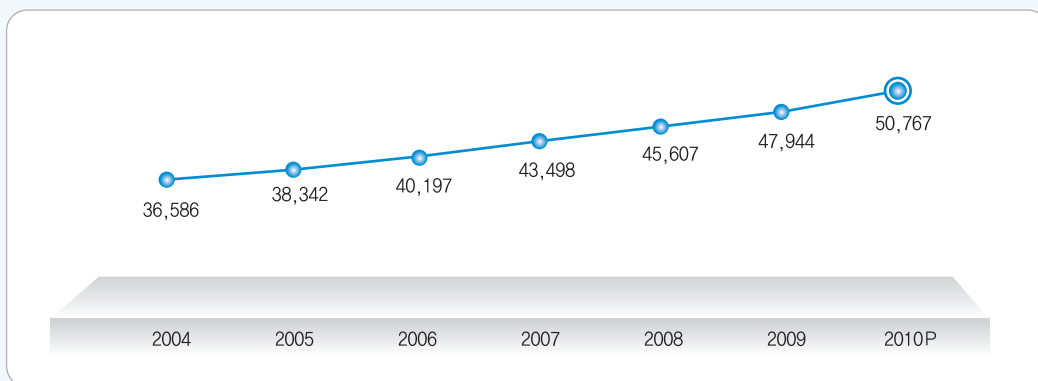
■ Set-top Box Sales

(unit: KRW 1 tm)



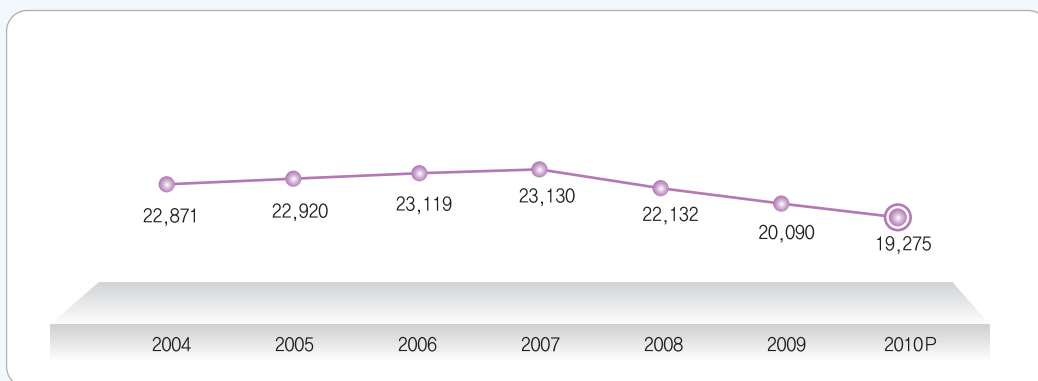
■ Number of Mobile Subscribers

(unit: 1,000 subscribers)



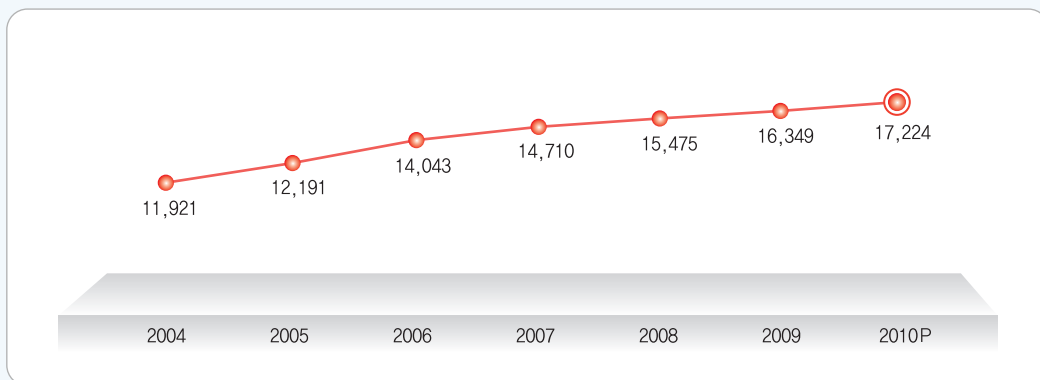
■ Number of Local Telephone Subscribers

(unit: 1,000 subscribers)



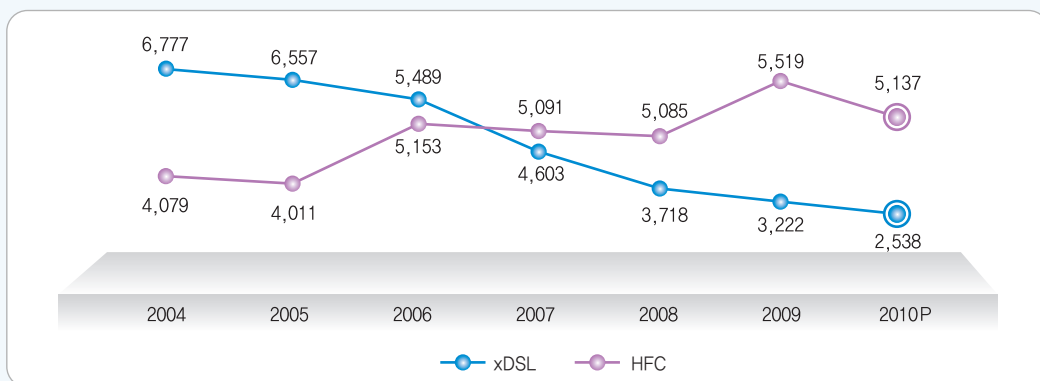
■ Number of Broadband Internet Subscribers

(unit: 1,000 subscribers)



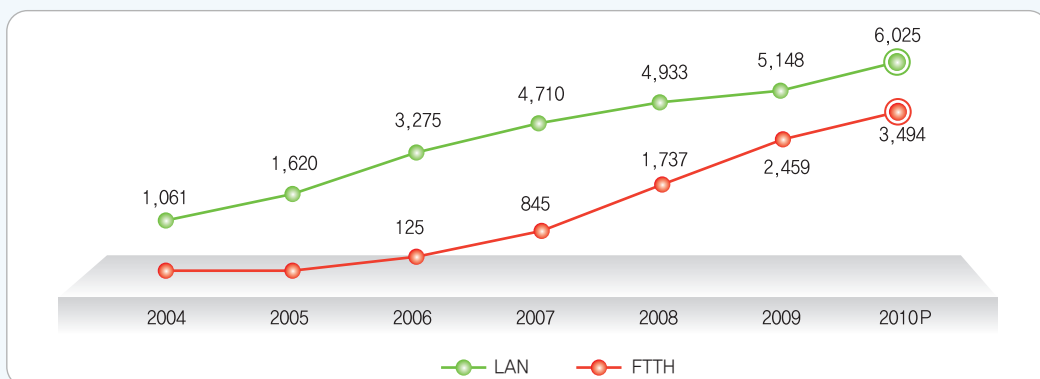
■ Number of Broadband Internet (xDSL, HFC) Subscribers

(unit: 1,000 subscribers)



■ Number of Broadband Internet (LAN, FTTH) Subscribers

(unit: 1,000 subscribers)



Korea Communications Commission

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