

Proposed Amendment to Telecommunications Business Act

Part of the Telecommunications Business Act is amended as follows:

Article 22-9 is newly inserted as follows:

Article 22-9 (Obligations of and Fact-Finding Surveys on App Market Business Operators) (1) An App market business operator shall prevent damage to users and protect their rights and interests, such as through specifying matters regarding the payment for and refund on mobile content, etc. in the terms and conditions of use, as prescribed by Presidential Decree.

(2) The Minister of Science and ICT or the Korea Communications Commission may conduct a fact-finding survey on the App market operation of an App market business operator, if necessary for protection, etc. of a person who provides mobile content, etc. to register and sell them (hereinafter referred to as “business operator providing mobile content, etc.”) in a space for brokering the transactions of mobile content, etc. (hereinafter referred to as “App market”), as prescribed by Presidential Decree.

Article 45-2 (1) 6 is moved to Article 45-2 (1) 7, and Article 45-2 (1) 6 is newly inserted as follows:

6. A dispute over the payment, cancellation of payment, or refund of service charges in the App market;

“Telecommunications business operator” in Article 50 (1), with the exception of the subparagraphs, is changed to “telecommunications business operator (limited to App market business operators, in cases falling under subparagraphs 9 through 11; hereafter the same shall apply in this Article)” and subparagraphs 9 through 11 of the same Article are newly inserted as follows:

9. An act an App market business operator forces a business operator providing mobile content, etc. to use a specific payment method by unfairly using their bargaining position when brokering the transactions of mobile

content, etc.;

10. An act an App market business operator unfairly delays examinations of mobile content, etc.;

11. An act an App market business operator unfairly deletes mobile content, etc. in the App market.

“22-7” in Article 92 (1) 1 is changed to “22-7, 22-9”

Addendum

This Act shall enter into force on the date of its promulgation: Provided, That Article 22-9 shall enter into force six months after the date of its promulgation.

Current and Amended Provisions

Current	Proposed Amendment
<p><u><Newly Inserted></u></p>	<p>Article 22-9 (Obligations of and Fact-Finding Surveys on App Market Business Operators) (1) An App market business operator shall prevent damage to users and protect their rights and interests, such as through specifying matters regarding the payment for and refund on mobile content, etc. in the terms and conditions of use, as prescribed by Presidential Decree.</p> <p><u>(2) The Minister of Science and ICT or the Korea Communications Commission may conduct a fact-finding survey on the App market operation of an App market business operator, if necessary for protection, etc. of a person who provides mobile content, etc. to register and sell them (hereinafter referred to as “business operator providing mobile content, etc.”) in a space for brokering the transactions of</u></p>

Article 45-2 (Establishment and Organization of Communications Dispute Mediation Committee)

(1) The Korea Communications Commission may establish a Communications Dispute Mediation Committee (hereinafter referred to as the "Dispute Mediation Committee") to efficiently mediate any of the following disputes between a telecommunications business operator and a user:

1. ~ 5. (Omitted)

<Newly Inserted>

6. (Omitted)

(2) ~ (5) (Omitted)

Article 50 (Prohibited Acts) (1)

No telecommunications business operator may engage in any of the following conduct (hereinafter referred to as

mobile content, etc. (hereinafter referred to as "App market"), as prescribed by Presidential Decree.

Article 45-2 (Establishment and Organization of Communications Dispute Mediation Committee)

(1)-----

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1. ~ 5. (Same as the current)

6. A dispute over the payment, cancellation of payment, or refund of service charges in the App market;

7. (Same as the current subparagraph 6)

(2) ~ (5) (Same as the current)

Article 50 (Prohibited Acts) (1) No

telecommunications business operator (limited to App market business operators, in cases falling under subparagraphs 9

"prohibited acts") which undermine or are likely to undermine fair competition or users' interests, or allow other telecommunications business operators or third parties to engage in such conduct:

<Newly Inserted>

<Newly Inserted>

<Newly Inserted>

Article 92 (Corrective Orders) (1)
The Minister of Science and ICT or the Korea Communications Commission may issue a corrective order to any of the following

through 11; hereafter the same shall apply in this Article)

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9. App market business operator's forcing a business operator providing mobile content, etc. to use a specific payment method by unfairly using their bargaining position when brokering the transactions of mobile content, etc.;

10. App market business operator's unfair delaying examinations of mobile content, etc.;

11. App market business operator's unfair deleting mobile content, etc. in the App market.

Article 92 (Corrective Orders) (1)

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telecommunications business operators or facility management authorities, based upon affairs falling under his or her or its jurisdiction. In such cases, where the Korea Communications Commission issues a corrective order for violating Article 22-5, it shall notify the Korea Communications Standards Commission established under Article 18 of the Act on the Establishment and Operation of Korea Communications Commission of such fact:

1. Where he or she violates Article 3, 4, 4-2, 6, 9 through 11, 14 through 22, 22-3 through 22-5, 22-7, 23, 24, 26 through 28, 30 through 32, 32-3, 32-4, 32-6, 32-7, 32-8, 33 through 35, 35-2, 36 through 44, 47 through 49, 51, 56 through 60, 60-2, 60-3, 61, 62, 64 through 66, 69, 73 through 75, 79 or 82 through 84, 84-2, 85 through 87, and 88, or the orders issued under these provisions;

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22-9,-----

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2. · 3. (Omitted)

(2) ~ (5) (Omitted)

2. · 3. (Same as the current)

(2) ~ (5) (Same as the current)