



Annual Report

Korea
Communications
Commission

20
19

This annual report is a summary of the main activities and achievements of the Korea Communications Commission during the year 2019, pursuant to Article 16 of the 「Act on the Establishment and Operation of the Korea Communications Commission」.

Message from the Chairman



The year 2019 has seen the competition for survival become fiercer than ever before, with media consumption and advertising rapidly being transferred to mobile devices, mergers and acquisitions in the broadcasting and communications market, and global operators entering the country in full swing.

In this rapidly-changing environment, the Korea Communications Commission has made the efforts to create a fair and healthy broadcasting and communications environment by strengthening the public role of broadcasting and facilitating broadcasting communications services.

First, the Commission has exercised its effort to ensure a balanced and impartial broadcasting service to serve the best interest of the public and the social accountability. By gathering public opinions, the Commission prepared a policy proposal to reinforce the governance of public broadcasting and the autonomy of broadcast programming and production. Moreover, the Commission has had committed itself to ensuring the public safety by strengthening the role of disaster broadcasting and improving its receptions. Next, policy reforms were introduced to create an environment that facilitates the fair competition and the mutual development of broadcasting and communications services. Guidelines for establishing a transparent contract between broadcasters and outsourced producers were outlined. In order to eliminate discrimination between domestic and foreign business operators, the Commission made it mandatory to designate domestic agents for foreign business operators.

Additionally the Commission has sought to expand opportunities for the public including the underprivileged to have a greater access to media. Different levels of media education were offered to the public to bridge the media gap between regions and generations. To ensure greater media access of the underprivileged, the Commission has supported the distribution of TVs for those with visual and hearing impairments, and the production of broadcasting programs for the disabled.

Lastly, the Commission has devoted itself to protecting users from personal data breach cases and the distributions of illegal information. We also introduced a compensation system for damage to better protect users, when their personal data is compromised, also came up with measures to block illegal harmful information such as sexually explicit videos.

The Annual Report includes the policy concerns and achievements the Commission had made and its efforts to reach out to the public over the last year, under the goal of “People-centered broadcasting and communications”.

The Commission will continuously commit itself to creating a broadcasting and communications environment that is trusted by each and every people and vitalize the economy as a future growth engine.

Thank you.

March 2020

Han Sang-hyuk

Chairman, Korea Communications Commission



**Broadcasting and
Communications
Policy
Accomplishments
Presented in Graphs**

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

2019

The sales of the domestic broadcasting services, communication services, information services recorded KRW 19 trillion, KRW 36 trillion, and KRW 21.8 trillion, respectively.

Broadcasting services have continuously grown, contributing to the national economic growth.

Sales of the broadcasting and communications service market

(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT (2020)

Sales of the broadcasting service market

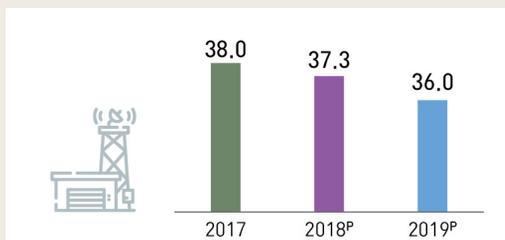
(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT (2020)

Sales of the communications service market

(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT (2020)

Sales of the information service market

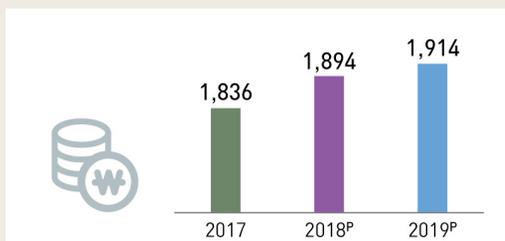
(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT (2020)

GDP

(Unit : USD 100 million)



Note) P : Preliminary, Bank of Korea (2020)

Sales of domestic IPTV

(Unit : KRW trillion)



Note) P : Preliminary, Ministry of Science and ICT (2020)

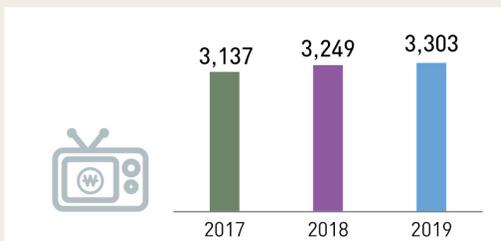
The foundations for Industry vitality has been created by expanding broadcasting and communications services.

2019

Broadcasting and communications convergence services have been revitalized with a continuing increase in subscriptions to paid IPTV and broadband. Wireless data traffic has grown by 41.7% from last year, while the number of LTE subscribers increased to 55.69 million.

Paid broadcasting subscribers

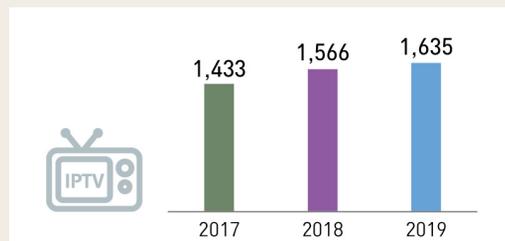
(Unit : 10,000 devices)



Note) Based on the first half of 2019, CATV, satellite, and IPTV subscribers, Ministry of Science and ICT (2020)

IPTV subscribers

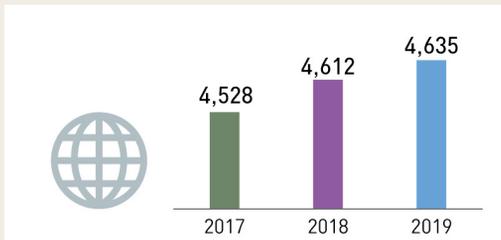
(Unit : 10,000 devices)



Note) Based on the first half of 2019, Ministry of Science and ICT (2020)

Number of Internet users

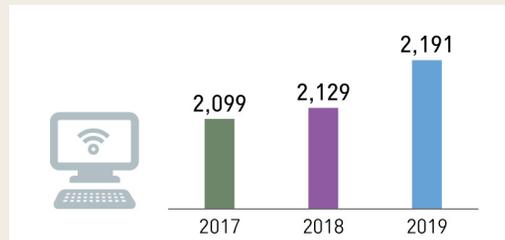
(Unit : 10,000 persons)



Note) Ministry of Science and ICT (2020)

Number of broadband Internet users

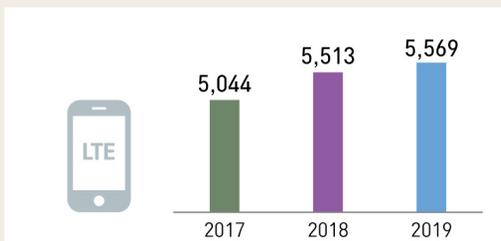
(Unit : 10,000 persons)



Note) Ministry of Science and ICT (2020)

Number of LTE subscribers

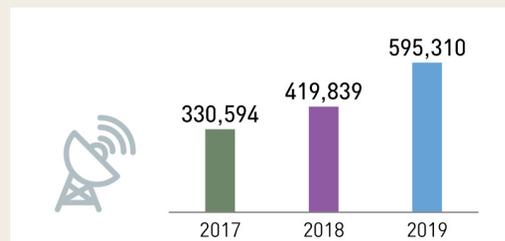
(Unit : 10,000 persons)



Note) Ministry of Science and ICT (2020)

Wireless data traffic

(Unit : TB)



Note) Ministry of Science and ICT (2020)

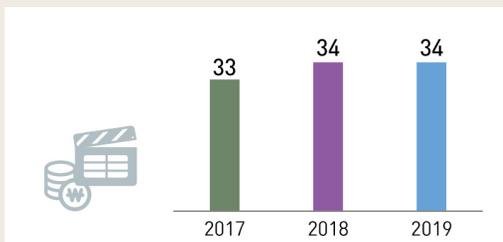
Content competitiveness of regional and small broadcasting has been enhanced by supporting invigoration of the services

2019

The Commission has provided institutional support for the quality of regional broadcasting services while making the efforts to realize the locality of media such as increasing the sales of outstanding production support programs for regional broadcasting stations. The Commission has raised the viewers' satisfaction by providing the regional audience with quality shows and increasing the production cost subsidies for productions for disabled people by regional broadcasting service providers.

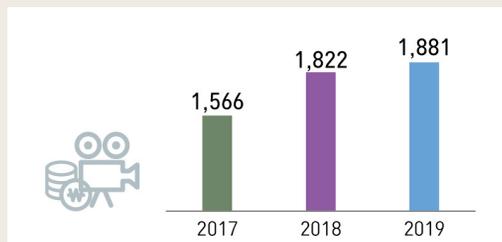
Grants for regional and small broadcasting program production

(Unit : KRW 100 million)



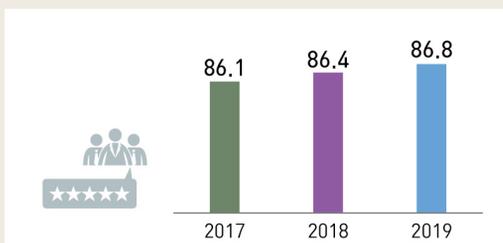
Subsidies provided to regional terrestrial broadcasting to produce broadcasting programs for the disabled

(Unit : KRW 1 million)



Viewers' satisfaction with regional shows which received subsidies

(Unit : Point)



Sales of excellent regional broadcasting programs

(Unit : KRW 1 million)



By expanding opportunities for access to broadcasting services, the viewers' rights and the active participation of users have been promoted.

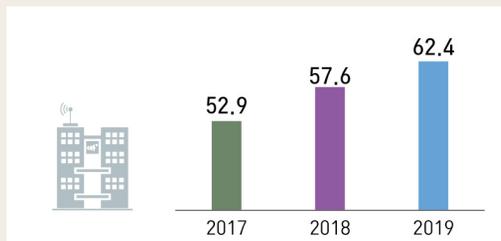
2019

The Commission has expanded public access to the Community Media Centers in order to boost viewers' engagement, and offered customized media education by life cycle and class, such as free semester media education.

By providing broadcasting receivers for the visually or hearing impaired and supporting broadcast programs for disabled people, the Commission has committed itself to improving access to broadcasting services for the disadvantaged.

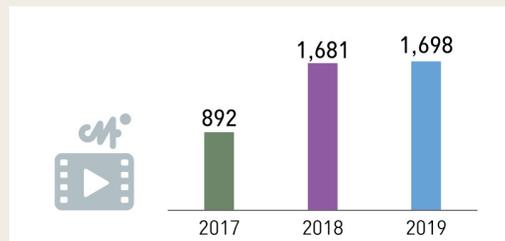
Number of users of the Community Media Centers

(Unit : 10,000 persons)



Number of PA programs using the Community Media Center facilities

(Unit : Piece)



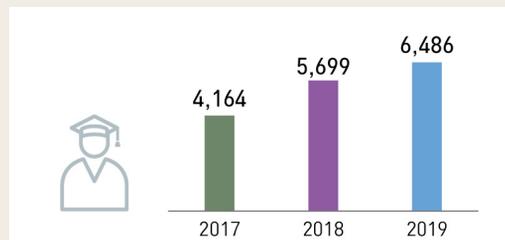
Number of schools offering free semester media education

(Unit : School)



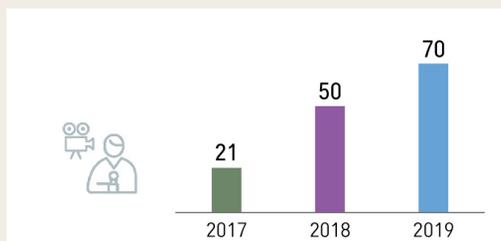
Number of students attending free semester media education

(Unit : Person)



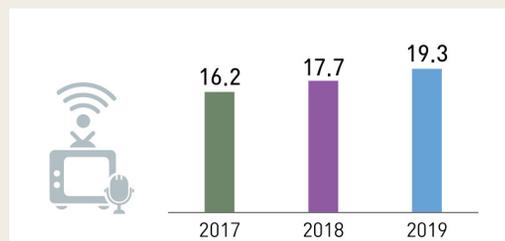
Number of towns receiving media education services

(Unit : Town)



Provision of broadcasting receivers for audiences with visual and hearing impairments

(Unit : 10,000 receivers)



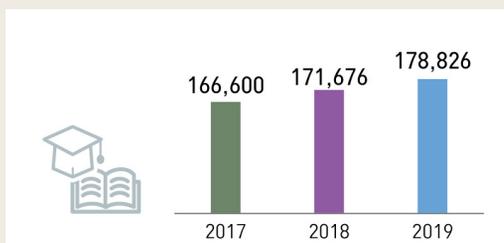
A Healthy Internet user environment has been created while actively dealing with the adverse effects of the Internet.

2019

The Commission has offered anti-cyber bullying education and attracted more schools to the Secure Cyber Zone program, establishing a sound Internet culture. The Commission continued to implement Internet ethics activities operating Internet ethics classes and the Group of Korea Internet Dream Star.

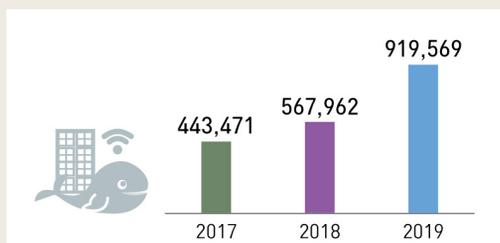
Internet ethics education and anti-cyber bullying education

(Unit : Person)



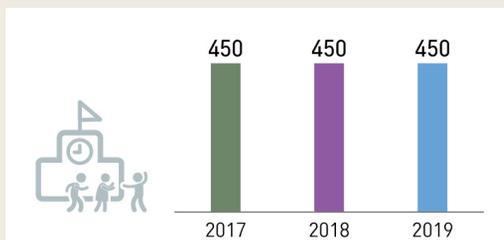
Number of Internet ethics education centers

(Unit : Person)



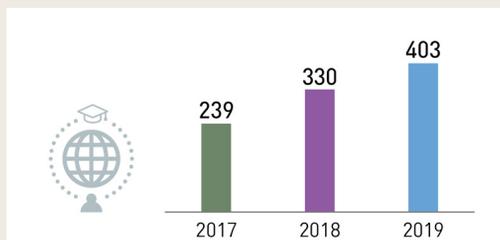
Number of schools of the Group of Korea Internet Dream Star

(Unit : School)



Number of schools to run the Secure Cyber Zone

(Unit : School)



The Commission has strengthened personal data protection measures and improved the broadcasting and communications service environment for users.

2019

The Commission has enhanced transparency in personal data usage by deleting 8 types of data exposed to local and overseas websites as high as 97.8% and recording the spam filtering rate at 84.5%.

The number of spam mails and mobile messages received by an average user recorded 0.14 and 0.39, respectively, as a result of the efforts the Commission has made to protect users.

Detection and deletion rate of personal data* by local and overseas websites

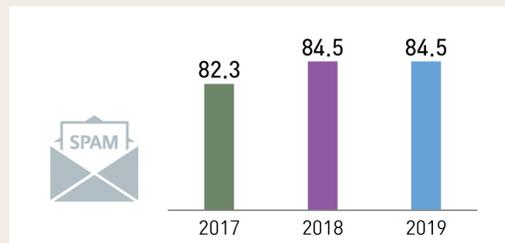
(Unit : %)



Note) Personal data (8types): Resident registration number, passport number, driver's license number, alien registration number, credit card number, account number, mobile phone number, health insurance number

Spam message blocking rate of three mobile communications carriers

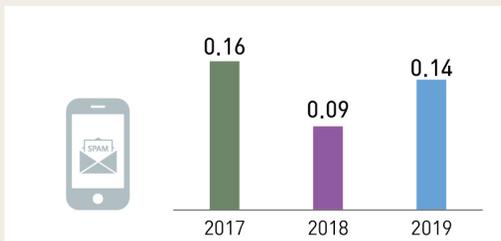
(Unit : %)



Note) Based on the first half of 2019

Mobile spam messages received

(Unit : Case)



Note) Based on the first half of 2019

E-mail spams received

(Unit : Case)



Note) Based on the first half of 2019

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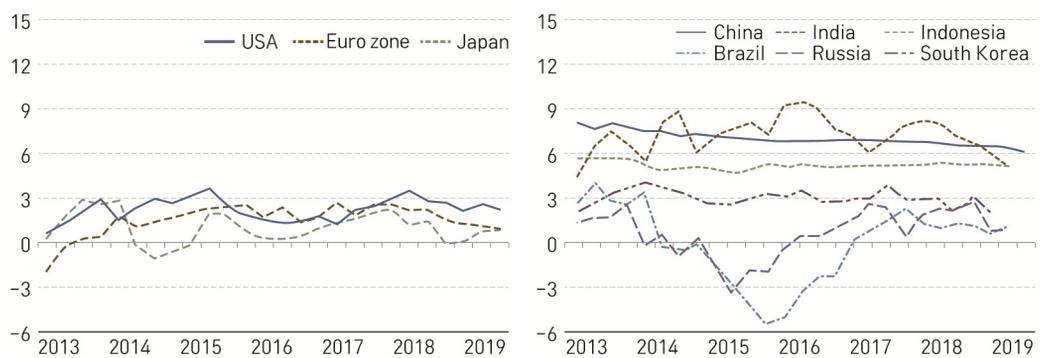
Broadcasting and Communications Policy Environment

1. Trends in the Global Macro Economy and Broadcasting and Communications Markets

a. Trends in the Global Macro Economy

In 2020, the global economy is projected to grow approximately 2.9–3.4%, a rather modest growth compared to the previous year.¹⁾ Although developing economies may play a leading role in boosting the world economy, the overall growth is predicted to be moderate. In the case of China, the growth forecast is to be 6.0%, a decrease by 0.2% from 2019, due to downside risks such as the US-China trade disputes and prolonged protests in Hong Kong.²⁾

Figure I-1 Economic outlook for advanced and developing economies (Unit : %)



Source) 2020 World Economic Outlook, Korea Institute for International Economic Policy, 2019

As trade and investment gradually recovered in 2019, the world economy was forecast to grow at a more moderate pace³⁾, yet the possibility of the current downturn continuing throughout 2020 remains high due to the US-China trade war, Brexit and sluggish growth in China and India. Moreover, with the coronavirus (COVID-19) outbreak, first detected in Wuhan, China, causing economic uncertainty and slowdown, the world economic prospects remain subdued.⁴⁾

1) Institutions have varying projections for the world economy in 2020. IMF's prediction stood at 3.4%; OECD at 2.9%, and both the Bank of Korea and Korea Institute for International Economic Policy at 3.2%.

2) 2020 World Economic Outlook, Korea Institute for International Economic Policy, 2019

3) Economic Outlook for 2020, Bank of Korea, 2020

4) The Bank of Korea predicts that the following issues may play a critical role in influencing the world economy in 2020. ① Competition among major countries to lead the fourth industrial revolution, ② Reorganization of global trade, ③ Changing roles played by ASEAN and China in GVC, ④ China's possible economic policy changes, ⑤ Accelerated global efforts in overcoming climate change.

Table 1 -1 World economic forecast

(Unit : %)

	2019	2020	2021
Worldwide	2.9	3.3	3.4
Advanced Economies	1.7	1.6	1.6
Developing Economies	3.7	4.4	4.6
Eurozone	1.2	1.3	1.4

Source) World Economic Outlook, International Monetary Fund, 2020 (based on forecasts modified on January 20, 2020)

Meanwhile, the increase in global trade volume in 2019 is estimated at just 1.1%, decreasing from 3.7% in 2018, largely due to the global economic downturn and trade frictions between countries. Trade growth is expected to increase by 3.2% in 2020⁵⁾, however risks remain as a result of the impact of the coronavirus outbreak.

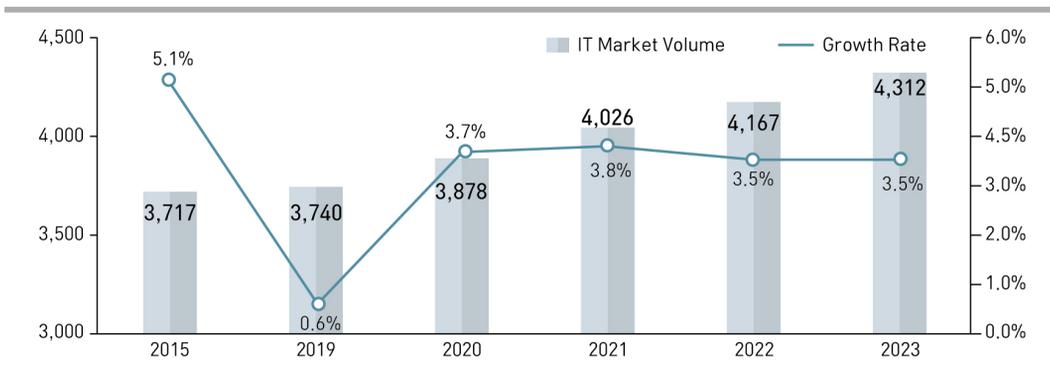
b. Trends in the Global Broadcasting and Communications Market

Gartner predicts that the global IT market will reach USD 3.9 trillion in 2020, up by 3.7% compared to 2019, thanks to the high growth rates of software and IT services and IT devices market rebound.⁶⁾ The US-China trade disputes and stagnant market for devices resulted in software being the major driver of the global IT market in 2019. However, the growth rate in 2020 is expected to increase by 3%, due to the quick recovery of the IT devices market and 5G expansion.

From a medium to long-term perspective, software and IT services are projected to grow at its current pace, while the growth of communications services is expected to slow down. For this reason, the global IT market is projected to grow at an average growth rate of 3% until 2023, reaching USD 4.3 trillion.

Figure 1 -2 Global IT markets forecast

(Unit : USD 1 billion)



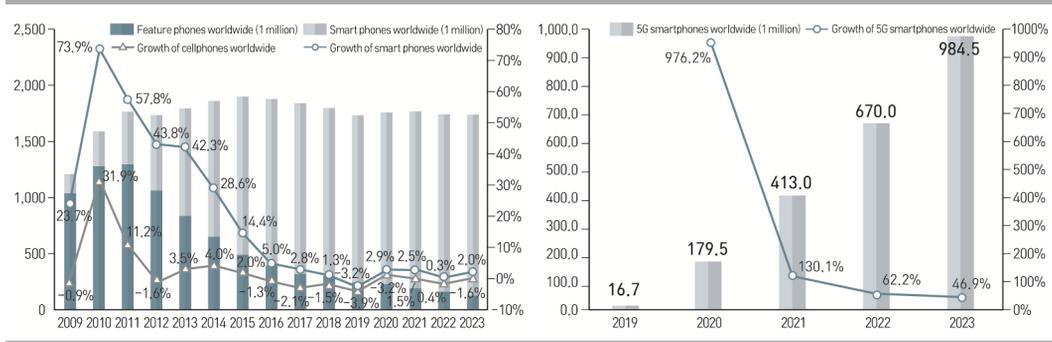
Source) IT Spending Forecast, Gartner, July 2019, Mid to Long Term ICT Market Forecast and Strategies, Choi Gyeyeong, Nov. 2019

5) World Economic Outlook, IMF, 2019

6) IT Spending Forecast, Gartner, 2019. 7.

Smartphone industry, one of South Korea's major export items, experienced downturns owing to the lack of demand and the US-China trade disputes in 2019 but it is predicted to bounce back in 2020 with the commercialization and expansion of 5G. That is expected to spark a fiercer competition among those striving to take the lead in the 5G market.

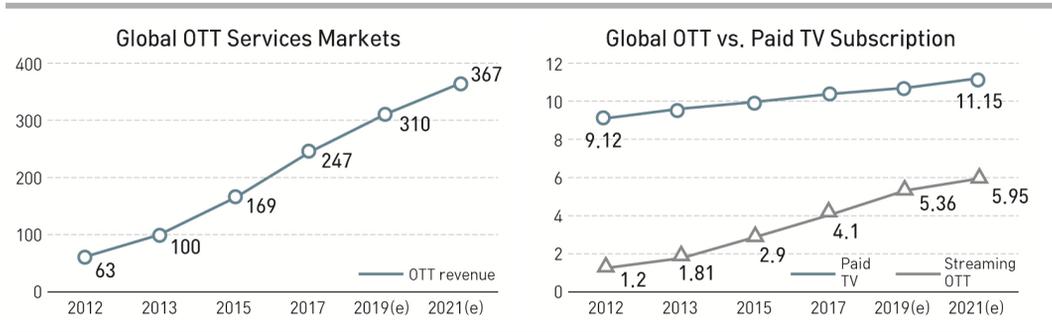
Figure I -3 Global smartphones and 5G smartphones forecast



Source) IT Spending Forecast, Gartner, July 2019, Mid to Long Term ICT Market Forecast and Strategies, Choi Gyeyeong, Nov. 2019

Global media and entertainments markets are projected to grow by up to USD 2.6 trillion by 2023 from USD 2.2 trillion in 2019⁷⁾. Behind such success lies the rapid growth of IP based media represented by OTT which records an annual average growth of 31%, estimated to reach USD 30 billion in 2019⁸⁾. The 2021 forecast for the global OTT market volume is approximately USD 36.7 billion, with the number of subscribers reaching approximately 600 million. Looking forward, OTT services are projected to replace the current traditional broadcasting media services, becoming the center of the media market in the future.

Figure I -4 Global OTT services markets and subscription (Unit : USD 100 million, 100 million persons)



Note) e : estimate

Source) Reorganization of Media Markets Through OTT and Management Strategies of Major Businesses, Kim Yong-hui, 2019

7) Global Media & Entertainment Outlook, PWC, 2019

8) Reorganization of Media Markets Through OTT and the Management Strategies of Major Businesses, Kim Yong-hui, 2019

2. Status of the Broadcasting and Communications Market

a. Domestic Broadcasting and Communications Productions and Export Volume

The domestic market of broadcasting and communication equipment and services is demonstrating signs of stagnation or sluggish growth. The market volume of communications equipment has been decreasing continuously from KRW 41 trillion in 2017 to KRW 38 trillion in 2019. The communications services have decreased from KRW 38 trillion in 2017 to KRW 35 trillion in 2019. In addition, the market for broadcasting equipment has decreased from KRW 2.3 trillion in 2017 to KRW 2.0 trillion in 2019. In contrast, the market volume of broadcasting services and information services continue to increase every year.

Table 1-2 Productions of domestic broadcasting and communications (Unit : KRW 1 million)

	2017	2018 ^P	2019 ^P
Communication equipment	41,934,764	41,279,373	38,085,829
Broadcasting equipment	2,329,783	2,339,172	2,061,933
Communication services	38,021,099	37,263,808	35,954,109
Broadcasting services	17,570,718	18,358,762	18,995,356
Information services	19,290,954	20,600,526	21,839,916
Total	119,147,318	119,841,641	116,937,143

Note) P : Preliminary, Information services refer to Internet services
Source) Trend Research on ICT Item, Ministry of Science and ICT, 2020

The export of communications and broadcasting equipment is also on the decrease. As can be seen in <Table 1-3>, the export volume of domestic communication equipment is slowing down while that of broadcasting equipment increased in 2018, only to decline in 2019.

Table 1-3 Export volume of domestic broadcasting and communications equipment (Unit : USD 1000)

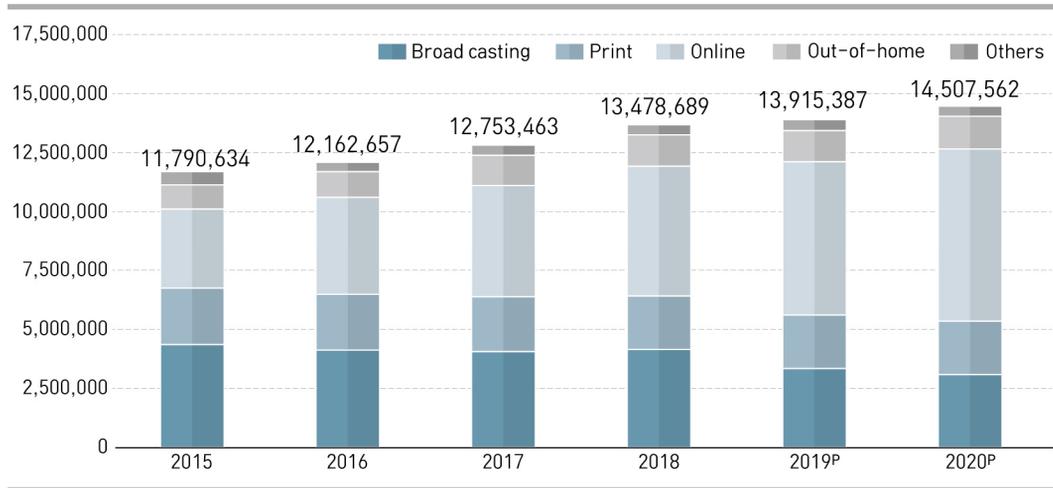
	2017	2018 ^P	2019 ^P
Communication equipment	22,264,896	17,150,056	14,074,456
Broadcasting equipment	352,404	426,117	387,939

Note) P : Preliminary
Source) Trend Research on ICT Item, Ministry of Science and ICT, 2020

b. Status of the Advertising Market

The total of the advertising fee in 2019 was KRW 13.9 trillion, up by 1.7% compared to the previous year. Online advertising, including Internet and mobile advertisements, accounted for approximately 46.9% of the total fees. As mobile becomes ever more prominent in media, IP based media such as OTT is replacing traditional, one-way media. Thus, while mobile advertising is fast-growing, traditional broadcasting and print advertising is rapidly decreasing.

Figure I -5 Advertising fee by type (Unit : KRW 1 million)



Note) P : Preliminary

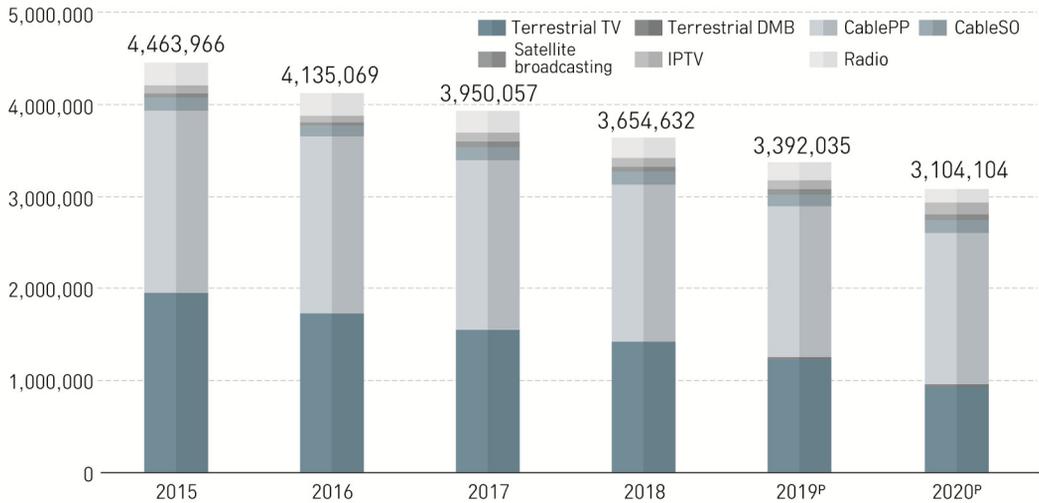
Source) 2019 Advertising Expenditure Research, Ministry of Science and ICT-KOBACO, 2019

The downtrend in broadcasting advertising is especially notable. It has decreased KRW 1 trillion in 2019, from KRW 4.4 trillion in 2015 to KRW 3.4 trillion in 2019, and it is projected to deteriorate even further in 2020, down to KRW 3.1 trillion. In contrast, mobile advertising has grown more than three fold, from KRW 1.37 trillion in 2015 to KRW 4.56 trillion in 2019 and it will continue to grow in 2020 up to KRW 5.47 trillion.

Broadcasting advertising is one of the main sources of revenue in broadcasting services. If this trend continues, it may have an adverse impact on the financial condition of the entire broadcasting market including terrestrial and paid broadcasting. This in turn will lead to decreased investment in producing quality contents and also act as a significant constraint on public responsibilities of the broadcasting service.

Figure I -6 Broadcasting advertising market volume

(Unit : KRW 1 million)

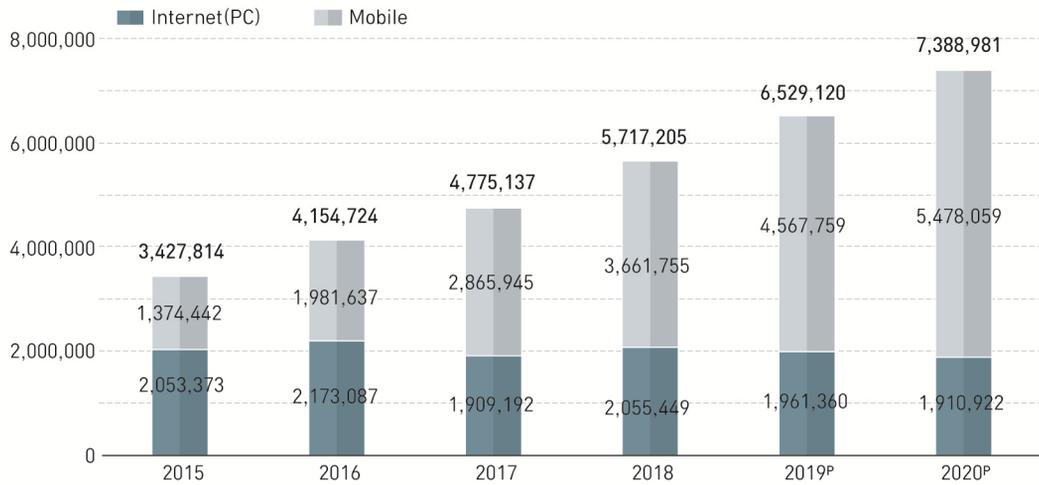


Note) P : Preliminary

Source) 2019 Advertising Expenditure Research, Ministry of Science and ICT-KOBACO, 2019

Figure I -7 Online advertising market volume

(Unit : KRW 1 million)



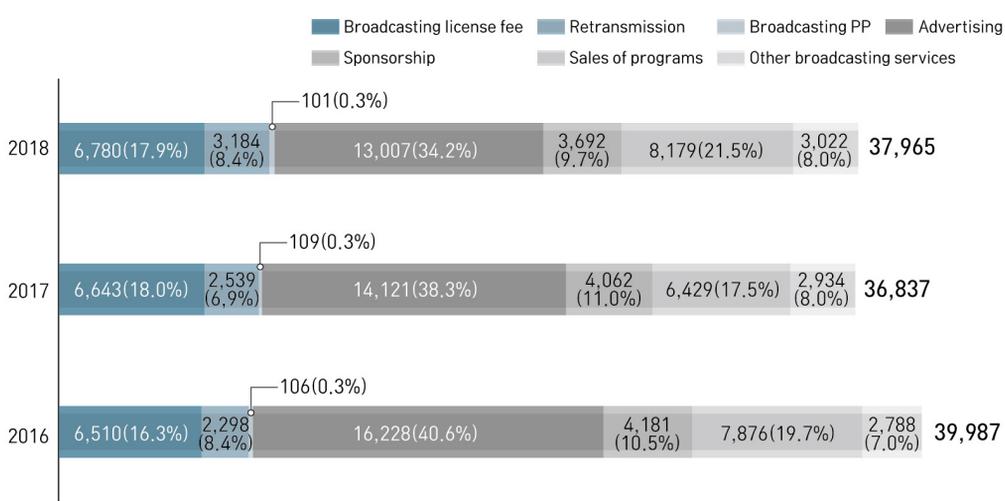
Note) P : Preliminary

Source) 2019 Advertising Expenditure Research, Ministry of Science and ICT-KOBACO, 2019

c. Status of the Broadcasting by Type

As of 2019, there are 51 terrestrial broadcasting business entities including central and regional terrestrial broadcasting (KBS regional headquarters, regional MBC, regional commercial broadcasting, OBS) and small and medium radio broadcasting business entities (religious broadcasting and small and medium radio broadcasting). As of 2018, the sales of regional terrestrial broadcasting business entities (TV and radio) were KRW 3.7965 trillion, up by 3.1% compared to 2017. The proportion of broadcasting business sales demonstrate that advertising, one of the main sources of revenue, reached KRW 1.4121 trillion in 2017 (accounting for 38.3%) but decreased 7.9% to KRW 1.3007 trillion in 2018 (accounting for 34.2%). Considering the rapid deterioration of advertising revenue in terrestrial broadcasting, it would be difficult to improve the management of terrestrial broadcasting businesses in the mid to long term without the implementation of proper policies or measures. In contrast, sales from retransmission and program sales have increased from KRW 2.539 trillion to KRW 3.184 trillion and from KRW 6.429 trillion to KRW 8.179 trillion, respectively. This demonstrates that sales of non-real time, two-way form of services are increasing instead of the previously sought for real-time, one-way form of broadcasting.

Figure 1-8 Trends and proportion of terrestrial broadcasting sales (Unit : KRW 100 million)

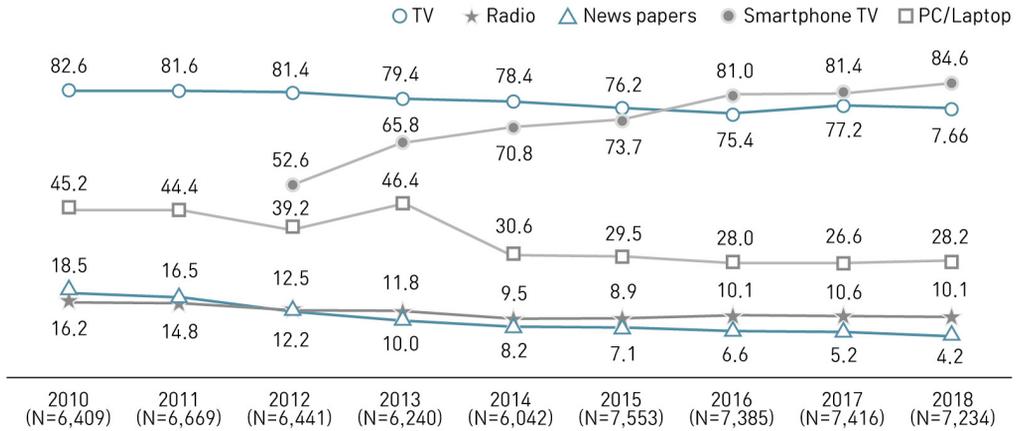


Source) 2019 Research on the Broadcasting Industry, Ministry of Science and ICT-Korea Communications Commission, 2019

Such changes in the proportion of sales and the source of revenue are closely related with the changing media environment. On the one hand, an increase in mobile advertising has reshaped the advertising sales environment. On the other hand, an increase in the use of VOD and OTT have made sales of individual programs go up. Against this backdrop, it is imperative for terrestrial broadcasting to devise reformative and innovative management strategies and employ methods to increase its content competitiveness.

Figure I -9 Percentage of use over 5 days per week based on major media

(Unit : %)

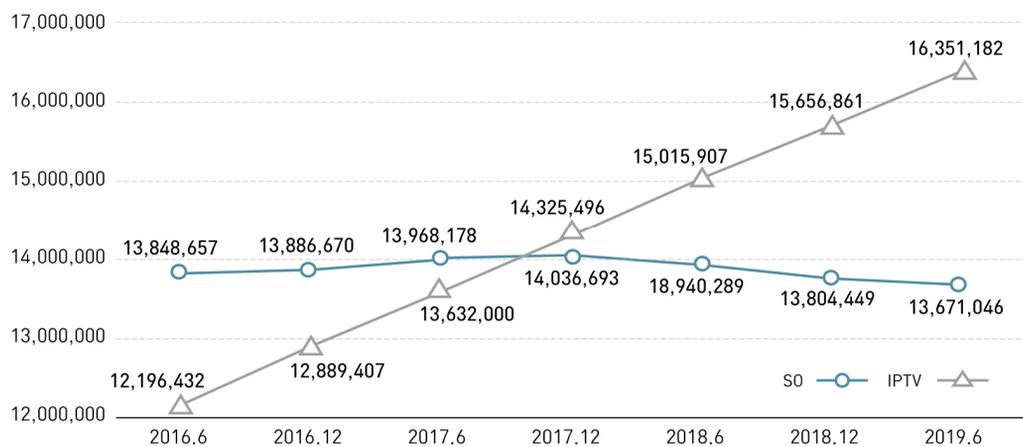


Source) 2018 Research on the Broadcasting Industry, Korea Information Society Development Institute, 2018

The subscription of paid broadcasting (cable TV SO, IPTV, satellite broadcasting) is on the increase. The total number of subscribers (number of devices) of paid broadcasting as of the first half of 2019 was 33,034,309, an increase of 1.07 million (devices) compared to the previous year. As for IPTV, its subscribers increased by 3.46 million, from 12.89 million at the end of 2016 to 16.35 million in June 2019. However, cable TV SO lost 177,000 subscribers during the same period.

Figure I -10 Trends of Cable TV SO and IPTV subscription

(Unit : subscriber)



Source) Number of Subscribers of Paid Broadcasting and its Market Share As Of First Half of 2019, Ministry of Science and ICT, 2019

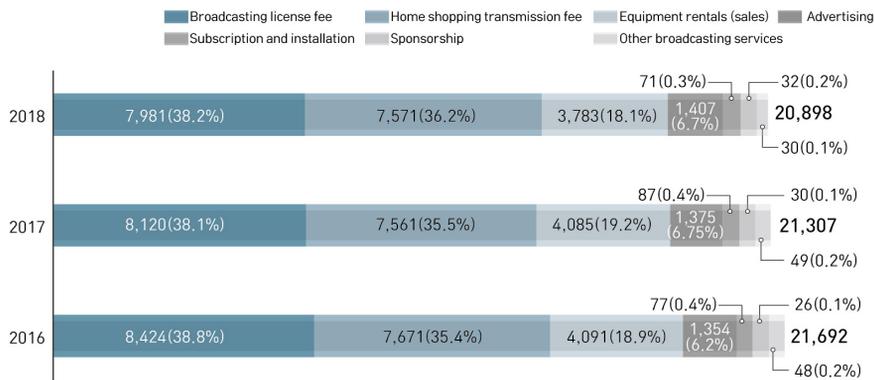
Table I-4 Subscription of paid broadcasting by type (Unit : device, %)

Classification	Second half of 2018		First half of 2019		Result	
	No. of subscribers	Share (A)	No. of subscribers	Share (B)	No. of subscribers	Share (B-A)
SO	13,864,782	42.67	13,725,885	41.55	△138,897	△1.12
Satellite	3,234,312	9.95	3,261,285	9.87	26,973	△0.08
IPTV	15,391,450	47.37	16,047,139	48.58	655,689	1.21
Total	32,490,544	100.00	33,034,309	100.00	543,765	

Source) Number of Subscribers of Paid Broadcasting and its Market Share As Of First Half of 2019, Ministry of Science and ICT, 2019

The changes in the proportion of paid broadcasting sales reflect the changes occurring in its subscription trend. First, the total sale of cable TV SO in 2018 was KRW 2.898 trillion, a decrease of 1.9% from 2017. Its sales of the broadcasting license fee dropped by 1.7% due to the decreased number of subscribers and equipment rentals (sales) which lead to subscribers also dropped.⁹⁾ On the contrary, home shopping transmission fees, increasingly becoming one of the main source of revenue for paid broadcasting platform businesses, accounted for 36.2% almost on a par with license fees (38.25%).

Figure I-11 Trends and proportion of cable TV SO broadcasting sales (Unit : KRW 100 million)



Source) 2019 Research on the Broadcasting Industry, Ministry of Science and ICT-Korea Communications Commission, 2019

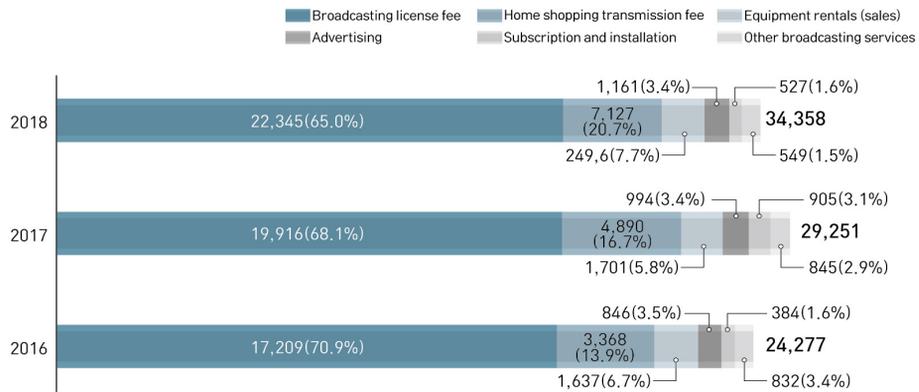
The sales of IPTV in 2018 increased by 17.5% compared to the previous year, reaching KRW 3.4358 trillion. The sales of the broadcasting license fee (KRW 2.2345 trillion), home shopping transmission fee (KRW 712.7 billion) and equipment rental (KRW 264.9 billion) are the major sources of revenue.¹⁰⁾ Along with cable TV SO, the sales and volume of home shopping transmission fees are also increasing in the case of IPTV. Some point out that this is because the paid broadcasting platform market is a two-sided market.

9) The decrease in sales of equipment rentals is due to the increased number of subscribers of 8VSB which does not require devices.

10) The total of the three account for 93.5% of the entire broadcasting sales.

Figure I -12 Trends and proportion of IPTV broadcasting sales

(Unit : KRW 100 million)

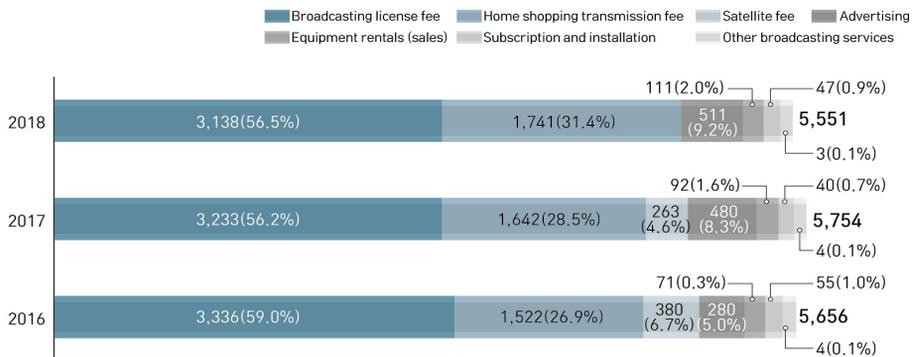


Source) 2019 Research on the Broadcasting Industry, Ministry of Science and ICT-Korea Communications Commission, 2019

The sales of satellite broadcasting in 2018 decreased to KRW 555.1 billion, down by 3.5% compared to 2017. Just like cable TV SO, the sales of satellite broadcasting is also showing the trends of downturn due to the decreased number of subscribers. The decrease in the sales of broadcasting licence fees from KRW 333.6 billion in 2016 to KRW 313.8 billion in 2018 was the biggest factor in the overall decrease in sales of satellite broadcasting.

Figure I -13 Trends and proportion of satellite broadcasting sales

(Unit : KRW 100 million)

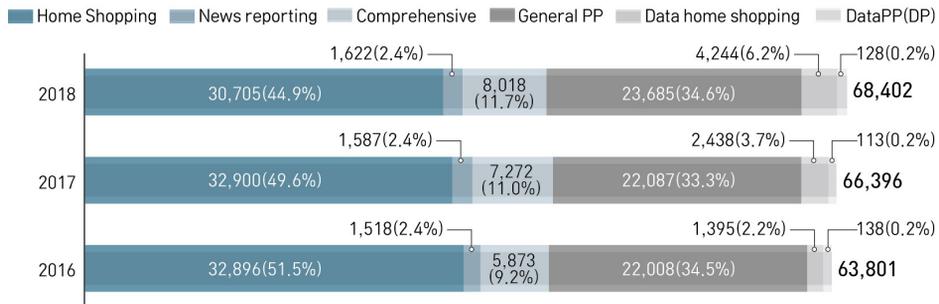


Source) 2019 Research on the Broadcasting Industry, Ministry of Science and ICT-Korea Communications Commission, 2019

Lastly, the sales of program providers in 2018 reached KRW 6.8402 trillion, up by 3.0% compared to 2017. The sales of general PP and comprehensive PP increased by 7.2% and 10.3%, respectively, leading the entire broadcasting sales. Whereas home shopping PP, accounting for the largest proportion, recorded KRW 3.0705 trillion, decreasing by 6.7% compared to 2017, the sales of general PP stood at KRW 2.3685 trillion and comprehensive PP at KRW 801.8 billion.

Since the establishment of comprehensive PP, JTBC and others have grown to become successful providers. While this has led to healthy content competition among providers thereby increasing the viewers choice, it has simultaneously intensified competition by dispersing viewer ratings and advertising sales.

Figure I -14 Trends and proportion of program providers sales (Unit : KRW 100 million)

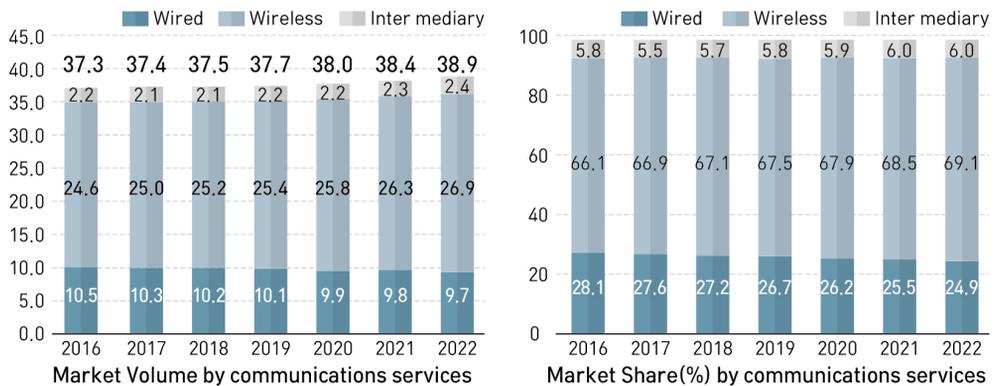


Source) 2019 Research on the Broadcasting Industry, Ministry of Science and ICT-Korea Communications Commission, 2019

d. Status of the Communications Market

Traditional communications services including wired or wireless communication and Internet services have slowed down, while information services are increasingly growing to lead the entire information communications service. The share of information services have continuously increased, accounting for 26.5% in 2019 and is projected to reach 27.4% in 2020. The growth of sales have slowed down from KRW 3.75 billion in 2018 to KRW 3.77 billion in 2019. While wired communication is continuously deteriorating, wireless communication is expected to grow continuously.

Figure I -15 Domestic communications market share and volume (Unit : KRW 1 trillion, %)



Source) Mid to Long Term Forecast of the ICT Industry (2018-2022), Korea Information Society Development Institute, 2018

On April 3, 2019, South Korea became the first country in the world to commercialize 5G, leading the transition from 4G to 5G. As of December 2019, 5G subscription increased to 4.67 million. The total number of subscribers also increased from 66.36 million in 2018 to 68.69 million in 2019, an increase of 2.54 million. Along with LTE, the subscribers of 5G are on the increase. However, 2G and 3G subscription remains at 85.4 million, soon to be replaced by LTE or 5G in the near future.

Figure I -16 Domestic subscription to mobile communications (Unit : 10,000 subscribers)



Source) Statistics for Wireless Communication Service Subscription, Ministry of Science and ICT, 2019 (based on December 2019 data)

In 2020, the sales of wired communication services is projected to decrease while moderate growth is expected of mobile communication services, resulting in the slight growth of the overall sales of the communication services market. Sales of wired communication services is predicted to decrease regardless of the increase in Giga Internet subscription, largely due to the drop in the number of subscribers to landline telephones. On the contrary, mobile communication services are estimated to grow moderately thanks to the expansion of 5G services and IoT market and increasing ARPU.

Looking forward, it is expected that the expansion of 5G and the introduction of various services based on IoT and autonomous cars would present new engines of growth in the era of the fourth industrial revolution.

e. Changes in the Broadcasting and Communications Policy Environment

1) Overview of changes in the broadcasting communications policy environment

Changes in the domestic broadcasting and communications market can be separated into external factors and internal factors. The first of these external factors include the expansion and ubiquity of ICT, technological development and greater connectivity and data-centered change which disrupts structured labor markets and individual life styles. In addition, as media influence increases, media dependency has become ever more problematic. Second, trans-boundary trend which began in the second half of 2010.

Since then, global platform businesses began to expand, breaking physical boundaries in broadcasting and communications businesses. Countries and markets began losing its identity and the world began to resemble each other. Therefore, it has become imperative to cooperate between countries to develop policies that go beyond the traditional sense of boundaries. Third, the new normal represented by the low fertility - low growth rate which has impeded mass consumption and mass growth and in turn made business models switch to individualized and optimized consumption and growth.

In contrast, there are several internal factors that influence the changes in the broadcasting communications industry. First, the expansion of IP based media represented by OTT which required traditional broadcasting policy systems to expand to include the policy for various media. Second, the restructuring of the individual function and value of media which requires media to change its public and social function and value leading to changes in its policy goals and methods. Third, rapid changes in the use of broadcasting and communications services. Media and telecommunication services are increasingly used through multiplatforms in segmented and unstructured ways. Thus, providers are required to review their business models and strategies in response to such changes. Policy reforms are also called for to review traditional broadcasting regulations (based on real-time, program compilation and exposure). This must be preceded by the development of policies that reflect the redefinition of the viewer and user, and the role and impact of users.

2) Major policy issues of the broadcasting and communications market in 2020

There are several major policy issues in the broadcasting media industry in 2020. First, there is a high possibility that the restructuring of the broadcasting market will continue. Multifaceted market restructuring is projected such as an additional horizontal M&A between platforms and paid broadcasting platforms, vertical M&A between the platforms and contents (PP, producers) and M&A between content business entities. 2019 saw successful M&As between SKB and Tbroad and between LGU+ and CJ Hello. There is a high probability that the additional mergers and horizontal and vertical alliances or mergers may occur in 2020.

Second, the media is replacing the old with the new and a great transformation is occurring in the market hegemony. With acceleration in decline of RF(radio frequency) media, users are increasingly escaping the traditional broadcasting to head to IP based media. In 2019 POOQ, a terrestrial broadcasting service and Oksusu, a communication business entity merged into Wavve. In 2020, further mergers or alliances such as OTT alliance between domestic businesses are predicted.

Third, the evolution from All-IP to All-Mobile becomes a reality. Media and other media related services are projected to transfer from All-IP to All-Mobile. Mobile will be at the center of the digital services ranging from media distribution and consumption, commerce and games, and such a trend is expected to accelerate.

Fourth, changes are occurring in regulation systems as market competition and regulations become globalized. It is predicted that competition in the domestic media market will enhance as domestic business entities compete against large global business entities such as YouTube and Netflix. This calls for the government to overcome the limitations of and reform domestic regulations.¹¹⁾

Fifth, it is projected that analogue based broadcasting media regulations and policies will continue to be carried out throughout the year. Efforts to reform and regulation systems and policies will continue to respond to the market restructuring of domestic broadcasting media, the transfer from All-IP to All-Mobile and sever competition in the domestic market between domestic and foreign business entities.

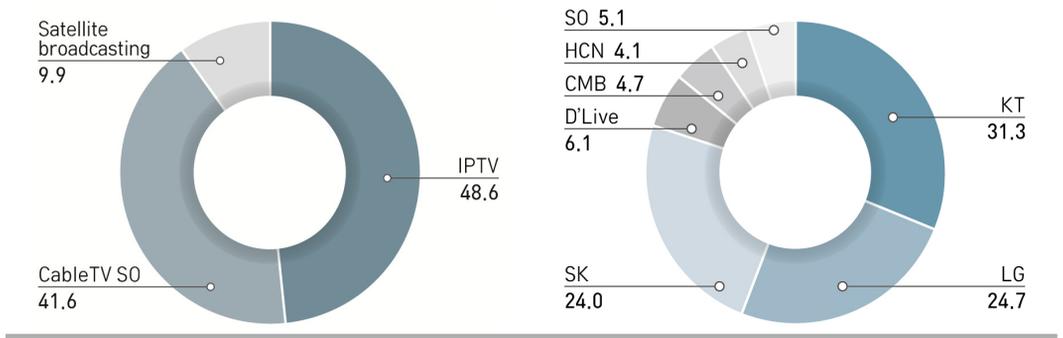
While users continue to escape traditional communication services, communications services and business operators are expected to be diversified. The growth of domestic telecommunications services reflect the development of a new communications network and services, competing against them with equipment and services accordingly. However, with 5G, they may face a whole new competition as it can introduce innovative services based on its 5G network. Thus, it is predicted that traditional communications business operators as well as diverse types of new ICT businesses will enter the 5G market, creating a new ecosystem where new 5G based businesses would emerge. This means that the traditional B2C model will expand and efforts will be made to create new markets to suit the B2B model. Moreover, it is predicted that big and small M&As between broadcasting communications business entities and the greater market influence of content providers (CP) will heighten competition in the market. Traditional network-based communications business operators (ISP) will compete against a new Internet-based service and content providers. Such a trend will inevitably lead to the rise of reverse discrimination issue as global CPs exert its influence in the domestic market. This will in turn call for policies to ensure fair competition in the domestic market.

3) Restructuring of the broadcasting market and the growth of OTT

Current domestic paid broadcasting has been restructured to an IPTV-centered paid broadcasting platform market through large M&As including LG U+’s acquisition of CJ Hello on December 15, 2019 and the merger between SKB and t-broad on January 21, 2020. Taking the mergers as part of the calculation into the market share of the first half of 2019, from the media perspective, IPTV leads the market with approximately 48.6% share and from the business entity perspective, the three telecom giants (KT, LG, SK) account for 80.1% of the market share. Additional M&As in the future could cement the current IPTV-centered paid broadcasting platform market which will call for system reforms and changes in the policy directions of paid broadcasting as well as the entire broadcasting and communications services.

11) Domestic media related regulations and support systems have received criticisms as they could be proved to be ineffective. For this reason it is more likely that policies aimed at tackling reverse discrimination against foreign businesses will be developed.

Figure I -17 Post merger subscription based on first half of 2019 (Unit : %)

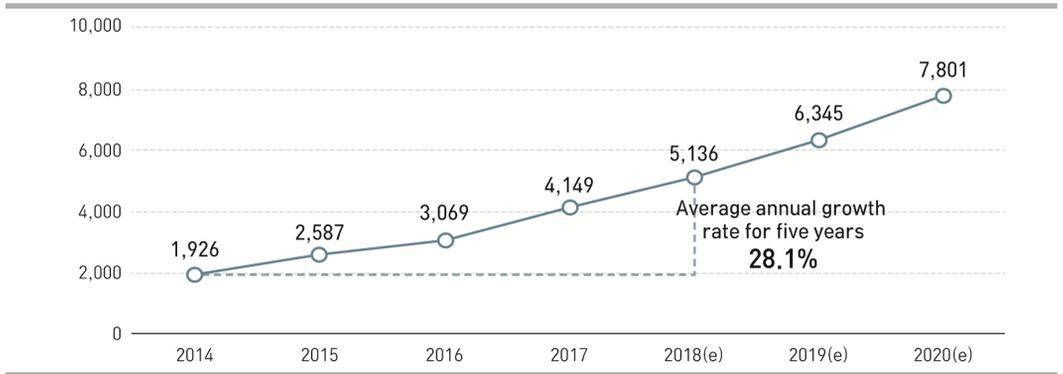


Source) Number of Subscribers of Paid Broadcasting and its Market Share, Ministry of Science and ICT, 2019

In the global media market, OTT is growing rapidly as one of the main media platforms along with traditional paid broadcasting platforms. This is much the same trend in the domestic market. OTT is fast becoming the main actor in the domestic broadcasting media market and the center of attention when it comes to market competition and policy making. The domestic market for OTT has grown increasingly and its growth rate is predicted to continue throughout 2020. However, the globalization of the domestic market has led to enhanced competition between domestic and foreign business entities. For example, the market is centered on AVOD platforms such as YouTube and SVOD platforms such as Netflix, Watcha and Wavve. The competition in the domestic OTT market is projected to increase as foreign OTT services such as Disney+ is expected to enter the domestic market in the future.

As such, policies based on the principle of minimum regulation are required to tackle reverse discrimination between domestic and foreign business entities and devise strategies to boost the development of the domestic media industry with a view to facilitating the domestic OTT industry and promoting fair competition between domestic and foreign OTT business entities.

Figure I -18 Domestic OTT market forecast (Unit : KRW 100 million)



Note) e : estimate

Source) Reorganization of Media Markets Through OTT and the Management Strategies of Major Businesses, Kim Yong-hui, 2019



II

Status and Policy Objectives of the Korea Communications Commission

II

Status and Policy Objectives of the Korea Communications Commission

1. Overview

The Korea Communications Commission (hereinafter referred to as ‘the Commission’ or ‘the KCC’), founded pursuant to the 「Act on the Establishment and Operation of Korea Communications Commission」, is responsible for regulating broadcasting and communications services, protecting their users, and dealing with other matters required for maintaining the independence of broadcasting services. Its mission is to contribute to promoting the freedom, public nature and public interest of broadcasting by actively responding to the convergence between broadcasting and communications sectors.

The key functions of the Commission include the formulation and implementation of policies pertaining to terrestrial broadcasting general services and new-specialized PP, as well as the investigation and imposition of sanctions against violations conducted by broadcasting or communications business entities, the development and implantation of wide-ranging measures aimed at protecting users and their personal data, preventing the circulation of illegal or harmful information, the arrangement of broadcasting commercials, the formulation and enforcement of policies on programming and evaluation, and the development of policies for media diversification.

The Commission is composed of five standing commissioners including the chairman and the vice chairperson. Of the five standing commissioners, two, including the chairman, are directly appointed by the President of the Republic of Korea. The remaining three are nominated by the National Assembly and appointed by the President¹⁾. The Commission deliberates and resolved key issues according to the characteristics of the collegiate system.

The Commission is responsible for the enforcement of the statutes listed in the table below.

Table II - 1 Laws under jurisdiction of the Commission

Law	Descriptions	Date Enacted and Amended
「Act of the Establishment and Operation of Korea Communications Commission」	<ul style="list-style-type: none"> • Legal basis for the foundation, organization and administrative structure of the Commission • Duties and operational methods of the Commission and an organization of review committees 	Enacted on Feb. 29, 2008 Amended on Dec. 10, 2019
「Framework Act on Broadcasting Communications Development」	<ul style="list-style-type: none"> • Establishment of basic policy directions and plans for broadcasting and communications • Disaster management in broadcasting and communications and the establishment of the Broadcasting Communications Development Fund 	Enacted on Mar. 22, 2010 Amended on Dec. 10, 2019
「Broadcasting Act」	<ul style="list-style-type: none"> • Freedom and independence of programming and public accountability of broadcasting • Licensing, re-licensing, approval/permission or re-approval of broadcasting businesses 	Enacted on Jan. 12, 2000 Amended on Dec. 10, 2019

1) One of the three standing commissioners is recommended by the negotiating group of the political group which the President is or was in and other two are recommended by the other negotiating bodies

Law	Descriptions	Date Enacted and Amended
「Korea Educational Broadcasting System Act」	<ul style="list-style-type: none"> • Capital and investments of the Korea Educational Broadcasting System • Appointment of officers and composition of the board of directors 	Enacted on Jan. 12, 2000 Amended on Dec. 10, 2019
「Foundation for Broadcast Culture Act」	<ul style="list-style-type: none"> • Organization of officers for the Foundation of Broadcasting Culture • Legal basis for the Culture Promotion Fund 	Enacted on Dec. 26, 1988 Amended on Dec. 10, 2019
「Special Act on Assistance in Development of Regional Broadcasting」	<ul style="list-style-type: none"> • Establishment of Plans for Regional Broadcasting Development and Support • Organization of the Regional Broadcasting Development Committee 	Enacted on June 3, 2014
「Act on Broadcasting Advertising Sales Agencies, Etc.」	<ul style="list-style-type: none"> • Licensing of broadcast advertising sales agencies and restrictions on their ownership • Balanced development of broadcast advertising 	Enacted on Feb. 22, 2012 Amended on Dec. 10, 2019
「Internet Multimedia Broadcast Services Act」	<ul style="list-style-type: none"> • Licensing of Internet multimedia broadcast services • Guarantee of fair competition 	Enacted on Jan. 17, 2008 Amended on July 26, 2017
「Act on the Protection, Use, Etc. of Local Information」	<ul style="list-style-type: none"> • Classification of business operators and the system for market entry • Use of personal location data by emergency aid agencies 	Enacted on Jan. 27, 2005 Amended on Dec. 24, 2018
「Act on Promotion of Information and Communications Network Utilization and Information Protection, Etc.」	<ul style="list-style-type: none"> • Restriction of collection and the use of personal data • Guarantee of information network security 	Enacted on May 12, 1986 Amended on Dec. 10, 2019
「Mobile Device Distribution Improvement Act」	<ul style="list-style-type: none"> • Prohibition on discriminative subsidization and the announcement of subsidies • Restriction on making an independent contract related to subsidies 	Enacted on May 28, 2014 Amended on Feb. 21, 2018
「Telecommunications Business Act」	<ul style="list-style-type: none"> • Classification of services and business operators, promotion of competition, and systems for fair competition • System for protecting network users 	Enacted on Dec. 30, 1983 Amended on Dec. 10, 2019
「Radio Waves Act」	<ul style="list-style-type: none"> • Procedure for distribution, allocation, recollection and the reallocation of frequency bands • Procedure for the use of radio stations, including their licensing and inspection 	Enacted on Dec. 30, 1961 Amended on Dec. 10, 2019

Note) Includes statutes that are jointly enforced by the Ministry of Science and ICT

2. Organization and Functions

a. Organizational Status

Figure II - 1 The standing commissioners of the fourth-term Commission



Chairman Han Sang-hyuk

Chairman Han earned his bachelor's degree in Law at Korea University (1989) and master's degrees in Journalism at Chung-Ang University (2010). He passed the 40th judicial exam (1998) and served as an executive advisor at Telecommunication Convergence Promotion Committee (2006-2007), guest editorial commissioner at Media Today (2006-2009), commissioner at Local Press Commission (2007-2010), policy commissioner and co-representative of the Citizens' Coalition for Democratic Media (2008-2019), chairman of the Foundation for Broadcast Culture (2009-2012), visiting professor of the Department of Media Communication at Chung-Ang University (2013-2019), special commissioner at the Special Advertising Committee, Korea Communications Standards Commission (2014-2016) and auditor at Free Journalism Foundation (2019).



Vice Chairman Kim Suk-jin

Kim majored in Political Science & International Relations at Kookmin University (1984) and completed the Advanced Program at the Graduate School of Journalism & Mass Communication, Yonsei University (2010). Having started his career as a reporter at Munhwa Broadcasting Corporation (1984), his posts include politics reporter and editorial writer, director general of the news reporting office of OBS TV (2007), head of the news reporting bureau (2009-2011), director and head of the news reporting bureau of Yonhap News TV (2011), auditor of the Construction Workers Mutual Aid Association (2013).



Commissioner Heo Wuk

Hur obtained his B.S. in Civil Engineering from Sungkyunkwan University (1985), went on to earn an M.A. in Broadcasting, Mass Communications Graduate School from Sogang University (1996), completed his Ph.D. course in Business from Kyung Hee University (2016). Having started his career as a deputy head of News Department, Christian Broadcasting System (CSB) (1989-2000), he worked as the head of the Planning and Coordination Department, CBS (1999-2000), president of CBSi (2000-2003), editorial director of UpKorea online newspaper (2003-2003), deputy director, Editorial Department, Aju News (2008) and head of the Research Center on Value Business, Expert Consulting (2011-2017).



Commissioner Pyo Chul-soo

Pyo graduated from Seoul National University with a bachelor's degree in Geology (1975). Having started his career at the New Division of KBS (1975), he went on to work as the deputy division head of the Politics Division of KBS (1986), division head at the News Division of YTN (1994), media director of YTN (1999), non-standing board member of the Korea Expressway Corporation (1999-2001), managing director and executive director of Kyunh-in Broadcasting (2000-2003), secretary general of the Korea Broadcasting Commission (2003-2006), non-standing board member of the Korea Press Foundation (2005), deputy governor of Gyeonggi Province (2007-2009) and senior advisor of the News Politics Alliance for Democracy (2014).



Commissioner Kim Chang-yong

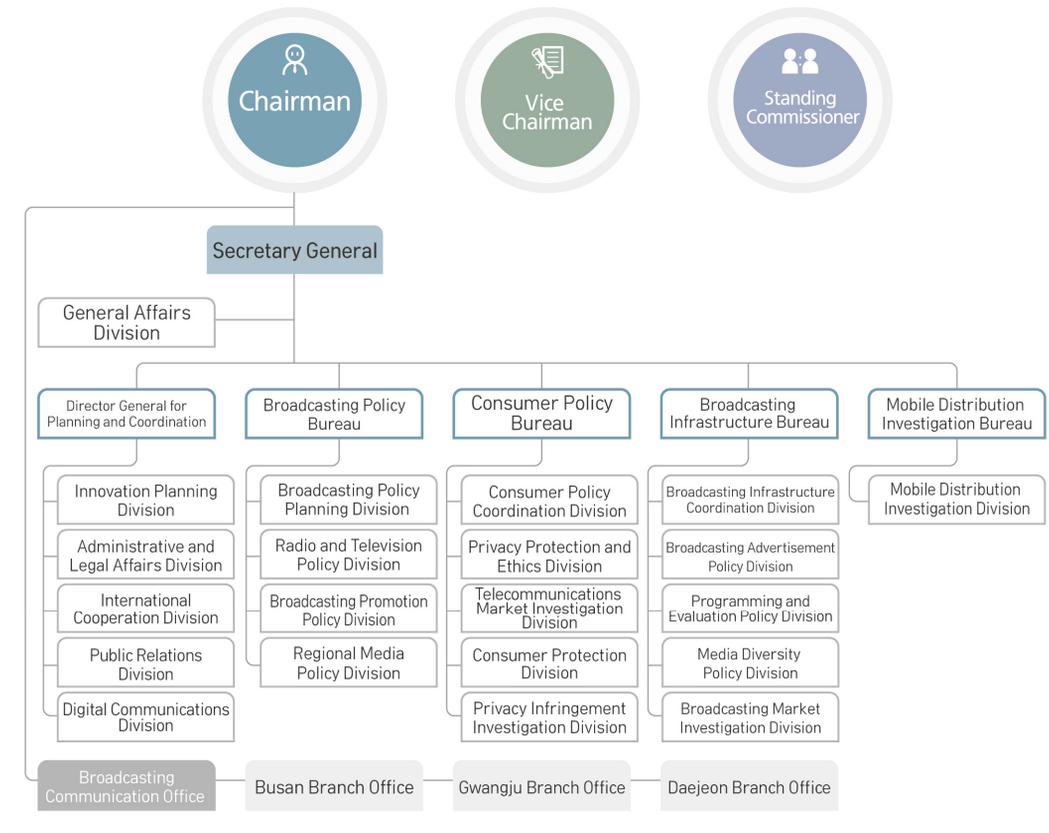
Kim graduated from Konkun University with a bachelor's degree in Dairy Science (1985), earned his master's degree from the Department of Journalism at City, University of London (1987) and Ph.D. in Journalism from Cardiff University (1993). Having started his career as a reporter of the editorial bureau at Kukminilbo (1988-1995) he went on to serve as a visiting research fellow at the Korean Journalism Research Institute (1997-1999), arbitration commissioner at the Press Arbitration Commission (2003-2009), deliberative commissioner at the Korea Broadcasting Commission (2006-2007), and professor at the Department of Mass Communication, Inje University (1999-2019).

In accordance with the ‘Organizational System of the Korea Communications Commission and its Affiliation’(Presidential Decree No.29704, enforced on April 23, 2019), the Commission consists of one secretariat, three bureaus, one director general, and 20 divisions as shown in <Figure II -2>.

Major amendments made in 2019 include two additional members (Grade 5 and Grade 6 civil servants) to help create a healthy Internet environment, two additional members (two Grade 7 civil servants) to be placed in charge of security and information protection which include the management of the main information communications facilities under the Commission and another two additional members (Grade 5 and Grade 6 civil servants) to be placed in charge of broadcasting and communications public data use and quality control.

Moreover, one member (Grade 5 civil servant) was added to improve unfair practices in the external productions market, create mutually beneficial environment for the broadcasting content industry and strengthen content competitiveness.

Figure II - 2 Organizational chart of the Korea Communications Commission



b. Responsible Services and Division of Duties

Pursuant to Article 11 of the 「Act on the Establishment and Operation of Korea Communications Commission」, the following matters shall be duties under jurisdiction of the Commission.

1. Matters concerning policies on broadcasting advertising, policies on the evaluation of programming, planning for broadcasting promotion, planning for broadcasting policies, policies on terrestrial broadcasting, and policies on broadcasting channels
2. Matters concerning the overall control of research and planning, market surveys on broadcasting and communications, protection of users of broadcasting and communications, promotion of the viewers' rights and interests and ethics relating to personal data protection
3. Matters concerning the management of frequencies used for broadcasting services
4. Other matters determined as the duties of the Commission by this Act or other Acts

Pursuant to Article 12, the Commission shall deliberate on and resolve the following matters from duties under its jurisdictions.

1. Matters concerning the basic plans on broadcasting and those on the regulation of communications
2. Matters concerning the recommendation on the directors and the appointment of auditors for the Korean Broadcasting System
3. Matters concerning the appointment of directors and auditors for the Foundation for Broadcast Culture
4. Matters concerning the appointment of the chief executive officer, directors and auditors for the Educational Broadcasting System
5. Matters concerning the research on and assessment of media diversity
6. Matters concerning the permission and renewal of permission granted to terrestrial broadcasting business entities and community radio broadcasting business entities.
7. Matters concerning the approval for the program providing business entities using broadcasting channels for general programming or specialized programming in news reporting
8. Matters concerning the permission, renewal of permission and permission for changes granted to satellite broadcasting business entities, CATV broadcasting business entities and CATV relay broadcasting business entities as well as those concerning the consent to the enactment, modification and repeal of the related statutes
9. Matters concerning the permission, revocation and approval for broadcast advertising sales agencies pursuant to the 「Act on Broadcast Advertising Sales Agencies, Etc.」
10. Matters concerning the investigation and restriction on prohibited acts by broadcasting business entities

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11. Matters concerning the investigation into and restriction on prohibited acts by broadcasting advertising sales agencies
 12. Matters concerning the investigation into and restriction on prohibited acts by telecommunication business entities
 13. Matters concerning the mediation of disputes between and among broadcasting business entities and telecommunications business entities or disputes between business entities and users, etc.
 14. Matters concerning the mediation of disputes between and among broadcast advertising sales agencies, etc.
 15. Matters concerning the response to complaints from viewers as well as the protection of the users of broadcasting and communications
 16. Matters concerning the management of the Community Media Foundation
 17. Matters concerning the guarantee of the universal watching and listening rights
 18. Matters concerning the composition and management of the Broadcast Review Committee
 19. Matters concerning the restrictions, etc. on the share of the audience of broadcasting business entities
 20. Matters concerning the disciplinary measures pursuant to the deliberation and resolution by the Korea Communications Standards Commission
 21. Matters concerning the composition and management of the Regional Broadcasting Development Committee
 22. Matters concerning the research and support with respect to the regulations of broadcasting and communication
 23. Matters concerning the international cooperation with respect to the regulations of broadcasting and communication
 24. Matters concerning the management of frequencies used for broadcasting services
 25. Matters concerning the operation, organization and sales of broadcast programs and broadcast advertising
 26. Matters concerning the raising, management and operation of funds related to broadcasting and communications
 27. Matters concerning the enactment, modification and repeal of the statutes concerned as well as the regulations of the Commission
 28. Matters concerning the budget and budget planning of the Commission
 29. Matters on which the Commission has deliberated on and resolved pursuant to this Act or other Acts
- Each department of the Commission is responsible for the duties specified in <Table II -2>.

Table II-2 Division of duties by the department of the Commission

Departments		Key Duties
Director General for Planning and Coordination	Innovation Planning Division	<ul style="list-style-type: none"> • Establishment and coordination of the policies and major plans • General management of the Commissions organization, personnel quota and other committees • Establishment of the mid-term budget and planning, allocation and execution of the budget • Budget arrangement, expenditure, operation cost expenditure and closing • Income and bond management • Coordination of the government's innovative planning, cooperation with the National Assembly and other external agencies • Management of office services, office automation and establishment and operation of the knowledge information systems • Emergency, security related services and disaster management
	Administrative and Legal Affairs Division	<ul style="list-style-type: none"> • Performance management, planning and the operation of regulatory reform • Coordination and assessment of the relevant laws and administrative regulations • Appointment of the officers for the Korean Broadcasting System, the Korea Educational Broadcasting System and the Foundation for Broadcast Culture • Coordination, review, and preservation of the agenda items for committee meetings • Operation of the Information Center • Coordination of tasks related to the National Assembly
	International Cooperation Division	<ul style="list-style-type: none"> • Management of policies regarding inter-governmental and regional cooperation • Negotiations related to broadcasting and communications for the WTO and FTA etc. • Development of policies for international organizations related to broadcasting and communications
	Public Relations Division	<ul style="list-style-type: none"> • Preparation, coordination, negotiation and assistance regarding advertising plans for key policies • Management of public announcement and press briefings regarding the works of the Commission • Development of press report plans, distribution of press reports and analysis of its contents • Support for reporters, analysis of the press report contents and preparation of responses
	Digital Communications Division	<ul style="list-style-type: none"> • Public announcement of key policies through digital channels • Operation of digital channels and the creation of digital contents • Support for the digital communications within the Commission
Broadcasting Policy Bureau	Broadcasting Policy Planning Division	<ul style="list-style-type: none"> • Development and implementation of public broadcasting policies • Development and implementation of policies regarding the KBS license fees • Development and implementation of policies to ensure the public interest of broadcasting services • Enactment and amendments to laws related to broadcasting business entities under jurisdiction
	Radio and Television Policy Division	<ul style="list-style-type: none"> • License permission and the renewal of terrestrial broadcasting business entities • Development and implementation of policies for terrestrial broadcasting technology • Reviewing of laws and policies regarding terrestrial broadcasting • Development and implementation of the policies related to disaster broadcasting and broadcasting disasters

Departments		Key Duties
Broadcasting Policy Bureau	Broadcasting Promotion Policy Division	<ul style="list-style-type: none"> • Development of the policies and management of the approval and reapproval of general services and new specialized PPs • Development of frequency operation plans, management of frequencies for broadcasting • Permission, renewal, permission for change regarding new media including CATV broadcasting business entities, enactment and amendment of laws and other works previously agreed upon • Development of policies for public interest and channels for disabled people and matters regarding the selection and recognition of such
	Regional Media Policy Division	<ul style="list-style-type: none"> • Development and implementation of policies related to the development of regional broadcasting • Development and implementation of policies for terrestrial DMB and management such as permission and renewal • Management of the Community Media Foundation and support for media education • Development and implementation of policies for the protection of viewers and support for viewer participation
Consumer Policy Bureau	Consumer Policy Coordinations Divisions	<ul style="list-style-type: none"> • Management of policies related to the protection of users of broadcasting and communications services • Enactment and amendment of the laws related to the protection of users of broadcasting and communications services • Management of telecommunications finances and the resolution of disputes
	Privacy Protections Ethics Division	<ul style="list-style-type: none"> • Enactment and amendment of the laws related to personal data protection in IT networks • Adoption of the measures regarding personal data protection by Internet Service Providers • Licensing and approval of location services operators • Enactment and amendment of laws related to the prevention of the distribution of illegal information online • Education and advertisement of cyber ethics and matters regarding the prevention of illegal spams
	Telecommunications Market Investigations Division	<ul style="list-style-type: none"> • Analysis of the communications market trends and market monitoring • Regulatory reforms to ensure fair competition in the communications market • Investigation or imposition of corrective actions against the violations of laws by communications business operators
	Consumer Protection Division	<ul style="list-style-type: none"> • Regulatory reform related to the protection of broadcasting and communications service consumers • Education and promotion of broadcasting and communications services and damage prevention • Fact-finding investigations and correctional measures upon any violations against broadcasting and communications service users
	Privacy Infringement Investigation Division	<ul style="list-style-type: none"> • Measures to respond to personal data infringement in the information communications network • Monitoring the information communications providers' violation of personal data related laws • Monitoring, planning and investigating information communications providers' status of personal data protection

Departments		Key Duties
Broadcasting Infringement Bureau	Broadcasting Infrastructure Coordination Division	<ul style="list-style-type: none"> • Development of the systems to protect universal viewing rights and the enactment and amendment of relevant laws • Development and implementation of policies related to broadcasting language and the impositions of sanctions • Establish international partnerships on joint production and the hosting of international conferences on joint production • Establishment of working groups without borders consisting of broadcasting experts and international networks on broadcasting contents • Research on global media use
	Broadcast Advertisement Policy Division	<ul style="list-style-type: none"> • Regulatory reforms related to broadcasting advertisements and sponsorship • Matters related to policies regarding competitions within the broadcasting advertisement sales agency market • Support for SMEs broadcasting advertisement, development and implementation of policies to promote public advertisements • Imposition of administrative measures upon violations related to broadcasting advertisements and sponsorship announcements
	Programming and Evaluation Policy Division	<ul style="list-style-type: none"> • Development of the basic planning for broadcasting evaluation and implementation of broadcasting evaluation and enactment and the amendment of relevant laws • Notice of broadcasting programming ratios and the development of mid-long term policies related to broadcasting programming • Development and implementation of policies to create a mutually beneficial environment for the external production market • Conducting surveys of viewer assessment and the development and implementation of relevant policies
	Media Diversity Policy Division	<ul style="list-style-type: none"> • Development and implementation of plans regarding the viewing share • Development and implementation of the basic plans for the evaluation of competition in the broadcasting market • Investigation and analysis of the use of broadcasting media and online responses to broadcasting contents • Development and implementation of policies to assist those with limited access to broadcasting such as those with disabilities
	Broadcasting Market Investigation Division	<ul style="list-style-type: none"> • Investigating the illegal activities of operators and taking the relevant measures • Regulatory reform to ensure fair competition in the broadcasting market • Property announcement of broadcasting operators and management analysis • Dispute settlement related to broadcasting
Terminal Device Distribution Investigation Bureau	Terminal Device Distribution Investigation Division	<ul style="list-style-type: none"> • Regulatory reform to improve the distribution of mobile communications terminal devices • Monitoring of the mobile communications terminal devices market • Investigation and imposition of sanctions against any unfair practices of mobile communications business operators and distributors
General Affairs Division		<ul style="list-style-type: none"> • Management personal affairs, prizes, training, employment, pay and remuneration of the Commission's staff and civil servants of the affiliate organizations • Management and investigation of audits and presentations regarding the Commission and affiliated organizations • Providing support for the commissioners, management of protocol affairs, management and protection of the complex

c. Public and Relevant Organizations Under Jurisdiction of the Commission

The Korea Broadcast Advertising Corporation (KOBACO) and Community Media Foundation (CMF) are public organizations under jurisdiction of the Commission. The Korean Broadcasting System (KBS), Korea Educational Broadcasting System (EBS) and the Foundation for Broadcast Culture are relevant organizations. The legal basis, key missions and functions are outlined in <Table II -3, 4>.

Table II -3 Public organizations under jurisdiction of the Commission

Agency	CEO	Name	Legal Basis	Key Mission and Functions
Korea Broadcast Advertising Corporation (KOBACO)	President	Kim Ki-man	Article 24 of the 「Act on Broadcast Advertising Sales Agencies, Etc.」	A brokerage and sales agency for advertisement sales and implementation of supporting projects for the balanced development of broadcasting advertisements
Community Media Foundation (CMF)	Chairman	Shin Tae-seop	Article 90.2 of the 「Broadcast Act」	Duties regarding the viewers' participation in broadcasting and the promotion of viewers' rights

Note) The Community Media Foundation(CMF) has been designated as a public organization on Feb. 3, 2016

Table II -4 Relevant organizations

Agency	CEO	Name	Legal Basis	Key Mission and Functions
Korean Broadcasting System (KBS)	President	Yang Seong-dong	Article 43 of the 「Broadcast Act」	Efficient operation of broadcasting services at home and abroad as the government-owned broadcasting service and relevant projects that promote broadcasting culture
Korea Educational Broadcasting System (EBS)	President	Kim Myeong-jung	Article 7 of the 「Korea Educational Broadcasting System Act」	Provide broadcasting contents on education, knowledge, information and culture and pursue R&D related to educational broadcasting
Foundation for Broadcast Culture (FBC)	Chairman	Kim Sang-kyun	Article 5 of the 「Foundation for Broadcast Culture Act」	Conduct research and academic projects to advance broadcasting culture

d. Expenditure Budget in 2019

The expenditure budget of the Commission in 2019 was KRW 259.5 billion which consists of the general budget account of KRW 63.0 billion and the Broadcast Communications Development Fund account of KRW 196.5 billion. If broken down into different areas, the communications account is KRW 73.3 billion and the broadcasting account (including culture and tourism) KRW 186.2 billion. Alternatively, the expenditure budget can be differentiated into the payroll expenses of KRW 25.6 billion, the basic expenses of KRW 4.2 billion and the key service expenses of KRW 229.7 billion. The details are shown in <Table II -5>.

Table II-5 Details of the expenditure budget of the Commission in 2019

(Unit : KRW 100 million)

Classification		2018(A)	2019(B)	Fluctuation (B-A)		
					%	
Total expenditure <I+II>		2,386	2,595	209	8.8	
(Total=total expenditure+fund management costs+internal transactions+surplus funds)		(8,594)	(13,209)	(4,615)	(53.7)	
By fund source	I. General budget account	564	630	66	11.7	
	II. Broadcast communications development fund (Total=expenditure+fund management costs+internal transactions+surplus funds)	1,822 (8,030)	1,965 (12,579)	143 (4,549)	7.8 (56.7)	
	① Expenditure	Sub-total(②+③)	6,683	8,446	1,763	26.4
		② Korea Communications Commission	1,822	1,965	143	7.8
		③ Ministry of Science and ICT	4,861	6,481	1,620	33.3
	② Fund management costs	40	43	3	7.5	
	③ Internal transactions (Commission funds deposited)	1,000	3,500	2,500	250.0	
	④ Compensatory expenditure (Fund surplus operated)	307	590	283	92.2	
By area	□ Communications	664	733	69	10.4	
	□ Broadcasting (culture and tourism)	1,722	1,862	140	8.1	
By function	□ Payroll	194	256	62	32.0	
	□ Basic expenses	40	42	2	5.0	
	□ Key service expenses	2,153	2,297	144	6.7	
	① Broadcasting infrastructure improvement and enhancement of user rights	1,119	1,205	86	7.7	
	② Establishment of conditions for fair competition and secure information use	273	281	8	2.9	
	③ Promotion of media diversity and content competitiveness	693	732	39	5.6	
	④ Support for the operation of broadcasting and communications	68	79	11	16.2	

e. Status of the Government Initiated Legislation in 2019

The amendments submitted to the National Assembly (October, November, December 2019) are: amendment (proposal) to the 「Broadcasting Act」 to mandate the specific range of transmission assistance provided by KBS for EBS by Presidential Decree; amendment (proposal) to the 「Act on Broadcasting Advertising Sales Agencies, Etc.」 to provide the basis for the decrease in the license expiry date for broadcasting advertising sales agencies and to introduce stakeholders opinions upon the license issuance and renewal; and amendment (proposal) to the 「Internet Multimedia Broadcast Services Act」 to provide the basis that requires Internet multimedia broadcasting business operators to submit documents related to the violation of prohibited acts.

3. Key Policy Achievements in 2019

Faced with the rapidly changing broadcasting and communications environment precipitated by the growth of new media such as OTT and the expansion of the fifth generation network service (5G), the Commission implemented projects under the policy direction of: creating a fair and free broadcasting and communications environment, enhancing user rights and their active participation, creating an ecosystem for broadcasting communications to enable sustainable growth and invigorating new businesses for the future. The major policy achievements of the Commission in 2018 are as follows:

a. Create a Fair and Free Broadcasting and Communications Environment

Based on the policy proposals suggested by the Broadcasting Future Development Committee, the Commission submitted a statement to the National Assembly which includes regulatory reforms such as changes to the governance of public broadcasting and measures to enhance the autonomy of production and programming of broadcasting. In addition, the Commission inspected the performance of the conditions for re-licensing and the re-approval of 67 terrestrial broadcasters, four general service PPs, two new-oriented PPs and the new approval and license renewal of terrestrial broadcasting business entities. Furthermore, with a view to strengthening impartiality and the public interest of broadcasting, the Commission amended the general manual for disaster broadcasting, strengthened cooperation between the government and relevant organizations to support the overseas expansion of broadcasting communications, the spread of Hallyu and promoted inter-Korean exchanges by hosting international conferences and supporting the production of programs on reunification.

Moreover, throughout the year, the Commission has made the efforts to achieve media diversity by announcing the 2017 viewing record of broadcasting media and the survey results on the viewers' perception on broadcast media. The Commission provided the Broadcasting Statistics Portal to provide statistical information of the Commission and Value Information Analysis System which analyses the viewers' responses to broadcasting contents online.

In order to strengthen the content production capabilities of regional and small broadcasting stations and support their outstanding programs, the Commission implemented the '2018 Project to Support Regional and Small Broadcasting to Enhance Content Competitiveness' and provided opportunities for them to experience the domestic and overseas content markets, international pitching forums, customized training programs for the employees of terrestrial broadcasting stations, expert mentoring and overseas curriculum for advanced broadcasting.

The Commission revised the cyber defamation system and temporary measures to promote the freedom of expression on the Internet. In the same vein, the Commission made the efforts to address the adverse effects of the Internet by reforming the legal system and technical measures to prevent the distribution of digital sexual criminal contents. Various contests and campaigns were organized to help create a sound internet culture and customized education by life cycle was operated to improve Internet ethics.

b. Enhance Users' Active Participation and Rights

The Commission has provided various media education programs, broadcasting equipment and facilities at the Community Media Center for free and enhanced user participation by supporting programs produced by users and user assessment groups. Moreover, the budget for regional terrestrial broadcasting and community radio stations were increased to encourage viewer participation, while institutional improvements were made for the better operation of the viewer committee.

With the view to resolving the inconveniences of the current sign language broadcasting, the Commission announced its 'Plan for Commercializing Smart Sign Language Broadcasting Services'. Moreover, the results of the '2017 Evaluation of the Performance of Broadcasting for Disabled People' by mandatory business operators were announced to enhance the quality of broadcasting services for viewers with disabilities. Furthermore, efforts were made to enhance the media accessibility of the underprivileged by increasing the number of TVs distributed to those with visual and hearing impairments.

The Commission amended the 「Telecommunications Business Act」 to introduce the Communications Dispute Settlement System and develop measures to realize the user protection damage remedy. To this end, along with three carriers (SKT, KT, LGU*) and the Korea Mobile Virtual Network Operators Association (KMVNO), the Commission developed the 'Customized Damage Relief Criteria in the Communications Service'. Moreover, efforts were made to improve the damages and complaints of users such as streamlining the procedures of the termination for bundled products, establishing the 'Clean Internet Broadcastings Council' to prevent any dysfunctions of the Internet private broadcastings and releasing the guidelines for the online selling of mobile communications services and devices. Furthermore, the Commission implemented a new scheme of posting the net prices of the terminal devices on the user information portal.

c. Creating a Broadcasting Communications Ecosystem Possible for Sustainable Growth

For the implementation of the 'Comprehensive Measures to Address Unjust Practices in the Broadcasting Programs Outsourcing Production Market', the Commission supported the declaration of human rights for independent creators, pushed forward with regulatory reforms to the notification and assessment of programming, and organized the 'Council for the Internet Win-win Strategy' to enhance the social responsibility of Internet corporations and address reverse discrimination between domestic and foreign companies. In addition, inspections were carried out to assess the current status of unfair practices in the broadcasting and communications market and to create a win-win environment for broadcasting and communications services to include issues related to the inspection of external productions, pre-production costs for promotion videos borne by home-shopping broadcasting operators, unpaid program fees by paid broadcasting operators to small and medium PPs.

In addition, the Commission announced a proposal for the institutional improvement related to virtual commercials and product placements, the improvement of discriminatory regulations over commercial breaks and the institutionalization of sponsorship. Furthermore, the Commission improved the system for

broadcasting advertisements and the notification of sponsorship by amending the 「Rules on the notification of sponsorship, etc.」 with a view to enhancing the clarity and autonomy of sponsorship notifications.

The Commission pushed forward with the 'International Agreement on the Co-production of Broadcasting Contents' as part of the efforts to lower the export barriers and help Korean cultural contents to successfully settle in the new markets including the hub nations of the new southern policy (Vietnam, Thailand, etc.) and the new northern policy (China) and areas of Americas (Canada). In addition, the Commission held the '2018 International Broadcasting Co-production Conference' joined by 300 participants of governmental and international organizations and domestic and overseas broadcasters from 10 nations around the world including China, India, Thailand, Indonesia and Vietnam. As domestic broadcasters have faced difficulties due to the increasing number of international disputes related to the distribution of broadcasting contents, the Commission carried out policy researches on contracts that could uphold the rights and interests of producers and income revenue distribution in case of signing a contract for selling Hallyu contents abroad, thereby laying the foundation for the production of high quality contents.

As comprehensive PP has entered a stable growth trend, it has become imperative to review asymmetric regulations in consideration of the equity between comprehensive PP and other media. For this reason, organizational obligations were expanded so that the obligatory outsourcing production ratio previously applied to terrestrial broadcasters could also be applied to comprehensive PP. Also, in consideration of the publicity and competitiveness of broadcasting, and balanced development of media, the 'Comprehensive PP mandatory transmission improvement council' was formed to prepare improvement plans. An improvement of the funding criteria and collection rate determination methods were also made to resolve the regulatory imbalance between media.

d. Invigorating New Businesses for the Future

The Commission implemented the performance check on the compliance of the mandatory UHD broadcasting organization ratio and investment plan performance, and revised the 「Broadcasting Act」 to transfer the pilot service of the terrestrial multichannel broadcasting (EBS-2TV) to the main broadcasting. It also promoted systematic improvements for new services based on the analysis of overseas regulations and markets.

Moreover, the Commission made the efforts to strengthen the protection of personal information by establishing the 'Online personal information processing guidelines' which include user rights such as the right to request for reading; conducting an inspection in areas that are vulnerable to personal data protection such as virtual currency businesses and O2O operators; conducting projects such as the 'Self-regulation of personal data in the field of information of communication' to address the blinds spots of regulations and 'On-site consulting that supports personal data protection' for small and medium sized operators and start-up businesses.

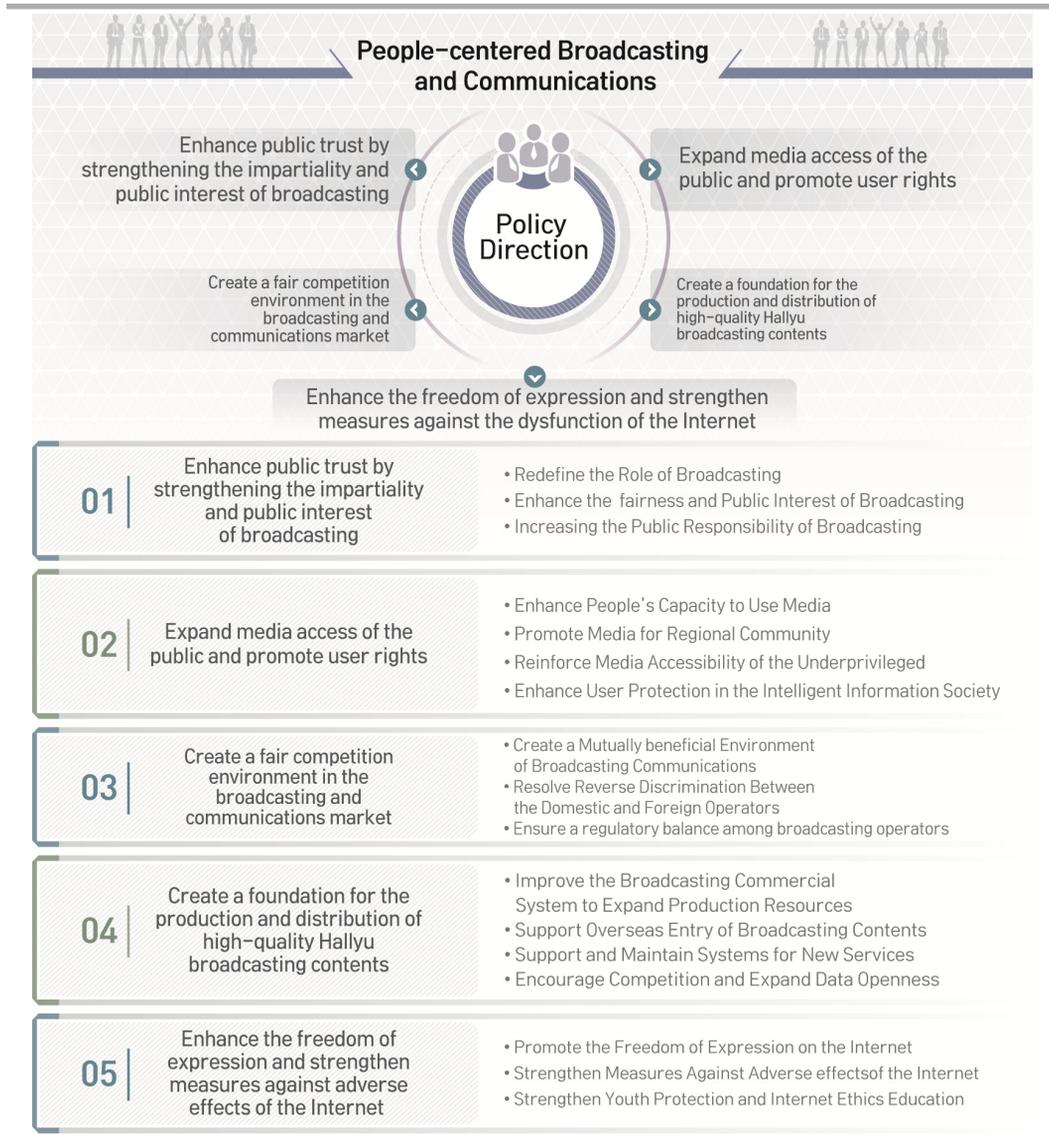
Furthermore, by revising the Telecommunications Business Act, the Commission included text messages, mobile applications and social media as a tool to obtain consent for collecting using the users' personal data. The Commission supported customized consulting services for start-ups and small businesses dealing with location information; provided cloud-based development environment; supported the fostering of businesses and the publishing of reports and facilitated entry of start-ups by changing the object location information business from being a permit system to report system. Furthermore, the Commission built global cooperative systems by participating in consultative bodies such as APEC SOM meeting, CoE 108 and ICDPPC. The Commission also responded to the establishment of EU GDPR through a meeting with the Director of EDPB and prepared APEC CBPR to strengthen the relief of damages caused by the transfer of personal data overseas.

4. Major Policy Goals in 2019

In order to enhance the public interest of broadcasting so that broadcasting and communication media can serve as a platform for forming public opinion, and to strengthen the rights of viewers and users to create a media environment trusted by the public, the goal of the Commission this year is to create 'People-centered Broadcasting and Communication'.

The five policy objectives are as follows: First, redefine the role of broadcasting, enhance public trust by strengthening the impartiality and public interest of broadcasting, Second, enhance the people's capacity to use media, promote media for viewer participation, enhance user protection in intelligent information society, expand media access to the public and promote user rights, Third, create a win-win environment of broadcasting communications, create a fair competition environment in the broadcasting communication market by resolving reverse discrimination against domestic and foreign operators, Fourth, improve the broadcasting commercial system to expand production resources, expand the foundation for producing and distributing high quality hallyu broadcasting content by supporting broadcasting contents enter overseas market, Fifth, increase freedom of expression and strengthen measures against dysfunction of the Internet, by strengthening youth protection and Internet ethics education.

Figure II - 3 Vision and policy objectives



III

Broadcasting and Communications Policy Outcomes of the Year 2019

Chapter 1 | Build Public Trust By Ensuring the Impartiality and Public Interest of Broadcasting

1. Redefine the Role of Broadcasting

a. Improve the Governance of Public Broadcasting

The need for the improvement of the broadcasting system has been raised continuously regarding the autonomy of production and programming and the governance of public broadcasting, such as the appointment of directors and presidents. In response to the public demand for the reform of the media, the Korea Communications Commission has prepared measures to improve the system by placing the independence, impartiality and autonomy of public broadcasting at the forefront. One of them is the 'Broadcasting Future Development Committee' which invited experts across the field of broadcasting, legal, accounting and civil society organizations to ensure various voices are heard from the ruling and opposition political parties, from the management of broadcasting stations and their employees and diverse civil groups. The Committee reviewed proposed bills, listened to the suggestions made by academia and civil groups and studied overseas cases followed by holding discussions with the public and deliberations of the commissioners. It was through such a comprehensive review procedure that the Committee puts forward policy proposals.

Based on the policy proposal suggested by the Broadcasting Future Development Committee, the Commission held multiple discussions with the commissioners and issued a statement of opinion containing the measures to improve the governance and strengthen the production and programming autonomy of broadcasting services. Acknowledging the importance of establishing governance which is not influenced by the political environment to secure the independence and impartiality of public broadcasting, the Commission outlined the following: ▲ the Committee recommends (appoints) board members but 1/3 (or a set number) of the board members are to be elected through the national board system to ensure that public broadcasting is independent from political influence, ▲ the appointment of presidents must be preceded by the collection of public opinion, ▲ the board of directors will be allowed discretion regarding the introduction of a president recommendation committee system and special multiple systems granted that they reform the board system by adopting the suggested national board system, ▲ upon the introduction of the special multiple system, the board should adopt a majority vote system after a certain period of time to prevent further delays in decision making. Moreover, in order to fully reflect the opinions of employees in broadcasting services, the Commission also introduced the following: ▲ an organizing committee must be created and managed by an equal number of the management and employees from terrestrial broadcasting entities and comprehensive program providers, ▲ an arbitration body for the organizing committee must be established to deal with disputes that may arise regarding the composition of management and employees in the committee.

Table III-1 Key measures to improve the governance of public broadcasting

<ul style="list-style-type: none"> • (Board of Directors) The Committee recommends (appoints) board members, as is the current practice, but 1/3 (or a set number) of the board members are to be elected through the national board system* to ensure that public broadcasting is independent from political influence <p>* The candidate must be recommended by a media-legal-accounting or other organizations and appointed by the KCC through a unanimous vote.</p>
<ul style="list-style-type: none"> • (Appointment of President) The Board decides on the adoption of the president recommendation committee, but the procedure for collecting opinions from the public on the appointment of the president is mandatory - The adoption of the special multiple system is up to the Board, but a majority vote system must be adopted to prevent delays in decision making
<ul style="list-style-type: none"> • (Organizing Committee) A mandatory establishment of an organizing committee on the terrestrial, comprehensive program and new specialized program providers composed of the same number of people from management and employees, and an arbitration body in case of disputes

The Commission has made the efforts to enable the amendments to broadcasting related laws to reflect the policy statements submitted to the National Assembly in December 2018 which include the introduction of the national board system, mandatory collection of public opinions upon the appointment of presidents and the mandatory establishment of an organizing committee composed of management and employees. In addition, the Commission streamlined the appointment process of the chairmen and presidents of public broadcasting while ensuring their independence and autonomy, in order to create governance that is supported by the public. To this end, the Commission presented its regulatory reforms to the legislation committee and relevant commissioners (on five occasions), held advisory meetings with legal experts (on two occasions) and listened to the opinions of stakeholders (KBS·EBS) (on two occasions) thereby presenting the opinions of experts and broadcasting companies to the National Assembly.

As the bill for the amendment to the 「Broadcasting Act」 was delayed due to disputes between the ruling and opposition parties, the Commission decided to change its internal rules and regulations prior to the amendments to the law in order to introduce the fair process of appointment of public broadcasting presidents and expand public participation. Therefore, the Commission decided to inform the public of the president candidate's information and collect public opinions (total of 3,706) to be deliberated upon the appointment of the chairmen of KBS, FBC and EBS and the president of EBS. After the open recruitment of candidates for EBS president, public opinion was collected by posting the candidates' information on its website. The president was appointed by taking into consideration his or her expertise and representativeness, and public opinions.

Table III-2 Gathering public opinion for the appointment of the EBS President

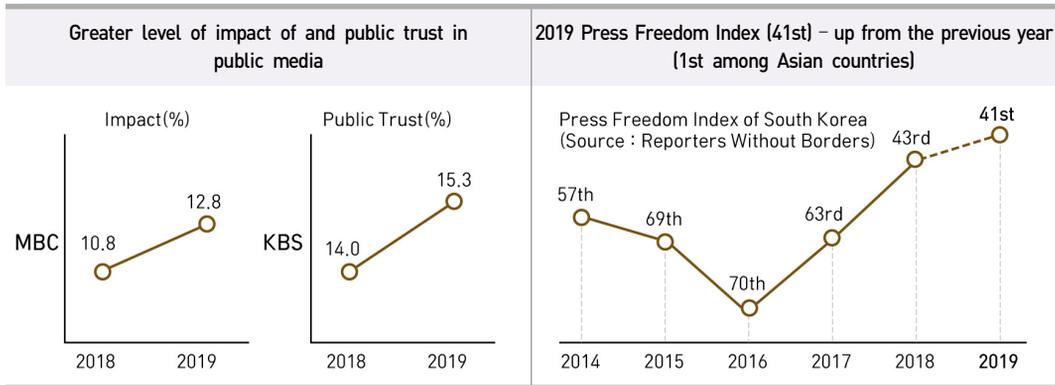
	<p>Gathering public opinion to ensure public participation and transparency</p> <ul style="list-style-type: none"> • Date : January 14th - 18th • Posted EBS President candidate's plans and prior experiences on the KCC website and gathered public opinion → 841 opinions were submitted and considered for the appointment
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Figure III-1 Discussions to improve the governance of public broadcasting



Thanks to the efforts of the government to enhance the independence and autonomy of broadcasting and the voluntary actions of broadcasting business entities, the impact and public trust of public media and Korea's Press Freedom Index is gradually improving (ranked 43rd in 2018 → 41st in 2019, 1st in Asia). The Commission will continue to support discussions related to the National Assembly by listening to the diverse opinions of stakeholders and reviews from experts. Simultaneously, the Commission plans to induce regulatory reforms to be implemented proactively, preceding the amendments to the law, by making changes to internal regulations, etc.

Figure III-2 Improved governance of public broadcasting



b. Regulatory Reform on the Reduction of Licensing Fees

Since the revision of the 「Enforcement Decree of the Broadcasting Act」 in 1988, there has been a growing need to improve the system for reducing licensing fees which has failed to adapt to changes in the media environment and ease the public burden. Accordingly, the Commission decided to develop measures based on the analysis of the current status and problems of the license fee system and to gradually upgrade

the relevant system. To this end, the Commission voted for amendments to the 「Enforcement Decree of the Broadcasting Act」 on February 13 to improve the license fee system including the reduction of additional charges imposed on overdue license fees.

In accordance with the amendments, the additional charge imposed on overdue license fees is reduced from 5% to 3% of the overdue fees. It is now mandatory to inform viewers of the prepaid discount system. For the advance payment, viewers may receive 50% (KRW 1,250) discount per month for every six months. In addition, more viewers may apply for a license fee exemption without submitting documents.

First, the additional charge imposed on overdue license fees is reduced from 5% to 3% of the unpaid fees which means that if a license fee is overdue for a month (KRW 2,500), then the additional charge is reduced from KRW 125 to KRW 75. Thus, the annual average of additional charges will drop from approximately KRW 3.6 billion to KRW 2.2 billion. Such a change in regulation will lessen the burden of those who had not been able to pay their license fees due to dire financial situations. Next, as KBS and KEPCO is now required to inform the public of prepaid discount systems on their websites, it may help more people to take advantage of the system because in total a mere 23 applications were made over the last 5 years (2013-July 2018). Moreover, while Article 44 of the 「Enforcement Decree of the Broadcasting Act」 stipulates that those who receive basic living expenses from the government, persons of national merits, independence patriots, and those with vision or hearing impairments should personally submit documents when applying for license fee exemption, KBS can now handle them electronically. This means that 99% of those who qualify for license fee exemption, 10% of the total number of fee payers, can now apply for exemption on the phone or online. Lastly, the amendment includes grounds to ensure a smooth refund process for license fees wrongly charged to those without TV reception.

The 「Enforcement Decree of the Broadcasting Act」 which includes amendments to the license fee system to lessen the burden of the public has been deliberated at the Korea Ministry of Government Legislation and passed the State Council to be promulgated on April 9, effective as of July 10. The Commission will make continuous efforts to improve the relevant rules and regulations on TV license fees to ease the public burden and strengthen the procedural rationality, transparency and objectivity of the fee systems by ensuring the public right to be informed of the finances of public broadcasters. It is expected that this will enhance the people's benefit and stabilize the public broadcasters' finances so that the Commission will establish an institutional foundation for the broadcasters to carry out its public duties, including providing high-quality programs.

Table III-3 Amendments to the 「Enforcement Decree of the Broadcasting Act」 regarding license fees

Classifications	Details
Streamlined exemption from TV license fees 【Article 44】	<ul style="list-style-type: none"> Pursuant to Article 44, those who receive basic living expenses, persons of national merits, independence patriots, 5.18 democratic patriots and those with visual and hearing disabilities may apply for an exemption of license fees without documents ※ Before : Business places without electricity consumption, households with less than 50KW of electricity consumption, those living in fringe areas
Strengthened notice of the prepaid discount system 【Article 45】	<ul style="list-style-type: none"> To widely spread the prepaid discount system to the public, the discount system is required to be notified by KBS or an authorized fee collector
Devised a new Act on the refund of TV license fees 【Article 46】	<ul style="list-style-type: none"> Legal basis established to give refunds to those who have been charged license fees but do not have TV reception ※ Before : Refunds were possible only for overpayment or erroneous payment charged to those with a registered TV
Lowered additional charge of unpaid TV license fees 【Article 47】	<ul style="list-style-type: none"> Considering the fairness of similar laws, the additional charge of unpaid TV license fees is lowered from 5% → 3% of the unpaid fees, and the relevant authority is required to include the imposition of additional charges on the notice pursuant to the Broadcasting Act.

c. Mid-long Term Regulatory System Reform

As the rapidly changing media environment calls for new philosophies in regulatory systems, it has become imperative for policies to reflect the changes by strengthening the public duties of broadcasting and reviewing current regulations to introduce future-oriented regulatory systems. Thus, in order to respond to the changes in the media environment and achieve global competitiveness, the Commission set the policy direction of the mid-long regulatory reform and established specific strategies. To do so, the 'Mid-long Term Regulatory Reform team (Reform team)' was created in April which consists of the Broadcasting Policy Bureau and external broadcasting, communications, media and legal experts and policy research institutes and policy discussions were led regarding the ways to reform broadcasting regulatory systems and the ways to review broadcasting and communications systems. The Reform Team generated discussions on the methods to improve the vitality of the media ecosystem while strengthening the public duties of broadcasting and on creating horizontal regulations within the broadcasting convergence environment.

With a view to reforming broadcasting regulatory systems, the first division defined the regulatory philosophy of the public and private spheres of broadcasting and led discussions to ensure impartiality and the public interest of the public broadcasting and create the reasonable regulations of regional and paid broadcasting services.

The second division set its policy to review the broadcasting and communications systems. To this end, discussions were led related to the adoption of horizontal regulations, the introduction of policies regarding new services including ITT and the promotion of future platforms and new content services. The Reform Team held five general meetings and 12 division meetings to prepare the proposals for the mid-long term

regulatory reforms.

The Commission organized a special session at the Korean Association for Broadcasting & Telecommunications Studies Conference on April 26 to listen to the voices of academia regarding the need for horizontal regulatory systems and regulations on new broadcasting communications services such as OTT. Moreover, a discussion was held entitled the 'Mid-long Term Regulatory Reform for Broadcasting and Future-oriented Regulatory Systems' on November 28 in order to improve the systems for the future, for broadcasting and communications services and for the public. The discussion, hosted by the Korea Information Society Development Institute, introduced the Reform Team's discussions and agendas. The discussion was divided into three sections - Prospects for Media Environmental Changes and Mid-long Term Policy Directions, Policy Directions for OTT and Future-oriented Regulatory Systems and Enhancing the Impartiality of Broadcasting and Restoring the Healthy Media Ecosystem. The first session, emceed by Commissioner Heo, included presentations made by the head of institutions on mid-long policy directions and the second session dealt with ways to review regulatory systems for the future. The third session included presentations on the ways to improve the current broadcasting systems and was joined by terrestrial, regional and paid broadcasting stations, associations related to carriers, OTT and advertising as well as those who were recommended by civil groups.

In his congratulatory speech, Chairman Han stated, "We will establish policies from the user's point of view rather than the operators, and maintain the publicity of broadcasting in a changing convergence environment while striving to build a sound media ecosystem." He then went on to explain that the discussion forum would be a starting point for finding clues to respond to the rapidly changing media environment, and that the Commission would plan on reforming the mid- to long-term broadcasting system by listening to various opinions. On the same day, Chairman Han held a meeting with the heads of broadcasting institutions (Kim Chunsik, Korean Society for Journalism and Communications Studies, Han Dongseop, Korean Association for Broadcasting & Telecommunication Studies, Son Byeongu, Korean Association for Communication and Information Studies) in which he explained that the Commission would continue to exchange ideas with the academia on the current systems and vision for the future and asked for their continued interest in broadcasting and suggestions regarding media policy measures.

The Reform Team aims to achieve the following: first, expanding user rights by strengthening access rights; second, restructuring and improving the regulatory system of broadcasting; third, the institutional acceptance of technological developments and the creation of an environment that ensures fair competition. Through this, the Team seeks to restore the impartiality of the media in the convergence era and strengthen user rights.

It has become ever more difficult for broadcasting to achieve both public value and industrial innovation as the environment changes including the advent of new services and heightened global competition. Against this background, the purpose of the public and private broadcasting system reform is to differentiate the public and private spheres and redefine the vision, value and joint value of each area by taking into consideration the ownership structure and financing methods.

To this end, public broadcasting's public duties were clarified, and public interests were strengthened to introduce a separate evaluation system. At the same time, in the private sector, regulations were significantly relaxed to revitalize the market and facilitate competition, and plans were adopted to diversify the broadcasting resources by separating public and commercial resources. Furthermore, the Commission led discussions on the ways to increase the foundation for localization, strengthen user rights, implement universal services, and improve network operation efficiency.

Meanwhile, in accordance with the convergence environment and the need to prepare a future-oriented regulatory system, the Commission proposed a service classification system divided into three levels of contents, platform and transmission based on the following principles. First, technology neutrality in order to adopt same regulations for the same services. Second, regulatory objectives (boosting competition, serving socio-cultural public interest, and protecting users, etc.). Third, regulatory proportionality (business scale and influence, etc.).

In addition, the influence of OTT is expanding due to the advancement of the Internet network, the increase of smart devices, and the change in content usage behavior. As the OTT service of global companies such as Netflix is rapidly growing, there is great fear that they would dominate the domestic market. Given this, the Commission has suggested that regulatory plans be prepared to establish the horizontal regulatory system in the broadcasting and communication sector in the mid-to-long term perspective and introduce a service classification system for diverse contents thereby achieving regulatory equity and resolving discrimination between the broadcast services and OTT services. For OTT services, the legal basis for the prohibited acts and dispute settlement was prepared under the principle of minimum regulation, and the need to mandate the submission of content regulation and business related information was suggested. In order to promote the broadcasting services for the future, the Commission believes that it is vital to establish an innovation fund that invites the extensive participation of various operators related to broadcasting and communication, and a collaboration system in which the government listens to the various opinions of industry, civil society, users, and experts, to review the policies together.

The Commission posted presentations made at discussion forums on its website, blog, social media, and the 'Peoples' idea' from Anti-Corruption & Civil Rights and gathered people's ideas and suggestions on the policy statement on the mid-to-long term broadcasting regulatory reform and future-oriented regulatory system from November 29 to December 31. Based on the issues that were raised during this process, the Reform Team held a meeting with members of academia, industry, and civil society on February 5, 2020. A policy statement will be proposed to the Commission in March 2020.

The Commission finds it necessary to conduct in-depth discussions and gather opinions regarding the major policy issues : how to legislate the regulatory system for the convergence of broadcasting and telecommunication and to strengthen public broadcasting and improve the evaluation of public broadcasting. For this reason, the two issues will be researched upon throughout 2020 and short-term actions will be outlined in the actual work plan for 2020 (January 16).

Figure III-3 Key activities of the mid-long term broadcasting regulatory reform



2. Enhance the Impartiality and the Public Interest of Broadcasting

a. Strict Assessment and Systematic Reform of the License Renewal and Reapproval System

1) Inspection and Systematic Reform of the License Renewal and Reapproval System

Growing social interest in broadcasting's impartiality and public interest due to the diversification of broadcasting media has called for a strict renewal and reapproval system. In response, the Commission conducted implementation checks on the impartiality, content investment conditions, and public liability conditions upon the renewal and reapproval of terrestrial, comprehensive services, and news reporting channels. General Service PP in particular was the subject of quality checks, while terrestrial broadcasters were subject to checks related to management transparency, strengthened content investment and guidelines for disaster broadcasting.

Following the review committee's criticism during the reapproval process of General Service PP in 2017,

the conditions for reapproval were added in relation to the impartiality and public interest of broadcasting. As such, it had become necessary to conduct an implementation check. Therefore, by conducting a thorough implementation review of the conditions for reapproval added in 2017, the Commission improved the effectiveness of the reapproval system. The Commission strictly checks whether operators abide by the conditions for reapproval such as public duties, content investment, and others through on-site visits (June-July) and expert advice (Aug-October), and urged the businesses that have failed to meet the conditions to follow the implementation (November). Since the addition of reapproval conditions in 2017 (reducing the number of legal sanctions to less than 4 cases each year due to violation of broadcasting review regulations, such as misinformation and profanity), the number of legal sanctions imposed on four general service program providers significantly decreased (7 cases in 2018 → 2 cases in 2019), thereby encouraging the broadcasters to voluntarily improve the program quality.

In addition, in order to supplement the 'Self-production Cost Estimating Standards' raised in the process of checking the performance on the conditions for reapproval in 2017, the Commission pushed forward the improvement of the system. Through policy researches, expert advisory, on-site visits, and opinion gatherings, a 'Detailed Standard for Calculating Content Investment' was established in August 2019 to help business operators receive the appropriate amount of investment to produce high-quality contents and government agencies to efficiently look over the procedure. Also, to improve the predictability of operators, the self-production cost account was newly added, integrated, or deleted according to the nature of the business, names of the categories were modified and calculation criteria were clarified and specified. Moreover, by specifying the cases in which previous content investment was disapproved, the Commission contributed to improving administrative efficiency by minimizing unnecessary disputes between administrative agencies and business operators regarding the conditions of reapproval.

In August 2019, the Commission established a 'Detailed Plan for Reapproval' that outlines the basic directions for reapproval review, the composition and operation of the review committee, and items to be reviewed, thereby laying the foundation for a fair and systematic reapproval review for general service and news reporting PPs. First, it encouraged operators to apply for reapproval by differentiating the validity period and performance-check according to their review scores, and improved the effectiveness and efficiency of the reapproval procedure by changing the classification system of assessment items. Next, minimum points required for reapproval were raised (40 → 50%), and the length of the business plan was limited to less than 500 pages for the efficient review of the business plan. Lastly, in order to reflect the effectiveness and reality of disaster broadcasting measures jointly prepared by the central government after the large-scale forest fire in the Gangwon area, 'Disaster Broadcasting Results and Plans' was added to the assessment item to invite the broadcasting operators' efforts for disaster broadcasting and to strengthen public safety.

Table III-4 Key changes to the reapproval criteria

<ul style="list-style-type: none"> • (Differentiated according to score) △ more than 700 → 5 years, △ more than 650 less than 700 → 4 years, △ less than 650 → conditional reapproval (3 years) or reapproval denied
<ul style="list-style-type: none"> • (Minimum score) Conditional reapproval upon scoring less than 50% in individual criteria even if the total score is higher than 650
<ul style="list-style-type: none"> • (Disaster broadcasting) 'Matters related to disaster broadcasting' to be reflected in 'Matters related to other performances'
<ul style="list-style-type: none"> • (Business plan) Business plan to be limited to less than 500 pages for an efficient review procedure

However, Article 17, Paragraph 3 of the 「Broadcasting Act」, which consists of items to be reviewed when renewing or reapproving a broadcaster, does not include issues regarding the violations of other laws conducted by business operators, such as the 「Monopoly Regulation and Fair Trade Act」. Thus, the issue of the difficulty of eradicating violations have been raised.

To resolve this problem, the 「Broadcasting Act」 has been revised to include in the review criteria whether or not a business operator has violated any laws and regulations prescribed by Presidential Decree in consideration of the public responsibility of broadcasting. Accordingly, the Commission decided to revise the 「Enforcement Decree of the Broadcasting Act」 so that the deductions criteria during the renewal and reapproval procedure is specifically outlined in the enforcement decree (implemented on June 25). These changes are expected to help eradicate any violations of the related laws and improve the predictability of regulations regarding the broadcasting business operators.

Table III-5 Key changes to the Enforcement Decree of the Broadcasting Act

<ul style="list-style-type: none"> • To stipulate the scope of laws and regulations to be included in the process of determining the renewal and reapproval of terrestrial broadcasting business entities, community radio broadcasting business entities, comprehensive and news reporting program providers <ul style="list-style-type: none"> - 「Framework Act on the Broadcasting Communications Development」 - 「Radio Waves Act」 - 「Act on Promotion of Information and Communications Network Utilization and Information Protection, Etc.」 - 「Monopoly Regulation and Fair Trade Act」
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2) Reapproval for terrestrial broadcasting stations

The commission conducted reapproval reviews on 36 terrestrial broadcasting stations and 146 broadcasting stations whose expiration dates were due at the end of December 2019. In 2019, 36 companies including 3 operators of UHD in the metropolitan area such as KBS, MBC, and SBS, and 33 operators such as regional MBC, commercial broadcasting, and radio broadcasting were granted reapproval.

It was the Commission's goal to strengthen the impartiality and public interest of broadcasting by establishing a reasonable reapproval review system and pursuing strict screening. In May 2019, the Commission voted on specific plans for reapproval which includes that the period of validity (3 to 5 years)

will be differentiated according to the scores earned, the minimum scores will be raised (40 → 50%), and the inclusion of regional organization, etc. Moreover, due to the rise of disasters and damages, the plan also sought to include disaster broadcasting planning as part of the review criteria to enhance the quality of disaster broadcasting.

To secure fairness, transparency, and expertise in the reapproval review, a review committee (chaired by Commission Pyo Chul-soo) was established composed of 11 experts in each field, such as broadcasting, media, law, management, accounting, technology, and viewers. On December 11, 141 broadcasting stations of 33 operators with scores 650 or higher were granted reapproval with a validity period of 4 years through voting. The voting for the reapproval for Gyeonggi Broadcasting which received less than 650, OBS Kyungin TV which scored less than 50% is the main criteria of the ‘adequacy of plans to serve public interest and planning, organization, and the production of programming’ and the 5 broadcasting stations of 3 TBC operators with changes to their largest investor were put on hold.

This reapproval review focused on the feasibility of impartiality and the public duties of broadcasting and the adequacy of program production and investment plans as the broadcasting management environment is experiencing difficulties such as sudden drops in advertising sales, etc. It also reflected the recommendations and conditions suggested by the committee. In particular, reapproval conditions were added to require three UHD operators in the metropolitan area to submit detailed investment plans regarding the construction of UHD production facilities including their plans on converting HD studios to UHD. For regional broadcasters, the conditions to limit the extended terms of executives and auditors were added to enhance fairness and transparency.

On December 23, 2019, the committee held hearings on three companies, OBS Gyeongin TV, Gyeonggi Broadcasting, and 3 TBC operators that were pending approval. Through the hearing, the Commission confirmed the OBS’ implementation plan to normalize its management, Gyeonggi Broadcasting’s plan, willingness and specific action plans to improve the transparency of management and promote the autonomy of the organization, and matters related to the approval of changes to its largest investor. On December 30, 2019, taking the results of the hearing into consideration, the Commission granted conditional reapproval for the 5 broadcasting stations of 3 operators, and added the conditions and recommendations for reapproval. In particular, if the major conditions of conditional reapproval were violated, the decision would be made to cancel the license even during the reapproval period.

Table III-6 License renewal results of 2019 terrestrial broadcasting business operators

Point	Broadcasting Operators	License Validity Period
Over 650 ~ Under 700 (34 operators)	<ul style="list-style-type: none"> • Korean Broadcasting System, Munhwa Broadcasting Corporation, SBS : UHD station • MBC Gangwon Yeongdong, Gwangju Munwha Broadcasting Corporation, Daegu Munwha Broadcasting Corporation, Mokpo Munwha Broadcasting Corporation, Yeosu Munwha Broadcasting Corporation, Ulsan Munwha Broadcasting Corporation, Wonju Munwha Broadcasting Corporation, Jeonju Munwha Broadcasting Corporation, Jeju Munwha Broadcasting Corporation, Chuncheon Munwha Broadcasting Corporation, MBC Chungbuk, Pohang Munwha Broadcasting Corporation : DTV-FM-Standard FM-AM station • Andong Munwha Broadcasting Corporation : DTV-FM-Standard FM-AM-DMB station • Jiwon, Jeju Broadcasting, Gwangju Broadcasting, TBC : DTV-FM-DMB station • Cheongju Broadcasting, Jeonju Broadcasting, Ulsan Broadcasting : DTV-FM station • YTN Radio, Kyung-In Broadcasting, Gugak Broadcasting, Won-buddhism Broadcasting, Buddhist Broadcasting, Catholic Peace Broadcasting, Korea International Broadcasting Foundation, Busan English Broadcasting, Gwangu English Broadcasting : FM station • Christian Broadcasting, Far East Broadcasting : FM-Standard FM-AM station 	4 years (Jan. 1, 2020~ Dec. 31, 2023)
Over 650 ~ Under 700 (1 operator)	<ul style="list-style-type: none"> • OBS TV : DTV station <p>※ Received under 50% in one of the main criteria of assessment 'Acceptability of the plan for the public interest of broadcasting and of the planning, organization and production of programming'</p>	3 years (Jan. 1, 2020~ Dec. 31, 2022)
Under 650 (1 operator)	<ul style="list-style-type: none"> • Gyeonggi Broadcasting : FM station 	

The Commission plans to regularly check the newly added reapproval conditions and recommendations to ensure that terrestrial broadcasters produce high quality content even in such difficult times, and that they carry out their public responsibility more faithfully. Moreover, the Commission will continue to improve the reapproval system by providing the best ways to enable viewers to participate in the process.

b. Increase the Autonomy of Programming

The Commission has taken the lead in preparing broadcasting policies that meet the public demand for media reform and securing the independence, impartiality, and autonomy of public broadcasting. As a starting point of such efforts, in October 2017, the Broadcasting Future Development Committee was formed, an advisory body composed of members who have been recommended by broadcasting, legal, management, and accounting experts and civil society organizations.

The Broadcasting Future Development Committee was separated into two divisions. The first division

discussed the improvement of the public broadcasting board composition process, the improvement of the appointment process for the president, and the improvement of the public broadcasting operation evaluation system. The second division discussed the improvement of the regulation for the production and organization of programs, the establishment and operation of the organization committee, and the establishment of guidelines for the organization agreement.

The Commission supported the advisory activities of the Broadcasting Future Development Committee by division and held discussions with broadcasters and civic groups to announce the results of the consultation. Since then, the Committee has acted as a bridge between all walks of life, such as receiving opinions from the public online, and promoting opinion gathering.

In August 2018, the Broadcasting Future Development Committee submitted the final version of the policy proposal to the Commission which included measures to improve the governance structure of public broadcasting and increase the autonomy of broadcasting production and organization. As a result of the consultation of the Committee, it was confirmed that the opinions of the workers in the broadcasting field should be sufficiently reflected in order to enhance the autonomy of organizing and producing broadcasts. Based on the findings, the following were suggested: ▲ compulsory establishment of an organizing committee composed of the same number of operators and employees of terrestrial broadcasting, comprehensive and news reporting program providers ▲ adding deliberation and resolution functions to the coordination committee regarding ① infringement of the autonomy of organization and production ② enactment and amendment of the regulations related to the organization of programs ③ establishment of a system to reflect the voices of employees when appointing executives ④ recommendations of audience members ▲ establishment of an arbitration committee for the organizing committee in case of any disputes related to the number of operators and employees in the organizing committee.

The discussions of the Broadcasting Future Development Committee initiated by the Commission contributed to leading social discussions and establishing policy frameworks to secure the social responsibility of broadcasting. After four occasions of intense discussions among the commissioners, the Commission submitted the opinions of the Broadcasting Future Development Committee to the National Assembly in December 2018 and supports the National Assembly discussions to revise the laws related to broadcasting.

c. Strengthen the Impartiality Evaluation

In line with the changing broadcasting environment, the Commission promoted the revision of the broadcasting evaluation to increase its public responsibility and to reflect the characteristics of each media in evaluation. In December 2018, the main evaluation items and measures were improved, and the rules on broadcasting evaluation were revised and published in the gazette.

In accordance with the revision of the rules related to the broadcasting evaluation, the Commission strengthened the impartiality evaluation by changing the deduction system related to misinformation and the violation of broadcasting deliberation rules, increasing the weight of the evaluation of the program

quality of general service PPs, improving the evaluation method of the terrestrial broadcaster in relation to its disaster broadcasting and adding new evaluation items for paid broadcasting.

Specifically, the method of assigning a basic score to a broadcaster's violation of the broadcasting deliberation regulations or instances of misinformation was changed to deducting per violation directly from the total score. Deductions will be made to those who fail to comply with any of the regulations related to broadcasting deliberations, decisions regarding misinformation by media arbitration committees and courts, regulations related to the broadcasting organization, and related laws such as the 「Broadcasting Act」 and 「Monopoly Regulation and Fair Trade Act」.

In addition, the program quality evaluation score of general service PP has been increased from 47.5 to 90. To strengthen the safety of outsourcing production personnel and strengthen the win-win cooperation between broadcasters and outsourcing companies, new items have been added to the evaluation criteria such as accident and travel insurance coverage and the operation of a win-win council.

Lastly, the evaluation of disaster broadcasting was improved to secure the faithfulness and appropriateness of disaster broadcasting, thereby strengthening the public's safety and the reliability of disaster broadcasting. First of all, in order to reflect the evaluation results of the disparate broadcasting organizational results by terrestrial operators, the evaluation target group was set by taking into consideration the characteristics of the broadcasting media business, and the current 5 levels of grading was divided into 9 levels. Furthermore, in accordance with the Framework Act on Broadcasting and Communication Development, new evaluation items for disaster broadcasting was added for SO and satellite broadcasting who are required to provide disaster broadcasting.

The revision of the rules regarding broadcasting evaluation is expected to strengthen the impartiality evaluation of broadcasters subject to renewal and reapproval reviews by securing the objectivity of the evaluation system and increasing the rationality of evaluation standards and methods. The above mentioned revisions will be applied to the evaluation of the 2019 broadcasting performance, to be carried out in 2020.

3. Increase the Public Responsibility of Broadcasting

a. Improve the Disaster Broadcasting Reception Environment

The growing number of natural disasters and social disasters in recent years have called for the need to improve the disaster broadcasting reception environment and take the disaster broadcasting to the next level in order to effectively respond to the various types of disasters. To this end, the Commission conducted a national survey of disaster broadcasting reception environments at the national level to check whether disaster broadcasting was received in underground areas such as roads, railway tunnels, subways, etc. By doing so, the Commission helped facility managers install new relay facilities for disaster broadcast

reception, and made every effort to maintain and operate the relay system. In addition, technical support was sent to tunnels equipped with broadcasting facilities but with poor reception, thereby resolving problems in shadow areas (200 locations in 2019) at a minimal cost.

In particular, the Commission tried to eliminate as many shadow areas as possible so that disaster broadcasts could be quickly and accurately delivered to the public. First of all, through a survey of 4,300 tunnels and subways conducted from May to December, emergency broadcasts were made at the entry of tunnels to improve the reception environment and prevent secondary accidents in the tunnel. In addition, a disaster broadcasting reception standard was created to enable disaster broadcasting to be received smoothly in tunnels and underground spaces used as emergency shelters in case of disasters. To this end, a study group was formed to prepare the standards for receiving disaster broadcasts, and meetings were held with advisory committees to ensure the smooth reception of disaster broadcasts in shadow areas. Furthermore, appropriate reception standards and methods were derived by conducting radio wave environment surveys and analyzing the type and length of tunnels throughout 17 metropolitan governments nationwide (104 locations). The Commission plans to continue to minimize disaster damage through disaster broadcasting and to bring attention to the reception environments through technical support to enable disaster broadcasting and civil defense warning broadcasting to be received in shadow areas such as tunnels and underground areas.

Meanwhile, a pilot service of FM radio warning broadcasts has been provided since 2019, which sends warning broadcasting from 500 meters ahead of a situation such as fires and traffic accidents in highway tunnels. To do so, the Ministry of Science and ICT and the Commission has finished supplying new frequencies for the tunnel disaster warning broadcasting. Normally, the Korea Expressway Corporation simply retransmitted in tunnels, a shadow area of radio waves, so that drivers can listen to FM broadcasts smoothly and stopped the retransmission to send out warnings through FM broadcasting in the event of an emergency. However, the legal basis for warning broadcasting was lacking. To this end, the Commission supplied an additional 88 ~ 108MHz band for FM broadcasting for disaster warning broadcasting and revised the relevant notifications regarding the provision of new frequencies and the establishment of technical standards so that it can be operated not only in the tunnel but also up to 500 meters ahead of the tunnel. Having been prepared after collecting opinions from broadcasters and the Korea Expressway Corporation, field experiments, etc., the amendment was confirmed by a written review by the 6th Frequency Deliberation Committee, and took effect on October 17. Previously, road signs were used to signal disaster conditions, such as warning signs in road tunnels or warning broadcasts in tunnels. However, if the driver entered the tunnel without any knowledge of the events, it would most likely to cause a large secondary accident. The implementation of this service will raise the possibility of the driver's awareness of accidents and it is expected to have a great effect on the prevention of secondary accidents. FM radio warning broadcasting will be piloted for tunnels with high accident rates and is projected to be used in more areas in the future.

b. Disaster Broadcasting Improvement Measures

It has become urgent to develop measures to improve the speed and reliability of disaster broadcasting in the event of social disasters such as explosions and forest fires. For this reason, the Commission promoted system improvement of disaster broadcasting by establishing an efficient disaster broadcasting infrastructure and improving manuals. First of all, the Commission convened a meeting with the main disaster broadcasters, three terrestrial broadcasters, including KBS, at the Gwacheon Government Complex on April 10 to discuss the problems revealed during the disaster broadcast process during the forest fires in Gangwon Province and to prepare measures to improve disaster broadcasting manuals and the system as a whole as soon as possible. The meeting mainly focused on the roles and responsibilities of the main broadcasters related to forest fire disaster broadcasting, the fact that broadcasters were more focused on the issue of fire rather than damages and rescue information which is why the scene of the fire was shown even after the fires were extinguished, thereby triggering public confusion, the lack of sign language interpretation and the lack of information for foreigners. The Commission announced that it would prepare and announce improvement measures for the entire disaster broadcasting system in collaboration with the major disaster broadcasters.

On May 14, at the State Council held by President Moon Jae-in, the 'Measures to Improve the Speed and Reliability of Disaster Broadcasting' was announced in collaboration with related ministries and committees. The response and recovery process of the Gangwon forest fires in April was found to be prompt and successful, but the speed and reliability of broadcaster's disaster broadcasting posed problems. The government's request for disaster broadcasting had been delayed, and broadcasters had not been able to provide disaster information useful for the public, such as the course of the disaster, evacuation tips, and places. In particular, sign-language interpretation for audiences with visual and hearing aids and English subtitles for foreigners were provided sufficiently. In addition, it was evaluated that KBS, the broadcaster responsible for disaster broadcasting, had shown a complete lack of responsibility. Thus, the Committee, the Ministry of Science and ICT, the Ministry of Public Administration and Security, and the Korea Forest Service gathered the opinions of major broadcasters and held meetings with the related ministries to prepare the joint measures to improve the speed and reliability of disaster broadcasting.

The measures included three key improvement tasks, eight detailed tasks, and five additional review tasks, as follows ▲ securing the promptness of disaster broadcasting, ▲ strengthening the role and responsibility of the main broadcaster, and ▲ providing practical disaster information to the public. First, the rapid implementation of disaster broadcasts needs a unified government request for disaster broadcasts, supplementation of the standards for conducting disaster broadcasts on social disasters, and the joint manual education and training by the government and broadcasters.

Second, in order to strengthen the responsibility of broadcasters in charge of disaster broadcasting, a hotline service was established among KBS, the Ministry of the Interior and Safety (Control Office) and the disaster management authority to acquire reliable disaster information, improve the judgment of situations and establish a compulsory sign-language and foreign language system.

Third, it was decided that sign-language broadcasting will be expanded and that a disaster information collaboration system will be established to provide sufficient disaster information such as evacuation tips and evacuation sites. Lastly, the Commission decided to consider the ways to transfer the central disaster broadcasting council which is responsible for the entire disaster broadcasting, to designate additional broadcasters for disaster broadcasting and to reinforce the disaster broadcasting system of regional broadcasters.

On June 27, the Commission held a briefing session to introduce the ‘Measures for Improving the Speed and Reliability of Disaster Broadcasting’ joined by the major broadcasters of disaster broadcasting to request their cooperation for the smooth implementation of improvement measures. In the briefing session, the main contents of disaster broadcasting improvement measures such as clarifying the subject of the disaster broadcasting request, supplementing the standards for disaster broadcasting implementation, establishing a disaster information collaboration system, and strengthening the provision of information for the underprivileged were explained in detail, in the meantime questions from broadcasting operators were answered and various opinions were heard. The Commission requested broadcasters to make the efforts to provide prompt and accurate disaster broadcasting in the event of a disaster by committing themselves to the lives and safety of the public as the top priority of broadcasting, and that the The Commission will actively support the process of implementing improved measures.

Furthermore, the Commission formed a public-private collaboration TF and held its first meeting on July 4 to implement the follow-up measures of the ‘Measures to Improve the Speed and Reliability of Disaster Broadcasting’. The meeting was joined by the related ministries and KBS officials, broadcasters of disaster broadcasting and issues such as the integrated requesting bodies for disaster broadcasting, preparation of the guidelines for disaster broadcasting in the event of social disasters, major projects to be carried out by KBS and relevant government agencies, and the provision of government-broadcasters joint simulation training of disaster broadcasting. In addition, on July 11, the government held a follow-up meeting for the disaster broadcasting improvement measures with officials from 10 broadcasters, including KBS, MBC, SBS, and EBS, at the Gwacheon Government Complex. At the meeting, in line with the ‘Measures to Improve the Speed and Reliability of Disaster Broadcasting,’ projects to be carried out by broadcasters were discussed including the development of guidelines on how to provide disaster information and the detailed methods and procedures to provide broadcasting with sign-language interpreting and English subtitles. It was also decided to strengthen the public responsibility of broadcasting through thorough safety management of broadcasting facilities in preparation for the upcoming typhoon and heavy rains, and by providing speedy and accurate disaster information to the public to prevent or minimize any damages in the event of a disaster. The Commission will continue to present specific directions for improving disaster broadcasting through the TF in the future.

c. Broadcasting Disaster Management System

As natural disasters (typhoons, etc.) and social disasters (wildfires, fine dust, etc.) are increasing, there is a growing need to establish a broadcast disaster management system to effectively respond to various

types of disasters and to improve the speed and reliability of disaster broadcasting. The Commission establishes a basic plan for broadcasting disaster management every year to prevent physical and functional defects in broadcasting facilities, to promptly rectify and recover any damages caused by disasters, and to conduct efficient disaster broadcasting. In September 2019, the Commission established a basic plan for broadcasting disaster management for the year 2020 to strengthen broadcasting disaster and disaster broadcasting. Accordingly, the necessary measures were taken to ensure safety management, and the implementation status was checked to improve and supplement the weak points.

Meanwhile, the Commission conducted safety checks for crucial broadcasting facilities (main control rooms, news production facilities, transmission and relay stations, etc.) during the thawing season (March), summer (May to June), and winter (November to December) to see whether broadcasters were ready to prevent, prepare for, respond to, and recover from broadcasting disasters and damages caused by broadcasting services. In addition, by establishing a large-scale disaster caption system at the four regional stations of KBS (Changwon, Jeonju, Cheongju, and Ulsan), it has become possible to send out disaster broadcasting to these local residents in the event of local disasters. In October, the Commission conducted safety training to be ready to respond to broadcasting disasters, and plans to request that the broadcaster prepare for potential disasters by sending the ways for improvement based on the results of the inspection of important broadcasting facilities. In the event of a disaster, the Commission will install and operate a control team in accordance with a related manual (a crisis manual for the information telecommunications broadcasting sector) and closely monitor disaster broadcasting by broadcasters.

Table III-7 Safety inspection of important broadcasting facilities

Classification	Period	Area	Details
Thawing season	Mar. 11-Mar. 28	34 Broadcasting Facilities	<ul style="list-style-type: none"> Establishment and adequacy of the broadcasting disaster management plan by broadcasters Disaster broadcasting online system, automatic subtitle transmission system, and disaster broadcasting management system
Summer	May 27-June 18	34 Broadcasting Facilities	
Winter	Nov. 11-Dec. 4	36 Broadcasting Facilities	

The Commission promoted the establishment of a measure for fine dust disaster broadcasting in order to resolve public anxiety and social conflict and increase government credibility by providing accurate information on the newly emerging fine dust. In November, the Commission formed a consultative body with the Ministry of Environment, Ministry of Health and Welfare, Ministry of Public Administration and Security, Ministry of Foreign Affairs, the National Climate Environment Conference, KBS, and others, to provide accurate information on fine dust and to establish a cooperation system between organizations. In addition, previously it had been difficult to send out fine dust broadcasting because it was challenging to predict them and there are unclear risk indicators. However, in December, the standards for disaster broadcasting for fine dust were finally prepared through meetings with related organizations and by listening to expert opinions.

Table III-8 Criteria for fine dust disaster broadcasting

When	Criteria
At the announcement of the emergency reduction measures(attention)	<ul style="list-style-type: none"> • Must meet local or national emergency reduction measures or its announcement standards - Criteria for announcing emergency reduction measures (must meet any of the following) <ol style="list-style-type: none"> ① Over $50\mu\text{g} / \text{m}^3$ (average from 00:00 - 16:00) + forecasts for over $50\mu\text{g} / \text{m}^3$ the next day ② Announcement of ultra-fine dust advisory and warning (00:00 - 16:00) + forecast for over $50\mu\text{g} / \text{m}^3$ the next day ③ Forecast over $75\mu\text{g} / \text{m}^3$ the next day

The Commission promoted the amendment to the 「Notice of Disaster Broadcasting and Civil Defense Alarm Broadcasting Standards」 to deal with the problems of disaster broadcasting, such as expanding the provision of disaster information to the vulnerable groups such as the hearing impaired and foreigners. The revised notice includes, ▲ radio disaster broadcasting focusing on key information such as the name of the disaster and its affected areas, ▲ disaster broadcasting preceding the preliminary typhoon announcement, ▲ rapid broadcasting of sign-language interpretation and English subtitles for the vulnerable groups, which will be implemented in 2020 through administrative notices.

In addition, the Committee revised the 「Disaster Broadcasting Comprehensive Manual」 to reflect the standards for implementing social disaster broadcasting and specific measures for fine dust disaster broadcasting. The revision has newly established the standards for social disaster broadcasting, which had previously been unclear. It required the broadcaster to send out disaster broadcasting in the event of disasters such as forest fires and fine dust. The standards for subtitle broadcasting and the broadcasting methods for national behavior are prescribed in the event of fine dust disaster broadcasting. When a disaster occurs, foreigners would be provided with information on what to do before, during and after the event as well as broadcasting with English subtitles.

Table III-9 Major revisions to the Disaster Broadcasting and Civil Defense Alarm Broadcasting Standards (Notice)

<ul style="list-style-type: none"> • Disaster broadcasting on the radio must focus on key information such as the time the disaster occurred, name of the disaster, and affected areas considering the fact that the regular programming is ceased when disaster broadcasting begins.
<ul style="list-style-type: none"> • In the event of a preliminary announcement of typhoons, a disaster broadcasting of the weather conditions and action tips must be sent out to prevent the disaster beforehand
<ul style="list-style-type: none"> • In the event of a disaster, broadcasts with sign-language interpretation and English subtitles should be sent out as soon as possible to help the vulnerable groups, such as foreigners and those with hearing impairments

Table III-10 Major revisions to comprehensive manuals such as disaster broadcasting

- Establishment of the standards for social disaster broadcasting that requires broadcasters to send out disaster broadcasting in the event of a disaster such as forest fires or fine dust
- Establishment of the standards for subtitles and broadcasting methods for national behavior in the event of fine dust disaster broadcasting
 - Fine dust information to be provided in the same color at the bottom of the broadcaster's logo (top right corner) for effective visibility

< Fine dust concentration information >

(Ultra) Fine dust		(Ultra) Fine dust		(Ultra) Fine dust		(Ultra) Fine dust	
Location	Good (concentration)	Location	Normal (concentration)	Location	Bad (concentration)	Location	Very bad (concentration)

d. Support for the SME Broadcasting Advertising

In conjunction with the Korea Broadcasting Advertising Promotion Agency, the Commission launched an innovative SME broadcasting advertisement project in 2019 to support innovative SMEs that have excellent technical skills but suffer from low awareness and a lack of marketing capabilities.

Innovative SMEs include ventures, innobiz, mainbiz, excellent greenbiz, green certified SMEs, global IP (intellectual property) star companies, intellectual property management certified companies, social enterprises, and brain competency experts. In particular, in 2019, the company that contributed to job creation was given preferential treatment by receiving points when their certification for excellent employment was submitted.

The innovative small and medium-sized enterprises selected for support through screening receives from 50% of TV production costs up to KRW 50 million, and 70% of radio advertising production costs up to KRW 3.5 million. As a result of the project in 2019, the Commission executed a total budget of KRW 2.35 billion to support the productions of broadcasting advertisements by 75 small and medium-sized enterprises, including 43 TV ad productions and 32 radio ad productions.

Table III- 11 Innovative SME broadcasting advertisement production cost support project

Classification	TV broadcasting advertisements	Radio broadcasting advertisements
Amount	50% of the total productions cost (Maximum support of KRW 50 million)	70% of the total production cost (Maximum support of KRW 3.5 million)

In addition to supporting the broadcasting advertisement production costs, the targeted companies receive the broadcasting advertisement transmission cost of 70% from the Korea Broadcasting Advertising Promotion Corporation, thereby increasing the use of advertisements. Moreover, the Commission provides advertisement education and one-stop consulting services that systematically support advertisement productions.

Figure III-4 Ceremony for enterprises selected for the Innovative SME Broadcasting Advertisement Project



In February 2019, the Commission signed an agreement with selected companies for the innovative SME broadcasting advertisement project to promote their businesses. In November, the Commission held a meeting to listen to the experiences and grievances of SMEs that received support for the advertising production as part of the innovative SME broadcasting advertisement projects, and gathered the opinions to improve other projects to come. The meeting held on November 19 was joined by seven small and medium-sized enterprises, including Giacomo, Vitabio, Bomap, Hogangnono, Oa, Genomic Tree and e-Xanadu Inc.

Figure III-5 2019 Innovative SME Broadcasting Advertisement Project Meeting



From 2015 to 2019, the Commission supported the production of broadcast advertisements for a total of 463 operators including 226 TV advertisements and 237 radio advertisements. The broadcast advertisement production support project proved to be effective as it successfully contributed to the growth of SMEs as the increased awareness and appreciation of innovative SMEs, strengthened marketing capabilities, and increased sales well demonstrated.

Table III-12 Support for the production of innovative broadcast advertisements 2015-2019 (Unit : companies, KRW 1 million)

Classification	Number of Companies			Budget
	TV broadcasting advertisement	Radio broadcasting advertisement	Total	
2015	32	78	110	2,000
2016	45	40	85	2,540
2017	54	42	96	3,000
2018	52	45	97	2,850
2019	43	32	75	2,350
Total	226	237	463	12,740

In 2019, the total sales of companies that received advertising production support increased by 20.9% compared to 2018, and the number of employees (based on employment insurance) increased by 27.7% during the same period which demonstrates the effectiveness of the project boosts the growth of SMEs. Moreover, the companies supported through this project contributed to the vitalization of the broadcast advertising market by executing approximately KRW 16.2 billion for broadcasting advertising transmission costs.

Table III-13 Sales and employee increase of companies supported through the innovative broadcasting advertisement project (Unit : KRW 1 million, persons, %)

Classification	2018	2019	Growth Rate
Sales	645,114	790,802	20.9
Number of employees	2,512	3,209	27.7

e. Improve the Public Service Advertising System

Public service advertising refers to advertisements produced by the government and public institutions for public service purposes and is broadcasted for free by broadcasters or advertisements with public service purposes produced and organized by broadcasters at their own expense. So it is different from government advertisements that are aired for a fee and public interest campaigns produced and organized through sponsorships.

In June 2019, the Commission prepared amendments to the 「Enforcement Decree of the Broadcasting Act」 to meet the need to clarify the legal concept of non-commercial public service advertisements and to increase the effectiveness of the mandatory system for public service advertisements. The amendment was prepared based on the policy goal of spreading social value through public service advertisements and increasing the public responsibility of broadcasting. The main revisions are as follows:

First, when a broadcaster carries out its legal obligation to organize a public service advertisement over a certain percentage, a new regulation is established to weigh the public service advertisement composition

ratio according to the time of organization, and that criteria is based on the characteristics of the channel by the Korea Communications Commission. This is to ensure that broadcasters organize public service advertisements at times when many citizens are watching, as it has been pointed out that public service advertisements are mainly organized in times when the viewer rate is low.

Second, in relation to the exemption from compulsory public service advertisements, the current characteristics of the channels are considered, and the law has been revised to consider the size of broadcasting sales. Its specific criteria is to be notified by the Korea Communications Commission. This is intended to mitigate the burden of small broadcasters with small sales and minimal influence. If they fail to comply with the ratio of compulsory public service advertisements, the broadcasters are subject to legal sanctions, such as the disposition of fines.

Lastly, Article 59, Paragraph 4 of the law was revised to clarify the legal concept of public service advertisements to stipulate that broadcasters should bear the costs of compulsory public service advertisements.

As the partial amendments to the 「Enforcement Decree of the Broadcasting Act」 began to take effect on March 11, 2020, the Commission prepared amendments to the 「Notice on the Organization of Broadcasting Programs, etc.」 to define the matters entrusted to the notice in the Enforcement Decree. The amendments to the notice included guidelines on weighing the public service advertisement composition ratio, criteria on the exemption from compulsory public service advertisements and ways to resolve the asymmetric regulation of the public service advertising system by adjusting the ratio of compulsory public service advertising.

f. Enhance the Quality of Broadcasting Programs

Each year, the Commission selects and awards the ‘Broadcasting Commission’s Grand Awards (‘Broadcasting Awards’) to contribute to the spread of the Hallyu by inspiring the creative desires of broadcast producers and enhancing the quality of broadcasting. The ‘Broadcasting Awards’ celebrates individuals and organizations that contributed to the development of the broadcast culture and excellent programs produced and broadcast in Korea during the previous year. The Awards celebrated its 11th anniversary in 2019.

The ‘2019 Broadcasting Awards’ ceremony was held on May 13 and the members of the National Assembly, heads of broadcasters, and government officials attended to congratulate the award winners and encourage the efforts of broadcasters who are working in the field.

A total of 313 broadcast programs were submitted to the ‘2019 Broadcasting Awards’ leading to an intense competition. The final 21 award-winning works were decided through preliminary and main screenings as well as online voting by viewers. The Best Award went to the KBS Special ‘Plastic Earth’ of Korea Broadcasting Corporation (Producer: Song Ungdal, Director: Song Cheolhun, Jang Gangbok). ‘Plastic Earth’ criticized the reality of plastic waste floating in the ocean that threaten our lives and safety. It portrayed shocking images while successfully presenting alternatives, thereby receiving high marks from

both the judges and viewers.

The Grand Award went to JTBC's 'SKY Castle' (Producer: Kim Jiyeon, Director: Cho Hyeontak). A drama that depicts the top 0.1% of South Korea's desire to inherit their wealth and power to their children, 'SKY Castle' had a great impact on our society that is obsessed with power and academic background. The drama left many memorable lines for the viewers and many praised it as one of the best programs in 2018.

Figure III -6 2019 Broadcasting Awards Winners

Best Award	Grand Award
 <ul style="list-style-type: none"> • KBS Special <Plastic Earth>, Korea Broadcasting Corporation 	 <ul style="list-style-type: none"> • <SKY Castle>, JTBC

There were many high-quality documentaries, including the winner of the Best Awards that were nominated. Their production and directing skills were outstanding and they were also extremely entertaining. What made the ceremony more meaningful were the winners of many programs that highlighted the tragedy and mission of modern Korean history, produced in celebration of the 70th anniversary of the Jeju 4.3 Uprising and Massacre and the 100th anniversary of the March 1st Movement and the establishment of a provisional government.

In addition, the 'Excellence Award' went to a total of 13 works in areas including 'Creative Experiment', 'Social and Cultural Development', and 'Regional Development', and 'Special Awards' were awarded in five areas, to a selected number of broadcasters who contributed to the development of broadcasting.

The Commission operated the <Broadcasting Commission Award Winning Programs> from June 28 to July 21 to provide award-winning works for free on TV and mobile. Composed of a total of 10 programs, including the Best Award winner, KBS Special 'Plastic Earth', it allowed viewers to access and watch programs from the "TV Replay" menu. The Commission plans to continue the replay service of award-winning works in cooperation with broadcasting business entities in order to revitalize broadcasting content productions and provide viewers with an opportunity to enjoy outstanding contents.

Table III-14 Broadcasting Commission Award Winning Programs

Classification		Award Winners	
		Broadcaster	Program
Best Award		KBS	KBS Special <Plastic Earth>
Grand Award		JTBC	<SKY Castle>
Excellence Award	Creative Experiment	KBS	KBS Special <Oops! We Forgot Your Order>
	Social and Cultural Development	CJ ENM(tvN)	<Mr, Sunshine>
		Gwangju MBC	Yoon Sangwon and Jeon Taeil <Two Diaries>
	Regional Development	KBS Jeju	Drama in Jeju Language <Sea of Mother>
		TBC	TBC Musi-documentary <Firefly Becomes a Star>
	Hallyu	JTBC	<Something in the Rain>
MBC		Mystery Music Show <King of Masked Singer>	
Web Contents	CBS	Series <Jeju in April>	

g. Inter-Korean Broadcast Communication Exchanges

1) International Conference on Inter-Korean Broadcasting and Communication

On October 25, the Commission hosted an international conference on inter-Korean broadcasting and communications at the Riverside Hotel (Seoul, Korea) to raise awareness of the current status of inter-Korean broadcasting and communications and to seek ways for the broadcasting and communications exchange to contribute to peace and prosperity on the Korean Peninsula. The conference was joined by around 200 foreign journalists from major daily newspapers in Finland, China and Malaysia, etc., experts in broadcasting and communication and the Korean Peninsula, diplomats, domestic and foreign journalists, and academic officials.

Under the theme of the 'Roles of Broadcasting and Communications in Ensuring Peace on the Korean Peninsula', discussions were led on the new changes in North Korea's broadcasting communications, institutional foundation for the development of broadcast exchange, and the direction and implications of future inter-Korean broadcast communication cooperation. It has contributed to the establishment of a foundation for promoting inter-Korean exchange and cooperation. The main contents of the conference are as follows.

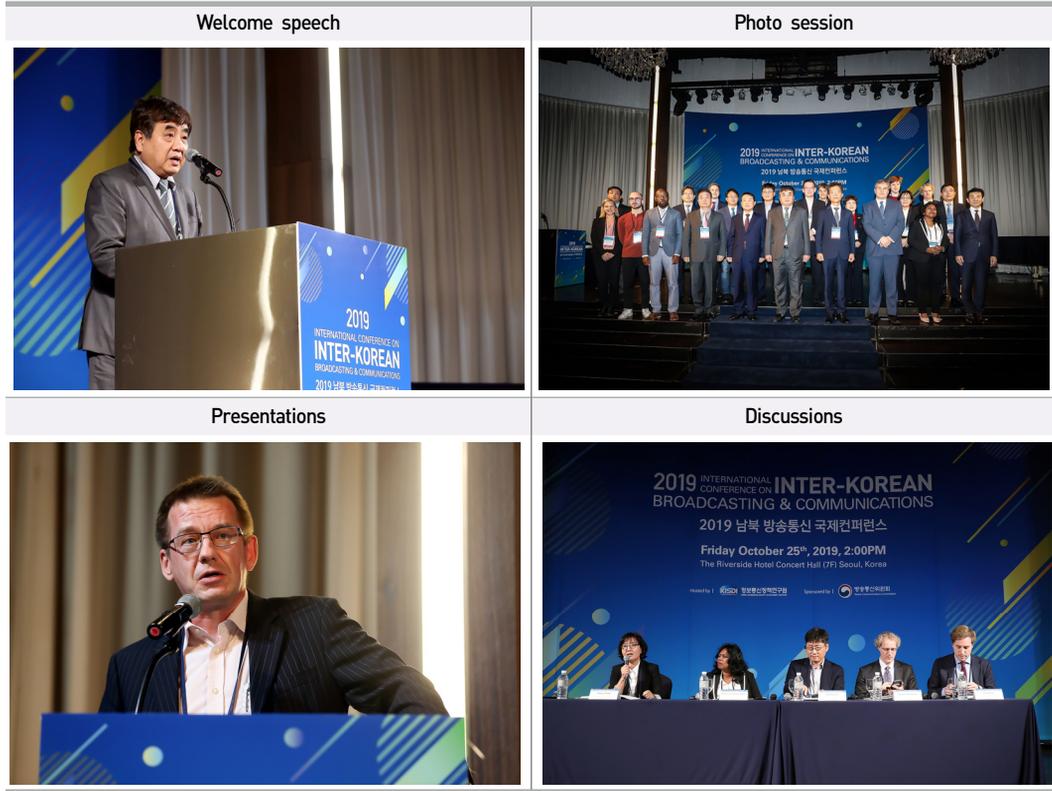
In his welcome speech, the Chairman explained that inter-Korean relations and the international political dynamics surrounding the Korean Peninsula are changing consistently and that broadcasting and communications environment is rapidly changing. He emphasized that the broadcasting and communications is an important medium that can go beyond the barriers of division and bring peace and prosperity on the Korean Peninsula. The Chairman added that the Commission will continue to make the efforts to prepare for the future of the ever-changing inter-Korean relations, and solidify the basis for inter-Korean broadcasting and communication exchange and cooperation.

The conference was composed of presentations on the current status of North Korean broadcasting and the future of inter-Korean broadcasting exchange; the new changes and characteristics of North Korean broadcasting media; the institutional basis for the development of inter-Korean broadcasting exchange and the opportunities and challenges of ICT inter-Korean exchange cooperation. Discussions were led on the role of inter-Korean broadcasting and communications for the prosperity of the Korean Peninsula.

In the first session, presentations were made on the changes in program organization by media outlets in North Korea, as more focus is put into public demands and interests such as rapid and accurate reporting, entertaining contents, and on-site reporting. The second session dealt with that synergies should be created by utilizing the ICT capabilities from the North and the South rather than maintaining the previous inter-Korean cooperation model mainly focused on existing labor-intensive models.

The discussion session points out that there is a need to consider the political and economic characteristics of North Korea in order to vitalize inter-Korean broadcasting and communication cooperation. In addition, suggestions were made regarding the need to increase the stability of cooperative projects through the participation of a third party and to connect with new southern policies including Asian countries. Furthermore, discussions were led regarding the possibility of building a relationship of peace and trust through inter-Korean broadcasting and communication exchange cooperation as media could enhance mutual understanding.

Figure III-7 2019 International Conference on Inter-Korean Broadcasting and Communications



2) Support for the Production of Unification Broadcasting Programs

The Commission supported the production of broadcasting programs related to unification to promote unification and improve the image of North Korea, thereby laying the foundation for inter-Korean broadcasting and communication exchange cooperation. At first, it began by supporting TV broadcasting programs only. However, with the establishment of the radio division in 2019, the production of unification-related broadcasting programs in both TV and radio divisions received assistance.

For TV programs, in order to ensure the fair selection of the broadcasters eligible for production support, public announcements were made through the Nara Market of the Public Procurement Service. A pre-announcement and the 1st to 2nd announcement was made from April 1 to May 9. As a result, SBS was selected and on December 7 and December 14, the trilogy of 'SBS Special Sam Hammington's Face北' was aired. The program consists of five foreign national entertainers traveling to Pyongyang and Mt. Geumgangsan, experiencing the daily life of North Koreans such as education, shopping, and foods. It received positive reviews from viewers as it successfully captured the beautiful scenery and various facilities of Mt. Geumgangsan during the period when tours were prohibited.

Figure III-8 2019 Support for the Production of Unification Broadcasting Programs - TV programs



Support for radio programs was provided to promote the radio broadcasting programs related to unification produced by small businesses. A public announcement was made through the Nara Market of the Public Procurement Service from May 14 to August 19, including the pre-announcement and 2nd announcement. The result showed that Compass Communication was selected for receiving the Commission's support for producing radio dramas, the first episode of the radio drama, A Hut by the Side of the Train Track, and the second episode, The Woman, Kim Soon-ok, which were aired through Chuncheon MBC and Cheongju Broadcasting. The radio drama was aired through Chuncheon MBC on November 21-22, and Cheongju Broadcasting on November 31 and December 1. The two episodes of the radio drama supported by the Commission was a unique and interesting story of families and lovers separated from North and South. It was registered on not only terrestrial broadcasting but also on the Ullim Channel at BTN Buddhist Broadcasting (web) and Naver Audioclips, contributing to the vitalization of unification related contents productions on radios.

3) Survey on North Korea's Use of Broadcasting and Communication

The Commission conducted a survey on North Korea's use of broadcasting and communication to learn the status of North Korea's broadcasting and communication based on objective data as much as possible and to efficiently promote exchange and cooperation between South and North Korea. As it was the first

year of this project, the survey mainly focused on the field of broadcasting.

The detailed objectives of the project are as follows: first, to seek whether it is possible to develop a database platform that can efficiently utilize and store data collected from the survey regarding the management of video data on North Korea currently in store at each broadcaster; second, to analyze the current status of North Korea's broadcasts and programs and recent changes in North Korean broadcasts; third, to enhance the usability and effectiveness of future research studies including this project by selecting and presenting future research fields and items based on the demands of broadcasters, industry and academia, which are parties to the inter-Korean exchange cooperation.

The result of the study carried out for the project found that video data from 2005-2007 accumulated in each terrestrial broadcaster was stored in VHS format. This requires the digitization of the data and storage space for all the videos, assistance from North Korean broadcast experts to conduct video analysis, and solutions to the issue of intellectual property regarding materials covered in North Korea.

North Korea's broadcasting consists of four terrestrial channels, such as 'Chosun Central TV', 'Mansudae TV', 'Ryongnamsan TV', and 'Sports TV', and social culture broadcasting channels which are connected by wire in the metropolitan area where cables are installed. Recently, 'Manbang TV', an intranet-based platform, began its operation. Since the beginning of the Kim Jong-un regime, various graphics instead of the usual monotonous shooting technique are taking place as well as the extended use of live broadcasts, albeit in a limited capacity, along with the movement to expand the production of programs that aim to strengthen internal solidarity.

As the project is taking place during a difficult time of sanctions against North Korea, a strategic research plan has to be devised in order to conduct surveys on North Korea's use of broadcasting and communication from a long-term perspective. The survey items can be largely divided into the general status of the broadcasting and telecommunication industry and the status of personal use. It appears that the project should be carried out step by step after considering its feasibility and setting the scenarios that reflect the progress of inter-Korean relations.

h. Support for Regional Broadcasting Production and Distribution

In a rapidly changing broadcasting environment, there is an increasing need to enhance the public responsibility of regional terrestrial broadcasting and create a foundation for its self-reliance. To this end, the Commission made efforts to strengthen its support to help regional broadcasting to possess local characteristics and achieve diversity in accordance with the "Second Regional Broadcasting Development Support Plan (2018-2020)" pursuant to the 「Special Act on Regional Broadcasting Development Support」.

With a view to improving program quality and enhancing global competitiveness, the Commission implemented the '2019 Support for Regional and Small Broadcasting to Enhance Content Competitiveness' to promote outstanding programs produced by regional and small and medium-sized broadcasting operators and provide support for overseas distribution production. The Commission encouraged the discovery of new genres and topics by supporting pilot and regular program productions and helped them

respond to the era of multi-media by supporting the creation of contents exclusively for new media services. Through screening procedures for regional, and small and medium broadcasters, a total of 27 programs (23 TVs, 4 radios) were selected from 17 regional and small broadcasters to receive financial support, amounting to KRW 3.4 billion.

Table III-15 2019 Support for Regional and Small Broadcasting to Enhance Content Competitiveness

Classification	Medium and Support	Support Provided Per Program	Details
Regular and Special Programs	TV, radio KRW 2 billion	within KRW 200 million	Supported outstanding programs by considering regional characteristics and competitiveness to foster programs of various genres and topics
Overseas Distribution Programs	TV, radio KRW 1 billion	within KRW 300 million	Supported the production of programs that can penetrate the overseas market by taking overseas distribution into consideration from the planning stage
Pilot Programs	TV KRW 2 billion	within KRW 100 million	Supported the production of pilot programs to encourage the development of new regular programs and new genres and topics
New Media Contents	TV, radio KRW 2 billion	within KRW 50 million	Supported the production of 1-10 minute long clip videos that could be provided on social networking services, portals, mobiles, etc. (new contents and the reprogramming of existing programs acceptable)

In addition, the Commission contributed to the promotion of content distribution for regional broadcasters, including discovering new markets and securing global competitiveness by supporting participation in the domestic and foreign content markets and overseas pitching forums, providing content re-production support, and hosting the international forums for regional broadcasting exchange cooperation. The Commission also installed and operated Korea Content Village at Busan Contents Market (BCM), Shanghai TV Festival (STVF), and Asia Television Forum (ATF) to provide a distribution path for outstanding contents produced by regional broadcasting. It helped increase content distribution and marketing opportunities for outstanding programs by promoting them to domestic and foreign buyers and visitors. For example, at BCM, through 16 one to one meetings with 16 companies from home and abroad, sales coordination (13 cases), co-production coordination (5 cases), and MOU (2 cases) were arranged. At Guangzhou Documentary Pitching Forum (GZDOC) held in December 2019, a Korean pitching session was operated to promote Korean projects (4 companies, 7 plans), make sales through one to one meetings (1 case) and discuss co-production (3 cases). Moreover, the Commission supported re-productions for procedures such as translation, dubbing, subtitles, and re-editing to enable the smooth overseas distribution of outstanding programs (16 programs produced by 9 companies).

Table III-16 2019 Regional Broadcasting Content Distribution Promotion Project

<p style="text-align: center;">Supporting the Participation of Regional Broadcasting at 2019 BCM</p> <ul style="list-style-type: none"> • Date : May 8-10 • Venue : BEXCO, Busan • Details : Established the Korea Content Village to present and promote 125 outstanding programs of 24 regional broadcasters 	
<p style="text-align: center;">Supporting the Participation of Regional Broadcasting at 2019 STVF 2019</p> <ul style="list-style-type: none"> • Date : June 11-13 • Venue : Exhibition Center, Shanghai • Details : Established the Korea Content Village to present and promote 126 outstanding programs of 24 regional broadcasters 	
<p style="text-align: center;">Hosting of the Broadcasting Contents Cooperation Forum</p> <ul style="list-style-type: none"> • Date : November 20 • Venue : Seoul Garden Hotel • Details : 11 local companies including the regional MBC, local private broadcasting, and 10 overseas broadcasters from 7 countries participated to co-produce the contents and established the cooperation system in production 	
<p style="text-align: center;">Supporting the Participation of Regional Broadcasting at 2019 ATF</p> <ul style="list-style-type: none"> • Date : December 4-6 • Venue : Marina Bay Sands Convention Center, Singapore • Details : Established the Korea Content Village to present and promote 129 outstanding programs of 24 regional broadcasters 	
<p style="text-align: center;">Supporting the Participation of Regional Broadcasting at 2019 GZDOC</p> <ul style="list-style-type: none"> • Date : December 9-12 • Venue : Guangzhou, China • Details : Increased the global content production capabilities by participating in pitchings at Korea Content Night and discussed complementary matters with investors 	

On November 20, the Commission hosted the ‘Regional Broadcasting Exchange Cooperation Forum’ at Seoul Garden Hotel to seek to expand the entry of regional broadcasting contents into the global market. First established in 2019 to strengthen the partnership with overseas broadcasters and to help domestic local broadcast contents advance into various global markets, the forum was joined by domestic regional broadcasters (regional MBC, regional private broadcasting) and their sister companies including ten broadcasters from seven countries.¹⁾ At the forum, the main scenes of the contents which received support from the Commission were shown and the production process and know-hows of the producers of ‘Golmoknori Three Kingdoms’ (Chuncheon MBC) were shared, followed by a session where the representative contents and production scheduled programs of the participating broadcasters were

1) Russia (Sibinformburo), China (GZBN), Vietnam (NETVIET, QMG), Turkey (ATV), Japan (KBC, TNC, RKB Mainichi Broadcasting), Myanmar (MRTV4), Mongolia (ETV)

shared, and a business meeting to help broadcasters consultations between broadcasters wishing to exchange.

By supporting the production and distribution of programs planned by regional and small and medium-sized broadcasters, the Commission helped them improve the quality of their programs and strengthen their production capabilities. By doing so, the Commission laid the groundwork for the revitalization of regional broadcasting. The intensive support for outstanding programs led to enhance content competitiveness, which in turn created visible results such as the increased sales of regional broadcasting content and the increased number of awards. Through the support of outstanding program production and distribution, the program satisfaction of regional viewers and listeners continued to rise (86.1 points in 2017 → 86.4 points in 2018 → 86.8 points in 2019), thereby contributing to the development of local culture. Moreover, a total of 14 programs were awarded 23 times including Gwangju MBC's 'Pink Fish' which won the Korea Broadcasting Awards in the Regional Culture TV area (September).

Table III-17 Awards received by the programs of regional broadcasters in 2019

Regional Broadcaster	Program	Awards	Note
Busan MBC	Bitter Sweet Sugar Empire	<ul style="list-style-type: none"> • Korea Communications Standards Commission's Good Program Award (January) • Special Jury Award, TV Culture Program, 52nd Houston International Film Festival, (April) 	
Chuncheon MBC	Age, go away	<ul style="list-style-type: none"> • 227th PD Award of the Month, TV Entertainment (January) • 46th Korea Broadcasting Awards, Regional Entertainment TV (September) • Bronze, Foundation for Broadcast Culture, Regional Program (November) 	
Jeonju MBC	Yomanghan Obatang	<ul style="list-style-type: none"> • 18th Jeonbuk PD Award, TV (February) 	
Mokpo MBC	Descendants of Jinlin	<ul style="list-style-type: none"> • 228th PD Award of the Month, Current Affairs TV (February) 	
Gwangju MBC	Pink Fish	<ul style="list-style-type: none"> • 31st Regional TV Category, Korea PD Award, (April) • 46th Regional Broadcasting TV Division, Korea Broadcasting Awards (September) • Bronze, Foundation for Broadcast Culture, Regional Program (November) 	
G1	Slow Docu, Gangwon	<ul style="list-style-type: none"> • Best Award, Korea Private Broadcasting (April) 	

Regional Broadcaster	Program	Awards	Note
Chuncheon MBC	Children's Play in Three Countries	<ul style="list-style-type: none"> Silver Award, TV information, culture and history, 52nd Houston International Film Festival (April) Excellent Co-Production, Korea Communications Commission (June) 	
Jeju Broadcasting	Jeju 4.3	<ul style="list-style-type: none"> Excellence Award, Korea Private Broadcasting Awards (April) 	
Busan MBC	My Dad	<ul style="list-style-type: none"> Excellence Award, Creative Experiment, Korea Communications Commission, (May) 	
CBS	Gift By Those Left Behind	<ul style="list-style-type: none"> Documentary Radio Division, 46th Korea Broadcasting Awards (September) 	
Busan English Broadcasting	Half Heritage	<ul style="list-style-type: none"> 234th PD Award of the Month, Radio Special Award (August) 	
Gwangju MBC	Local Declaration of Independence	<ul style="list-style-type: none"> Bronze, Foundation for Broadcast Culture, Regional Program (November) Korea Communications Standards Commission's Good Program of the Month Award (November) 	
Jeonju Broadcasting	Time of the Region	<ul style="list-style-type: none"> Korea Communications Standards Commission's Good Program of the Month Award (October) Encouragement Award, 23rd Ilkyung Press Awards (December) 	
Daejeon MBC	The Concert: Only You	<ul style="list-style-type: none"> Korea Communications Standards Commission's Good Program of the Month Award (October) 236th PD Award of the Month, Current Affairs, Regular Section (November) 	

Through outstanding content re-production and distribution support, outstanding regional broadcasting programs were sold to domestic and overseas channels, generating a total sales revenue of KRW 850 million. In addition, the operation of content promotion centers such as Busan BCM (May), Shanghai STVF (June), and Singapore ATF (December), resulted in sales negotiations (31 cases), co-production consultations (9 cases), and MOUs (4 cases). Thus, the Commission plans to continue to discover new sources of revenue for regional broadcasting and promote distribution by participating in content market forums at home and abroad and pitching forums held overseas. It is the Commission's plan to expand the support for program production in the mid to long term, while securing regional broadcasting content competitiveness by selecting and focusing on high quality programs with high distribution potential.

Table III-18 Major achievements of regional broadcasting production and distribution

Classification	2016	2017	2018	2019
Viewer Satisfaction	Average 85.6	Average 86.1	Average 86.4	Average 86.8
Content Sales	14 Programs KRW 463 million	38 Programs KRW 707 million	38 Programs KRW 825 million	34 Programs KRW 850 million
Awards	15 Programs (11 TV, 4 radio) Korea Broadcasting Awards, etc.	12 Programs (7 TV, 5 radio) Korea Broadcasting Awards, etc.	14 Programs (10 TV, 4 radio) Korea Broadcasting Awards, etc.	14 Programs (12 TV, 2 radio) Korea Broadcasting Awards, etc.

i. Education and Systematic Support to Boost Regional Broadcasting

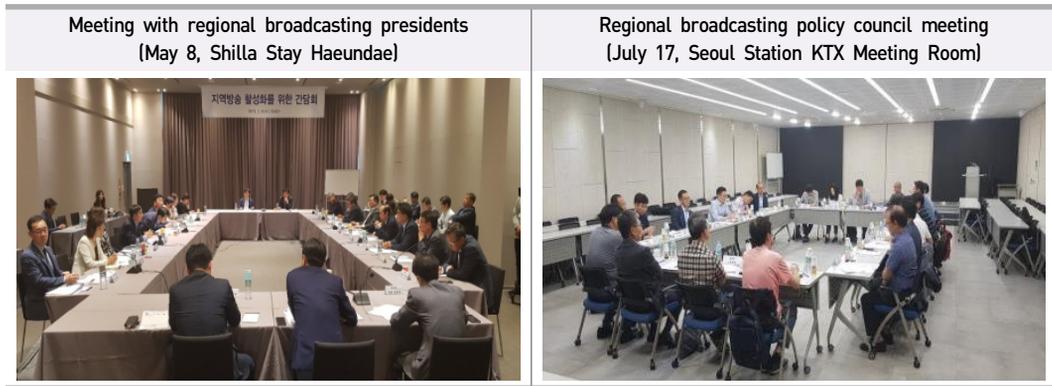
The Commission promoted the advancement and specialization of human resources in regional broadcasters by offering customized training for regional broadcasting workers, expert consulting services, and advanced broadcasting courses overseas to enable them to cultivate content production capabilities in response to changes in the broadcasting environment. The Commission strengthened training for regional broadcasters and expanded support for new technology content production for SNS and Internet portals. To this end, customized courses in UHD live broadcasting and new media, etc. were provided and expert consulting in program planning, production, and distribution were offered. A total of 317 people completed the customized course (19 times), 62 people completed the expert consulting (8 times), and the satisfaction level of the participants increased continuously to reach 91.8 points (from 89.5 points in 2017 → 90.1 points in 2018 → 91.8 points in 2019). In addition, in response to the suggestions made by regional broadcasters, a training course was developed and conducted (19 times) by recruiting students according to the region and the time the of the course. Furthermore, an advanced course for overseas broadcasting took place (11 participants from 11 broadcasters) from October 28 to November 1 to analyze the current status of major broadcasting companies in Vietnam (6 broadcasters including VOV) and promote exchange cooperation. The course helped enhance the regional broadcasters' competitiveness to advance into overseas markets.

Table III-19 Education provided for regional broadcasting in 2019

Classification	Customized Courses				Expert Consulting	Advanced Course for Overseas Broadcasting
	UHD	New Media	Pitching	Special Course		
Key Points	Live broadcasting production practice using UHD relay automobile	Focusing on new media, channel operation, etc. at home and abroad	Writing proposals, translation and interpreting, 1:1 mentoring by experts	Production, platform operation, marketing, etc.	Expert training in program planning, Directing and shooting	Analyzing Vietnam's broadcasting environment and building a local network
Participation	3 courses, 61 participants	2 courses, 61 participants	6 courses, 9 participants	8 courses, 113 participants	8 courses, 62 participants	1 course, 11 participants

As the changes in the broadcasting environment continue to pose difficulties for regional broadcasting, the Commission gathered the opinions of the stakeholders and experts to help promote the competitiveness of regional and small-sized broadcasting contents and improve their business performance. On May 8, a meeting with regional broadcasting presidents was held to discuss the best ways to support regional broadcasting, develop relevant plans, and listen to regional broadcasters' opinions. Next, on July 17, a regional broadcasting policy meeting was held to discuss the policy directions for improving the management environment of regional broadcasters and the voluntary actions that need to be taken by the broadcasters themselves to enhance their content competitiveness. In order to publicize the current issues in the community and help regional broadcasters realize the role that they should be playing to realize the regionality and diversity of regional broadcasting, the Commission gathered opinions by hosting the regional broadcasting stakeholder meetings and discussions. It also made the efforts to reflect the opinions in system improvements and projects. In the future, the Commission plans to review the different ways to provide systematic and continuous support to strengthen regional broadcasting capabilities.

Figure III-9 Gather opinions to promote regional broadcasting



Regarding the implementation of the 'Regionality index evaluation' used as a standard for supporting regional broadcasting, it has been found that operators find it difficult to understand which evaluation items are important and that there is a need to revise some indexes which operators find it hard to achieve through their own efforts. For this reason, a partial revision (draft) of the 「Standard for Limiting the Broadcasting Communications Development Fund for Regional Broadcasting」 (notification) was decided. The main contents of the amendment are as follows. First, to simplify and clarify indexes (previously 18 indexes → revised to 13 indexes) so as to let the broadcasters know which indexes to fulfill to better receive support, indexes which were found to lack the relevance to the evaluation purposes and which posed difficulty to broadcasters were removed. In addition, the 'Evaluation of employment from local colleges' and 'Contribution evaluation such as community and regional culture development', which were classified as similar indexes, have been integrated into the 'Contribution evaluation such as community and regional culture development'; and 'Gathering viewer opinions' and 'Processing viewer complaints' were integrated

into the 'Comprehensive Audience Feedback Reflection'. Second, in order to prioritize indexes for evaluation and resolve the level of complexity by expanding the distribution of important evaluations while also reducing the difference in distribution between items, indexes such as the 'Evaluation of local viewer participation programs (previously 45 points → revised to 100 points)', the 'Evaluation of self-production and regionalization program formation ratio (previously 110 points → revised to 150 points)', and 'Self-production program investment (previously 80 points → revised to 150 points)' have been revised. Furthermore, the distribution of evaluations that were too subdivided were simplified (8 steps → 3 steps) to make it easier for broadcasters to understand which indexes are of the utmost importance. After being reviewed by the law enforcement agencies, the amendment (draft) was enforced on March 26.

Table III-20 Indexes lacking relevance to the evaluation purposes (example)

Index	Detailed Index	Reasons for Removal
Efforts to Secure Local Adhesion	① Percentage of self-produced programs organized during the prime time	• Changing organization ratio according to the key organization policy
Adequacy of Organization	② Purchase cost per minute of self-organized programs	• Low purchase cost does not necessarily relate to the low quality of the program, lacking relevance.

Chapter 2 | Expand Media Access to the Public and Promote User Rights

1. Enhance People's Capacity to Use Media

a. Strengthen Media Education

In the intelligence and information society, the ability to produce, critically understand, and utilize media has emerged as one of the vital factors that determine an individual's quality of life and facilitate the participation in society. Given this, the Commission provided customized media education by life cycle and social class to help increase people's ability to understand and use media and also expanded media education to invite youths, seniors, homemakers, and disabled people to learn to use media.

Table III-21 Number of users of the Community Media Center (Unit : 10,000 persons)

Classification	2015	2016	2017	2018	2019
Facilities and Equipment	28.5	28.5	30.8	31.1	33.7
Media Education	11.4	12.9	16.3	19.8	20.7
Media Experience	3.9	3.7	4.4	5.4	5.9
Production, etc.	-	2.0	1.3	1.3	2.1
Total	43.8	47.1	52.8	57.6	62.4

The Commission helped bridge the media gap between regions and generations, and contributed to creating an environment that allows people to communicate freely using media, by implementing step by step media education, such as program production education, production practice, and critical comprehension skills. Customized media education was offered at eight Community Media Centers built and operated by the regional governments across the country. At the same time, media education was also provided in areas without the Media Center such as in rural, mountainous, or fishing areas by visiting the villages by person and hosting regional festivals.

In addition, in order to help students understand and use media critically, the Commission provided customized media education differentiated by grade level of elementary school, middle school, high school and college students. Particular attention was given to strengthen peoples' ability to utilize media and foster creative media talent to enable vulnerable groups such as children and the senior members of society to consume media critically. In addition, the Commission expanded free-semester media education program and media education in schools such as club media education, to help students acquire proper media

literacy. Free-semester media education (230 → 250 schools), club media education (70 → 78 schools), and credit recognition curriculum for college students (33 → 34 universities) were expanded and the number of schools increased from 333 in 2018 to 362 in 2019, thereby fostering creative talent in today's intelligence information society.

Table III-22 Media education for schools

(Unit : school)

Classification	2015	2016	2017	2018	2019
Free-semester Media Education	85	122	201	230	250
Club Media Education	16	54	68	70	78
Credit Recognition Curriculum	8	25	30	33	34
Total	109	201	299	333	362

On November 28, the Commission held the '2019 Media and Information Literacy Education Best Practice Competition' award ceremony at the Korea Press Center. First held in 2019, the competition was organized with an aim to vitalize media education by encouraging the best practices of media education in schools and society. A total of 92 cases were received between September 16 to October 31 by category (best practices in education programs, operation cases, essays). In each category of the awards, the winners of the Grand Awards were Yang Yuri, a teacher at Daegu North Elementary School who taught 'ON Media? 穩 Prosumer!', to Bundang Youth Center for 'Youth Live Radio Compass' and Park Imja who created 'Life Recorded on Video.' A total of 20 cases were selected, including 6 that won Excellence Awards and 11 that received Encouragement Awards.

b. Expansion of Media Centers

The Commission has been operating the Community Media Foundation and 8 Community Media Centers across the country to expand viewers' access to broadcasts and bridge the gap in media use. The Center is supported by the Broadcasting and Communication Development Fund to carry out projects: 'Supporting Viewers' Video and Broadcasting Production', 'Expanding Media Access for Disabled People', 'Audience Media Education', 'Audience Organization Support Activities', and 'School and Social Media Education'. In addition, equipment and facilities for broadcasting production can be borrowed from the Center without charge, and educational programs related to broadcasting production and utilization are provided. Programs produced by viewers are actually compiled and aired in cooperation with broadcasters and various competitions and festivals are organized. By doing so, the Center contributes to increasing user participation and the promotion of user rights.

In the smart era, media is a key factor in determining the quality of life, such as communication, knowledge, and relationships. As such, there is a growing need for customized media education to help close the media gap. In response to this, the Commission provides various types of media education at the Community Media Center across the country to help each and every member of the society receive

education on broadcasting, the Internet, and mobile. The Center provides broadcasting equipment and facilities to children, youth, the elderly, homemakers, and disabled people to help increase the media literacy of the public. In addition, the Center, which serves as a base for universal media education and the protection of viewer rights, hosts festivals to form social consensus on media production and utilization and encourage active content creation by users. By operating media events and media education programs unique to each regional center, the number of its users increased from 57.6 million in 2018 to 62.4 million in 2019.

Figure III-10 Customized media education provided at the Community Media Center



Following the establishment of the Community Media Center in Busan in 2005, the Commission establishment additional centers in Gwangju (2007), Gangwon, Daejeon, Incheon (2014), Seoul (2015), Ulsan (2016), and Gyeonggi (Namyangju) in November 2019. The Center in Gyeonggi was established in cooperation with Gyeonggi Province and Namyangju. It has a total area of 4,222m² equipped with broadcasting production facilities such as a broadcast production studio, media experience hall, one person media production room, recording room, and editing room. It also has broadcasting equipment such as camcorders and drones. In the future, the Gyeonggi Community Media Center will take advantage of its latest facilities, equipment, and professional instructors in providing media competency training and lend broadcast production equipment and facilities to the public without charge, thereby enhancing user rights and viewer participation of 13 million Gyeonggi-do residents.

In order to provide media education services without discrimination between regions, the Commission has built eight media centers thus far, and plans to increase the number of Community Media Centers in as many as 17 metropolitan cities and provinces. plans to expand the current eight viewer media centers in 17 metropolitan cities and provinces. To this end, on November 14, the Commission signed the “Business Agreement on the Establishment and Operation of the Sejong Media Center” with Sejong City and Community Media Foundation at Sejong City Hall. The Sejong Community Media Center is scheduled to open in the first half of 2020 with a total floor area of 2,598m² in Eojin-dong Complex Community Center, Sejong City, fully equipped with broadcasting production and education facilities. The Commission and Sejong City agreed to bare the responsibility of the establishment space, operation of the center, and operating expenses, and to continue to work in cooperation. Furthermore, on December 5, the Commission

signed a “Business Agreement on the Establishment and Operation of the Chungbuk Community Media Center” with Chungcheongbuk-do, Cheongju-si, and the Community Media Foundation at the Chungcheongbuk-do Metropolitan Government. The Chungbuk Community Media Center is to open in the first half of 2020 with a total area of 2,716m² in Cheongwon-gu, Cheongju-si, Chungcheongbuk-do. A business briefing session was held for local governments without Centers (February), business plans were submitted (April), and a deliberation committee was convened (June) to determine Changwon, Gyeongnam, as a new location for the addition establishment of Media Centers. The Commission plans to establish one Center in all 17 metropolitan cities and provinces.

c. Establishment of the Media Education Promotion System

The Commission supported the enactment of the 「Media Education Support Act」 (initiated by Sin Gyeong-min, May 2018) to help establish a comprehensive and systematic support system for media education which is currently run by various government agencies. In relation to the two bills proposed to support media education, the Commission held business consultations with the Ministry of Culture, Sports and Tourism (January 25) and the Democratic Party’s chief expert committee (March 29) to form consensus on the necessity of enacting laws and to discuss future policy directions. The Commission plans to lay the legal foundation for establishing a comprehensive media education promotion system that includes broadcasting, communications and the Internet.

Meanwhile, in order to improve the efficiency of media education policy promotion, the necessity of establishing a close collaboration system and collecting opinions between government agencies, academia, and education sites related to media education was raised. In response to this, a media education committee was created which consists of members of academia and policy officials related to media education. The committee meeting was held (4 times), and the topics discussed were reflected in policy planning. The development council meeting was held (27 times) to listen to the on-site opinions. In addition, on November 27, Asia-Pacific Institute for Broadcasting Development (AIBD) and the Community Media Foundation co-hosted the Asia Pacific Media Education Policy Seminar at Hotel President. The seminar was joined by Commissioner Heo Wuk, Chairman of the Community Media Foundation, and media education representatives from the eight member countries of AIBD, including Malaysia and Myanmar to establish a media education cooperation network in the Asia-Pacific region. Under the theme of the 'Significance of the Media Education Policy in the Intelligent Information Society', the seminar aimed to explore the direction of the joint development of media education in the Asia-Pacific region and to build a cooperative network. Presentations and discussion sessions took place on issues related to media education policies and activities in the Asia-Pacific region.

In order to enhance the legislation of the Media Education Support Act (draft) and strengthen school media education, the Commission continued to cooperate with the Office for Government Policy Coordination, the Ministry of Culture, Sports and Tourism (January 25), the Ministry of Education (July 18, September 4), and the National Assembly (March 29). In addition, the '2019 International Conference on

Media and Information Literacy’ was co-hosted with the Ministry of Education and the Ministry of Culture, Sports and Tourism to form a consensus on the need for relevant legislations and discuss future policy directions. With a view to discussing domestic and foreign trends in media and information literacy and sharing the experiences of media education, the conference, entitled ‘Media and Information Literacy Education for Everyone, by Everyone’, was held during two days, November 28–29, filled with various presentations and discussions by media education experts and teachers. In his opening speech, Chairman Han said that he hoped many methods for media education development will be introduced and discussed during the conference. He also added that based on discussions, the Commission will seek the role of the government to promote media education and communicate closely with those in the field of media education. The conference served as a platform to form the policy and social consensus in media and information literacy education and to find the ways to apply them in the field.

Table III-23 2019 International Conference on Media and Information Literacy

	<table border="1"> <thead> <tr> <th data-bbox="728 850 1241 916">2019 International Conference on Media and Information Literacy</th> </tr> </thead> <tbody> <tr> <td data-bbox="728 930 1241 1166"> <ul style="list-style-type: none"> • Date : November 28-29 • Venue : International Conference Room, 20th floor, Korea Press Center • Participants : 300 International media education experts, media education lecturers, practitioners • Key points : Discussions on policy directions and action tasks for media and information literacy education in general </td> </tr> </tbody> </table>	2019 International Conference on Media and Information Literacy	<ul style="list-style-type: none"> • Date : November 28-29 • Venue : International Conference Room, 20th floor, Korea Press Center • Participants : 300 International media education experts, media education lecturers, practitioners • Key points : Discussions on policy directions and action tasks for media and information literacy education in general
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2. Promote Viewer Participation and Communication

a. Promoting Media for the Regional Community

In order to promote the use of media in the regional community where the members of the community share interest and communicate through media (video, radio, etc.), the Commission expanded the town media education (50 in 2018 → 70 in 2019), and in March 2019, a policy council was established to promote community radio. The town media education is expected to expand the mutual understanding of and relationships among community members as they gather together to talk about the region, and to create an opportunity to bring media into their daily lives as they participate in media education and production activities. Through the town media education, community members learn to create town news, radio, and to produce documentaries. After their training, they can receive coaching services and use equipment and facilities for media production. In order to enable community members to produce media reflecting the lives of the community and air them through broadcasters, the committee provided training programs that fit the

characteristics of the community and organized town media festivals so that local residents could share what they have learned through the town media education. Reflecting the high interest in town media education, the Commission plans to increase its support for town media education by up to 100 towns by 2022.

Table III-24 Town media education and support for media education organization (Unit : town·community / organization)

Classification	2015	2016	2017	2018	2019
Town Media Education	-	-	21	50	70
Support for Media Education Organization	17	18	17	17	16

In addition, the Commission contributed to narrowing the media disparities in remote areas and facilitating communication by providing the 'Visiting Media Sharing Bus' for residents in the remote towns of rural, mountain, and seashore areas and for those who are unable to visit Community Media Centers such as the elderly and people with disabilities. The 'Visiting Media Sharing Bus', built by the Commission and the Community Media Foundation, aims to bridge the media gap borne by the underprivileged and provide public service to the public. It consists of news studios, weather forecast booth, video shooting and editing equipment, and various facilities to experience broadcasting production. In 2019, the bus visited 252 locations in marginalized areas, such as regional children's centers, welfare centers for senior citizens, and military units, to help a total of 15,288 regional community members experience broadcasting production and media education.

Table III-25 Visiting Media Sharing Bus (Unit : location, person)

Classification	2017	2018	2019
Visiting Media Sharing Bus	50	100	140
Media Education Program Linkage	-	145	112
Persons Benefited	2,841	13,390	15,228

Furthermore, the Commission developed and operated specialized programs for each Community Media Center according to regional education demands, and shared them to contribute to promoting media education for communities. For example, the Incheon Community Media Center brought the 'Visiting Media Sharing Bus' to Baeknyeongdo Island in May 2019 to provide media education without discrimination in the island areas and to provide opportunities for young people to explore the media field. Various media-related events were provided to promote the participation of the regional community such as media experiencing events in island areas such as Ulleungdo Island (June 8-21) and 'Summaeul Media Festival' at Bogildo Island (August 27-28).

Figure III-11 Media support for regional communities

Visiting Media Bus (May 31, Baeknyeongdo Island)	Media education for island areas, Ulsan Center (June 18-21, Ulleungdo Island)	Summaeul Media Festival (August 27-28, Bogildo Island)
		

b. Expand Public Participation in Broadcasting

To respond to the changing media environment, the Commission promoted public participation in broadcasting by providing various media education programs, free broadcasting equipment and facilities through Community Media Centers, and support for programs produced by viewers. For example, the Commission provided assistance for broadcasters for organizing viewer participation programs, thereby securing viewer sovereignty and the public interest and diversity of broadcasting. Also, in order to enable people's opinions to be reflected in broadcasting, viewer participation programs²⁾ were gradually expanded (935.7 hours in 2017 → 956.5 hours in 2018 → 1,000.6 hours in 2019).

In addition, with the aim to protect viewer sovereignty and media welfare, the Commission adopted a system for establishing a dedicated organization to protect viewers' rights and interests. The dedicated organization for the protection of viewers' rights is a semi-independent organization within the Community Media Foundation, and a plan (draft) for the establishment of such an organization was prepared and submitted to the Viewers' Rights Protection Committee in April 2019. After coordinating the opinions of business operators and organizations related to the establishment of a dedicated organization, the Commission made presentations to the National Assembly and the Science, ICT, Broadcasting, and Communications Committee in September to secure a budget related to the establishment of the dedicated organization. The Commission also provided the 「Guidelines for Viewer Participation Program」 that included information on application requirements for the viewer participation program support project, procedures, standards for paying broadcasting fees, and recommendations for the program organization to promote the active participation of broadcasting operators and increase the efficiency of operating viewer participation programs.

The Commission contributed to enhancing public media access rights by providing broadcasting production facilities and equipment free of charge at the Community Media Center and strengthening nationwide media education. It was found that after taking part in media education programs at Community

2) A viewer participation program refers to a broadcast program that is planned and produced by the viewer, and a broadcast program that is planned by the viewer and produced through the support provided by the Broadcasting Development Fund as well.

Media Centers, the viewers were able to use the skills and techniques acquired through media education programs to produce their own programs (local news, living information, social issues, etc.) that could be aired on broadcasters such as KBS. A growing number of viewer participation programs produced by the students of media education at Community Media Centers continued to be aired on broadcasters (1,681 episodes in 2018 → 1,698 episodes in 2019). Therefore, it has contributed to securing the diversity of public opinion and promoting communication through participation in broadcasting.

Table III-26 Viewer participation programs being aired (Unit : episode)

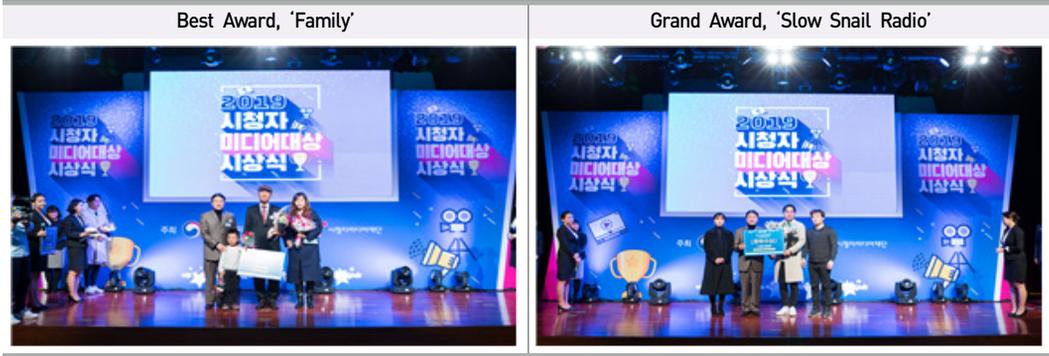
Classification	2016	2017	2018	2019	Total
Programs Broadcasted	515	892	1,681	1,698	4,786

Figure III-12 Programs produced by students of media education at Community Media Centers



In order to actively encourage viewers to become the owners of broadcasting by creating their own contents, on December 17, 2019, the Commission held the '2019 Viewers Media Awards Ceremony' at the International Conference Room of Nuri Dream Square. Creative works that were planned, photographed, and produced by viewers were introduced and praised, and awards were presented to those with excellent works. Beginning in 2015, the ceremony was conducted to discover and encourage creative viewer participation works and to commemorate the organizations and contributors who have greatly supported the vitalization of viewers' participation in broadcasting. This year has seen the awards divided into three categories: the "Excellent Work Awards," "Special Awards for Promoting Viewers' Participation" and the "Special Awards for Safe Video Works". Out of all the works submitted this year (about 300 videos and radio contents), 21 works were presented with awards including the Best Award (the Prime Minister's Award) and the Grand Award (Broadcast and Communication Commissioner's Award). The 'Special Awards for Promoting Viewers' Participation in Broadcasting' went to two works and the 'Special Awards for Safe Video Works' were given to three works, thus a total of 26 awards were presented. Through the '2019 Viewers Media Awards Ceremony,' the Commission helped discover and encourage creative works produced by viewers, thereby contributing to the promotion of the broadcasting environment that enables viewer participation.

Figure III-13 Award winners of the 2019 Viewers Media Awards Ceremony



In addition, festivals were held by Community Media Centers to encourage the participation of center users and local residents, and to promote media production and utilization. The Daejeon Community Media Center held the Daejeon Media Festival from August 22 to 24 to promote media education for those interested in media through side events such as school news production competitions, media experiencing booths and special lectures. Next, on December 13, with a view to inspire participants to have desire for using drones in a creative way, the Incheon Community Media Center held an award ceremony for a competition for drone video contents created by viewers. And on December 19, the Gwangju Community Media Center held the ‘2019 Gwangju Middle School Film Festival Awards Ceremony’ to announce the achievements of free semester media education by presenting awards to works completed by students and to create an opportunity to share various information on media education for students.

Figure III-14 Hosting events for viewers



3. Reinforce Media Accessibility of the Underprivileged

a. Support Broadcasting Production for Disabled People

In 2019, the Commission supported KRW 4.6 billion approximately for the production of broadcasting programs for disabled people, such as subtitles, sign-language interpretation and screen commentaries, and produced and distributed over 3,800 educational programs with subtitles and screen commentaries for students with visual impairments as well as customized broadcasting contents considering the different stages of the lives of people with developmental disabilities.

In July, a smart, customized and consumer-oriented sign-language interpreting service was launched in cooperation with broadcasters and related organizations. Improvements were made to reflect the request from those with hearing impairments by enlarging the sign-language screen and of non-disabled persons who felt that the sign-language screen was blocking the screen. Thus, the new service allows users to adjust the size and location of the sign-language interpretation screen.

After the establishment of the technology standard (TTA standard) in 2015, the smart sign-language broadcasting went through a test run and conducted its pilot service from 2016 to 2018. By establishing a stable system such as equipment redundancy, the service has been finally applied to broadcasting in 2019. In addition, in January, the Commission resolved to voted on amendments to the 「Notice on the Guarantee of Access to Broadcasting for Disabled People by Organizing and Providing Broadcasting for Disabled People」 to improve the quality of broadcasting for disabled people and to reduce programming organization obligation, thereby establishing the foundation to implement smart sign-language services.

Table III-27 Differences between general and smart sign-language broadcasting services

Current sign-language services	Smart sign-language services
	
<ul style="list-style-type: none"> • Fixed size of sign-language interpreting screen • Closed caption covering the broadcasting screen 	<ul style="list-style-type: none"> • Reposition and removal of sign-language interpreting • Separation of broadcasting captions and closed captions • Three levels of sign-language interpreting enlargement • Separation of broadcasting and sign-language interpreting videos

In July 2019, the Chairman of the Commission visited YTN's smart sign-language interpreting broadcasting studio and held a declaration ceremony to announce the launch of the service. The ceremony was followed by a meeting with the officials of broadcasting companies (KBS, MBC, SBS, YTN, JTBC, TV Chosun, CJ Hello, SKB, KT Skylife) and related organizations (Korea Association of the Deaf, Telecommunications Technology Association, Community Media Foundation) that cooperated to deliver this service).

At the meeting, the Chairman explained that the launch of the smart sign-language broadcasting service is the result of many years of hard work by broadcasters and related organizations and asked those at the meeting to continue to create an environment in which disabled and non-disabled people alike can enjoy an equal amount of media accessibility.

Figure III-15 Declaration ceremony for the launch of a smart sign-language interpreting broadcasting service



The Commission will gradually expand programs in a variety of ways to improve the media accessibility of the underprivileged. Currently, the smart sign-language broadcasting service is provided on three platforms: KT Skylife, SKB, and CJ Hello, and six channels: KBS, MBC, SBS, YTN, JTBC, and TV Chosun. In 2019, the service was provided on news reporting programs such as MBC <News Desk>, JTBC <Morning & News>, YTN <News N Issue>, TV Chosun <News 9>, dramas such as KBS2 <My Prettiest Daughter in the World>, and entertainment programs such as SBS <The Law of Jungle>.

b. Distribute TVs for the visually and hearing impaired

The Commission and the Community Media Foundation supplied 15,000 customized TVs according to standards for the low-income class and disability grade, to enable an adequate viewing experience for the visually and hearing impaired (through broadcasting for disabled people such as closed caption, screen commentary broadcast, Korean sign-language interpreting). As a result, the cumulative rate of TVs being distributed to low-income households reached 83.5% as of 2019. The Commission aims to achieve 100% by 2021.

The TVs distributed to the visually and hearing impaired in 2019 were 32 FULL HDTVs with a remote control that has braille and embossed buttons to adjust the volume and speed of the audios and the size and position of the subtitles. In particular, the size of the sign-language interpreting screen can now be enlarged in three levels and the position of the screen can be adjusted up, down, left, and right.

On November 20, the Chairman visited households which received TVs for the visually and hearing impaired to meet individuals with disabilities and installation technicians and listen to the grievances, etc. related to broadcasting for disabled people. In addition, the Chairman visited Gyonam Hope House (located in Gangseo-gu), a facility that supports individuals with developmental disabilities live without the help of others, to participate in their media education and introduce programs produced and distributed by the Commission for those with developmental disabilities.

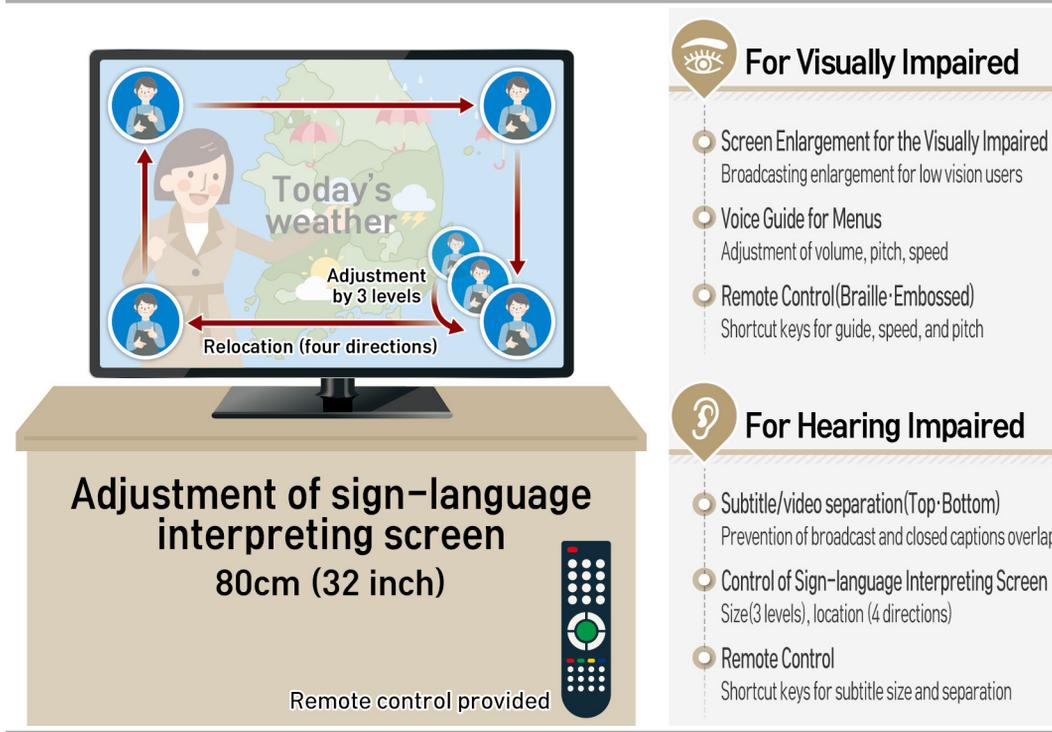
The Chairman expressed concerns over the potential polarization and inequality between classes with the increase of various contents provided through YouTube, etc. He added that the Commission will continue to listen to the people and make the efforts to create good policies so that those with visual and hearing impairments and non-disabled people alike can enjoy broadcasting contents.

Figure III-16 Visit to the homes that received TVs for the visually and hearing impaired.



As the distribution of broadcasting receivers (TV) for the visually and hearing impaired is a key government innovation project, the Commission, in cooperation with 17 local governments nationwide, is contributing to the improvement of broadcast access for vulnerable groups by distributing TVs to low-income families. Further inquiries on the distribution of TVs for the visually and hearing impaired can be found by contacting the Community Media Foundation (1688-4596) or visiting the website (tv.kcmf.or.kr).

Figure III-17 TVs distributed to those with disabilities in 2019



4. Enhance User Protection in the Intelligent Information Society

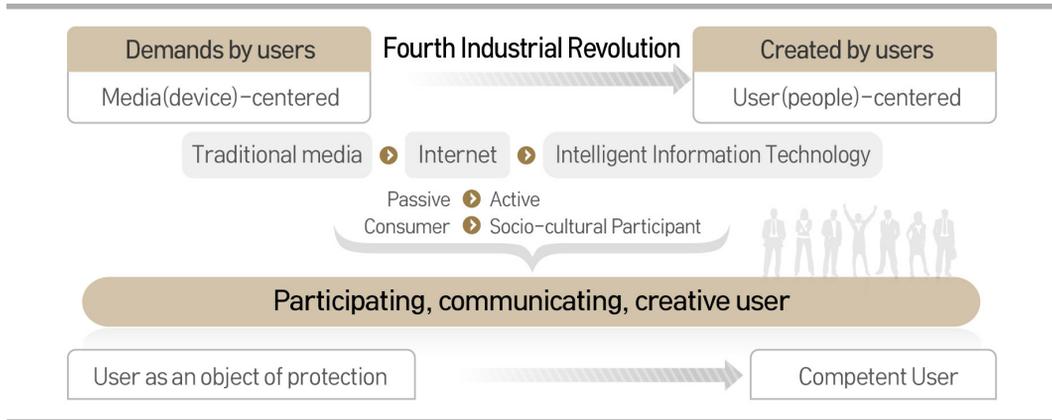
a. Establish a User Protection System in the Age of Intelligent Information

1) Announcement of a User Protection Comprehensive Plan

In February, with a view to realize the government policy direction, ‘Government owned by the people,’ the Commission presented the policy direction and tasks for the next three years with the vision of ‘Implementing communication welfare for the people.’

The comprehensive plan is based on the need to set new rules for users and to prepare systematic measures in response to the arrival of the fourth industrial revolution and intelligent information society.

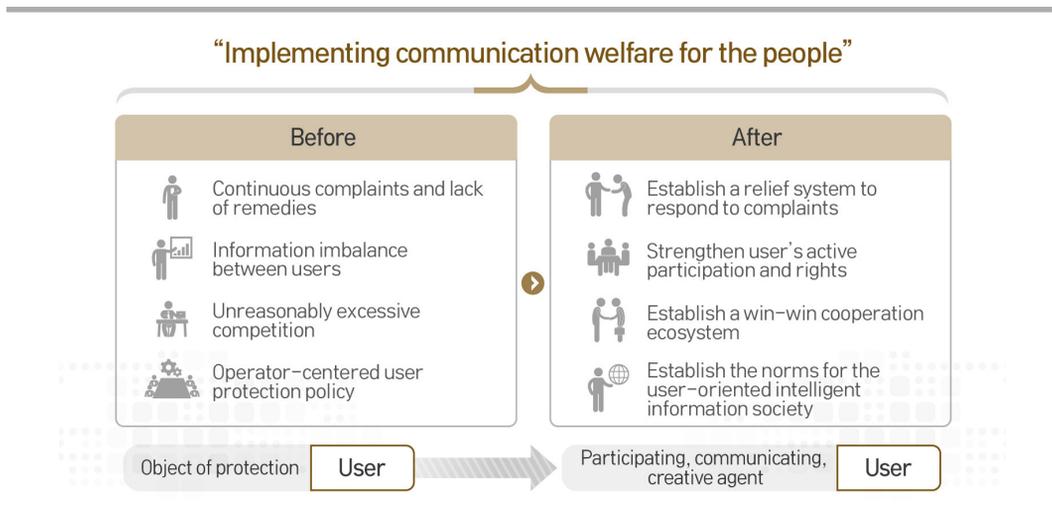
Figure III-18 User policy paradigm changes



As the ICT ecosystem is changing into a value chain (CPND+U) which places users at the core, the Commission has decided to shift its policy direction from operator-centered regulations to user-centered as users will become the key players of policies.

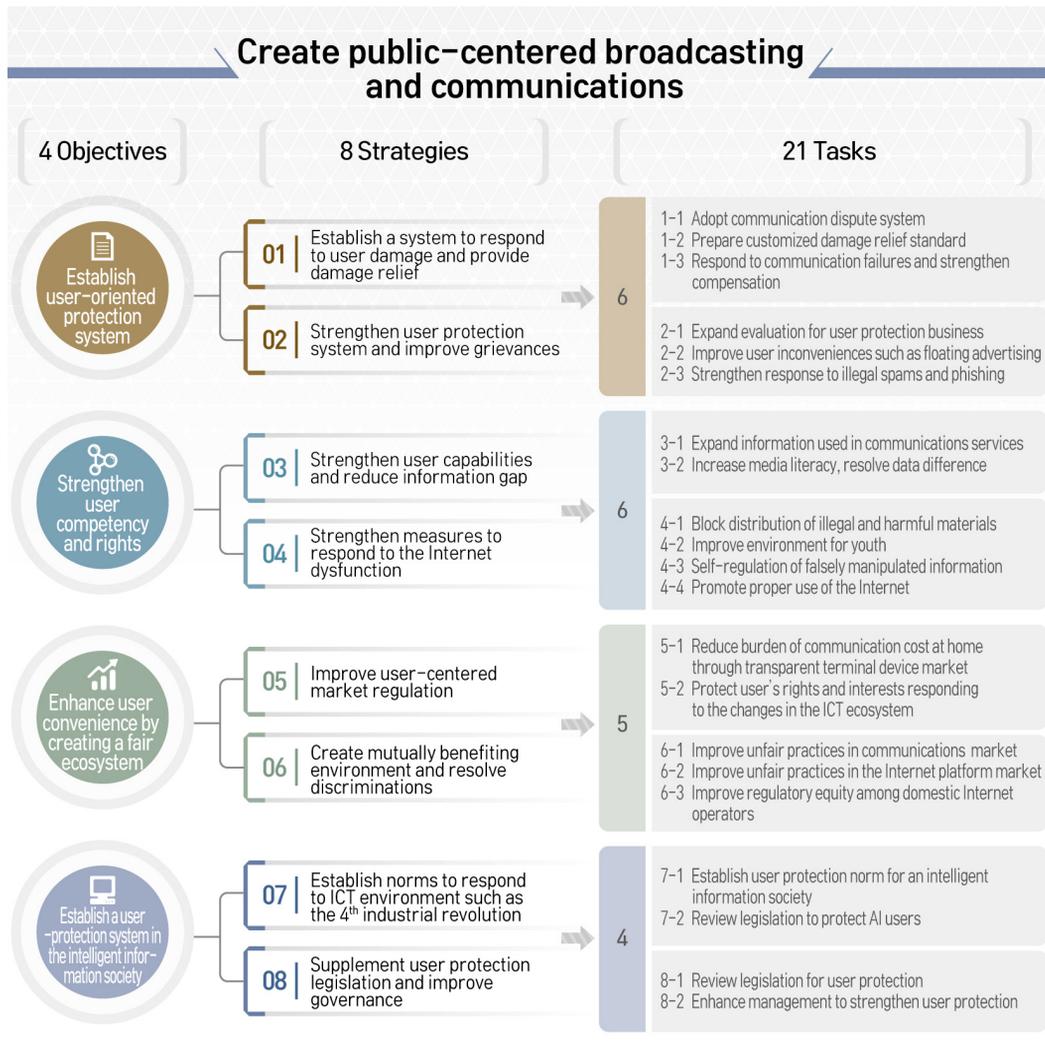
The vision of the comprehensive plan for users is “Implementing communication welfare for the people”. The detailed goals are as follows: ① establish a user-oriented protection system in response to changes in the telecommunication market environment, ② strengthen user competency and rights, ③ enhance user convenience by creating a fair ecosystem of win-win cooperation, ④ to establish a user protection system in the era of intelligent information. Moreover, an additional 8 strategies and 21 detailed tasks were established for each of the four goals.

Figure III-19 Expected effects of comprehensive plan for user protection



The Commission announced that the comprehensive plan is the first of its kind to place the protection of users as the top priority and present mid-long term milestones for the protection of communication users, in response to the ICT environment changes in the fourth industrial era, Furthermore, the Commission will make every effort to create an environment for communication that can be enjoyed by the public by successfully implementing the four goals and eight strategies of the comprehensive plan.

Figure III-20 Comprehensive plan for the protection of communication users (2019-2021)



2) Announcement of the Principles for a User-oriented Intelligent Information Society

On November 11, the Commission and the Korea Information Society Development Institute announced the principles for a user-centered intelligent information society. They are the basic principles that the government, employees, companies, and users should follow in order to protect the rights and interests of users in the era of AI. Experts from major companies and sectors participated in the consultation. In 2018, basic research was conducted to establish the principles through the intelligent information user forum and by October 2019, opinions from experts and ICT companies³⁾ on the main contents of the principle were collected.

Table III-28 'Principles for the user-centered intelligent information society' advisory group

Classification	Affiliation	Name	Position
Business (13)	Google Korea	Lee Jaehyeon	Director
	Facebook Korea	Heo Wuk	Executive Vice President of Foreign Policy
	Netflix	Yeon Joo-Whan	Policy Manager
	Kakao	Kim Daewon	Director
	Samsung Electronics	Park Yuyeong	Lawyer
	KT	Park Jeongseok	PM
	SKT	Park Myeongsun	Managing Director
	LG U+	Kim Jujeong	Team Leader
	Korea IBM	Lee Seongung	Managing Director
	Korea Microsoft	Lee Taehui	Managing Director
	Saltlux	Lee Gyeongil	CEO
	Intel Korea	Cho Jinho	Executive Director
	BSA Korea	Kim Geun	CEO
Academia (6)	Department of Law Gachon University	Choi Gyeongjin	Professor
	Department of Philosophy Hanyang University	Yi Sang-wook	Professor
	KAIST AI Lab	Lee Soo-Young	Director
	Department of Media Communication Konkuk University	Hwang Yong-suk	Professor
	Graduate School of Law Konkuk University	Lee Sangyong	Professor
	Department of Information Security, Soonchunhyang University	Yeom Heungryeol	Professor

3) Google Korea, Facebook Korea, Netflix, Kakao, Samsung Electronics, KT, SKT, LGU+, IBM Korea, Microsoft Korea, Saltlux, Intel Korea, BSA Korea, etc.

The principles were prepared to preemptively respond to user protection in the age of intelligent information in which AI will be used on a daily basis. With the proliferation of innovative services that assist or replace human decision making, such as customized news and a content recommendation system, AI speakers, artificial intelligence interviewers, the importance of fair and responsible AI algorithms is growing.

Table III-29 Key points of the 'Principles for the user-centered intelligence and information society'

Classification	Key Points
Background	<ul style="list-style-type: none"> Consideration should be given to maximizing the advantages of the new intelligence information technology while minimizing the unexpected technological and social risks that may appear depending on the characteristics of the new technology. Only when intelligent information service providers and users perform their respective roles suitable for the changing broadcasting and communication environment, can it help promote the emergence of new intelligent information services and accelerate the progress to the intelligent information society.
Objective	<ul style="list-style-type: none"> In order to create an intelligent information service environment that is safe from technological and social risks that may be introduced by the advent of new technologies, the basic principles should be followed by all members of the intelligent information society.
People-oriented service	<ul style="list-style-type: none"> The provision and use of intelligent information services should be done in a way that guarantees the basic freedom and rights of people and protects the dignity of human beings.
Transparency and explainability	<ul style="list-style-type: none"> If the intelligent information service has a significant influence on the user, then the relevant information should be prepared to aid the user's understanding, to such an extent that the company's legitimate interests are not violated. When the basic rights of the users is violated, the main factors used as the basis for prediction, recommendation, and decision should be explained.
Responsibility	<ul style="list-style-type: none"> The members of the intelligent information society should recognize common responsibilities to ensure the proper functions of intelligent services and people-centered values, and comply with the relevant laws and contracts.
Safety	<ul style="list-style-type: none"> Service providers and users alike should make the efforts to develop and use safe and reliable intelligent information services and establish and operate a voluntary preparation system against damages that can caused by intelligent information services.
Non-discriminatory	<ul style="list-style-type: none"> Recognizing that intelligent information services can lead to social and economic inequities or gaps, efforts must be made to minimize the discriminatory factors at all stages of the algorithm development and use.
Participation	<ul style="list-style-type: none"> As the members of the intelligent information society may participate in the public user policy process without discrimination, public agents should create regular channels through which providers and users can share practical opinions.
Privacy and data governance	<ul style="list-style-type: none"> Personal information and privacy will be protected during the entire process of development, distribution and use of information services and the members of the society can participate in the ongoing exchange of opinions to balance technological enjoyment and privacy protection.
Joint efforts for user protection	<ul style="list-style-type: none"> The members of the intelligent information society must continue their autonomous efforts to defend the basic values of the intelligent information society based on the basic principles. A council is to be formed and operated by members of the intelligent information society in order to promote practical and continuous discussions for the protection of the users of the intelligent information society,

As the international community including the EU and the OECD, are continuously publishing the guidelines and recommendations for reliable AI, the Commission has also joined in the trend to establish the basic principles for the development of the intelligent information society based on user trust. Even major companies such as Google, Kakao, Microsoft, and IBM are also making voluntary efforts to set up their own artificial intelligence ethical principles.

Using this as a cornerstone, the Commission will form a public-private council that regularly collects opinions from members of the intelligent information society, such as users, companies, experts, and the international community and make the efforts to revise the principles in line with the development of intelligent information technology and the speed of service dissemination.

3) Announcement of 2018 Intelligent Information Society User Recognition Survey Results

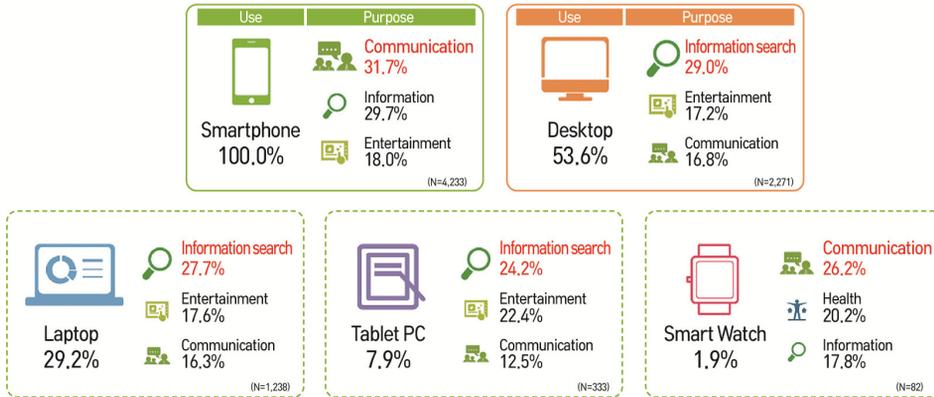
The Commission and the Korea Information Society Development Institute announced the results of the first year of the “Intellectual Information Society User Panel Survey,” which examined the users’ experiences and attitudes toward intelligent information services.

In the intelligent information society, new services such as customized recommendation algorithms, artificial intelligence based electronic products, and autonomous vehicles are expected to become universal. Accordingly, the Commission conducted a panel survey on the users’ experiences, perceptions, and concerns about the intelligent information society and its related services so that the results can be reflected when establishing a mid-long term user protection policy in preparation for the intelligent information society.

The panel survey tracks users’ perceptions and behavioral changes for three years, from 2018 to 2020, due to the proliferation of intelligent information technology and services. The main research and analysis items are: ① use of intelligent information services, ② future changes in society and user attitude, ③ use of AI speakers, ④ awareness of personal data protection, ⑤ user rights and dysfunction of the intelligent information society, ⑥ and user hierarchy in the intelligent information society.

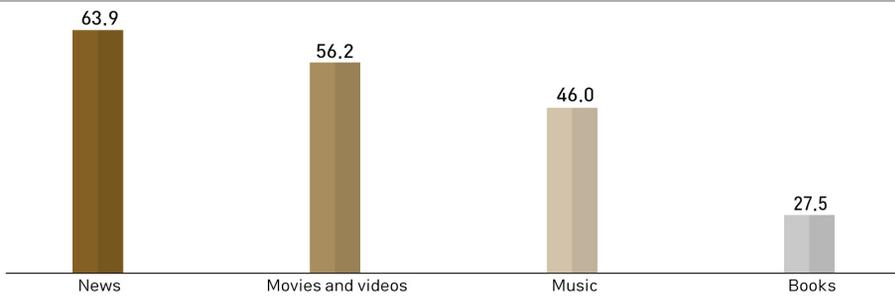
For example, the results on the use and purpose of digital devices, smartphone users, the target of the survey, demonstrated the highest usage rate in the order of the desktop computer (53.6%), laptop (29.2%), tablet PC (7.9%), and smart watch (1.9%). Of these, smartphones and smart watches were mainly used to communicate with others, while PCs such as desktops and laptops were mainly used for searching for information.

Figure III -21 Use and purpose of digital devices



The results on the use of an automatic recommendation service by content showed that as news recommendation services are provided on portals and music and film recommendation services are generally provided online, 63.9% of the subjects used news recommendation services, 56.2% used movie and video recommendation services, and 46.0% used music recommendation services.

Figure III -22 Use of automatic recommendation services for each content (Unit : %)

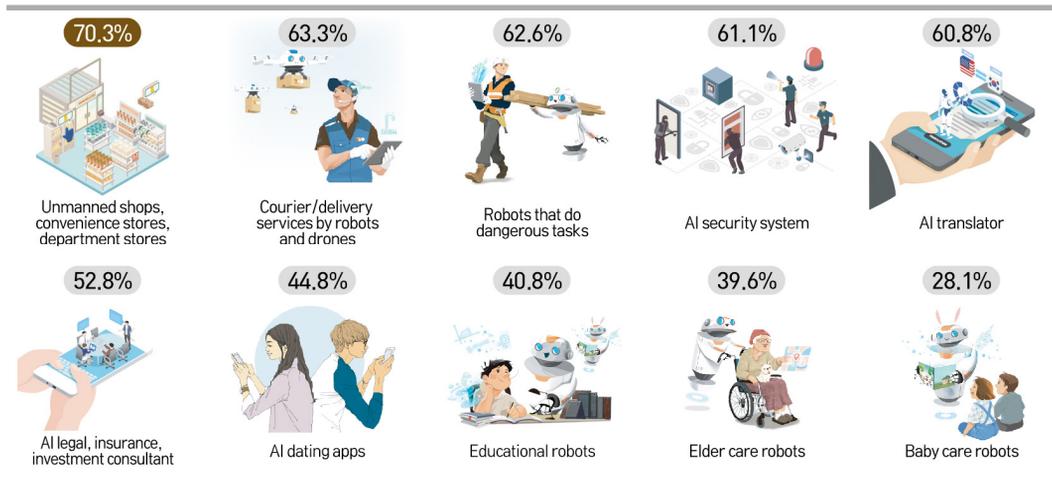


The automatic services help reduce the search cost and are of great convenience to the user as it selects and provides services that match the user's preferences. However, it also lessens the chance to access various opinions and information as the mechanism merely takes in the users' previous choices to determine the current recommendation results.

The result on future social changes and user attitudes showed that artificial intelligence services that are to be commercialized and be used in our daily lives within five years are remote medical treatments (63.1%) and robots used for dangerous tasks (55.8%). On the other hand, in areas where a human touch is still needed, such as educational robots (40.8%) and baby care robots (41.6%), it appears that it will take longer for them to embrace intelligent services.

When asked which of the intelligent information services participants would most likely to use once they become commercialized, unmanned shops (70.3%) came first and courier/delivery services by robots and drones (63.3%) are followed. It appears that people are less concerned about privacy infringement and prefer to use services that make everyday life easier for them.

Figure III-23 Willingness to use intelligent information services once they become commercialized



The report of the 'Intelligent Information Society User Panel Survey' will be released through the Commission (www.kcc.go.kr) and the Korea Information Society Development Institute's website (www.kisdi.re.kr).

4) International Conference on the Ethics of the Intelligent Information Society

On December 5, the Commission and the Korea Information Society Development Institute co-hosted the 1st International Conference on Ethics of the Intelligent Information Society at Post Tower, Myungdong.

Under the theme of 'AI for Trust,' the conference was joined by experts from home and abroad to present and lead discussions on the efforts of the international community to establish ethical norms in the intelligent information society and on the ways to consider user protection in the service design and provision phase.

The keynote speaker was Prof. Yi Sang-wook (Hanyang University), a member of the World Commission on the Ethics of Scientific Knowledge and Technology, UNESCO who led the discussion on the AI ethics of international organizations such as UNESCO. Following on from that, the first session was held under the theme of 'Building Trust in the Age of AI'. Dr. De Kai (Prof. of Hong Kong University of Science and Technology; Distinguished Research Scholar, UC Berkeley) and Dr. Jeffrey Chan (Singapore University of Technology and Design) presented on the AI and human coexistence and designs for securing trust in AI, respectively.

Figure III-24 International Conference on Ethics of the Intelligent Information Society



The theme of session 2 was ‘How to Coexist in the Age of AI’. Dr. Manuel Zacklad (Conservatoire National des Arts et Métiers, Paris) introduced ethical issues related to AI in everyday life and the policy direction of the French government. Lee Ho-yeong (Researcher, Korea Information Society Development Institute) introduced the process of and the main contents of the ‘Principles for the User-Centered Intelligent Information Society,’ which was announced last month.

In the following discussion, various experts from home and abroad actively engaged with each other to discuss the conditions for a sustainable intelligent information society. Chaired by Kim Soyoung (Dean, Graduate School of Science and Technology Policy, KAIST) the panel was composed of William Carter (Deputy Director, Technology Policy Program, Center for Strategic & International Studies), Shin Min-soo (Professor, Hanyang University / Green Consumers Network), Park Seongho (Secretary General, Korea Internet Corporations Association), Choi Gyeongjin (Professor, Gachon University), Choi Hang-sub (Professor, Kookmin University).

In his opening speech, the Vice Chairman said that only when the members of society come together to create and follow the ethical standards of the intelligent information society, can services grow based on the trust of the users. In addition, he hoped that the conference will serve as the starting point for a society in which everyone can enjoy the benefits of intelligent information services.

Figure III-25 International Conference program

13:00~13:20 (20minutes)	Opening Ceremony	Opening Speech - Han Sang-hyuk (Chairman, Korea Communications Commission) Welcoming Speech - Kim Daehui (President, Korea Information Society Development Institute)
13:20~13:50 (30minutes)	Keynote Speech	Presentation - Dr. Yi Sang-wook (Professor, Hanyang University/Commission on the Ethics of Scientific Knowledge and Technology, UNESCO)
13:50~14:50 (60minutes)	Session 1 Building Trust in the Age of AI	Presentation 1- Dr. De Kai (Professor, The Hong Kong University of Science and Technology/UC Berkeley) Presentation 2- Dr. Jeffrey Chan (Assistant Professor, Singapore University of Technology and Design)
14:50~15:10 (20minutes)	Coffee Break	
15:10~16:00 (50minutes)	Session 2 How to Coexist in the Age of AI	Presentation 1 - Dr. Manuel Zacklad (Professor, Conservatoire National des Arts et Métiers) Presentation 2 - Lee Ho-yeong (Research Fellow, Korea Information Society Development Institute)
16:00~16:10 (10minutes)	Coffee Break	
16:10~17:40 (90minutes)	Discussion Conditions for a Sustainable Intelligent Information Society ▪ Panel Discussion (70 minutes) ▪ Q&A (20 minutes)	Chair: Kim Soyoung (Professor, Graduate School of Science and Technology Policy, KAIST) Park Seongho (Secretary General, Korea Internet Corporations Association) Shin Min-soo (Professor, Hanyang University/Green Consumers Network) Choi Gyeongjin (Professor, Gachon University) Choi Hang-sub (Professor, Kookmin University)

5) 2019 Telecommunications User Protection Assessment

On October 2, the Commission decided on the results of the 'Evaluation of Telecommunication Operators User Protection in 2019'. The subject of the evaluation was a total of 32 companies (22 companies, excluding duplicates) in six service areas of key telecommunications and value-added telecommunications services, taking into consideration the rate of complaints raised by its subscribers. In particular, Kakao Talk (Kakao), YouTube (Google), and Facebook were subjected to the evaluation for the first time this year as the evaluations of value-added telecommunications business operators were expanded to include all additional telecommunications operators from the previous evaluations which was limited to portals and app markets. However, since it was conducted as a pilot evaluation for the new operators, their detailed evaluation results were disclosed.

This year, 'SKT' in the mobile phone field, 'KT' and 'SKB' in the Internet phone field, and 'SKT', 'KT', and 'SKB' in the high-speed Internet field received 'Very Good' ratings. The mobile operator 'SKT' received the best evaluations with 964.6 points.

As for, 'Annextelecom' (Mobile Virtual Network Operator) and 'Apple' (AppMarket), their overall level of user protection such as the user protection management system, damage prevention activity, user opinions and complaint handling performance was evaluated as 'Insufficient'. As a result, it was found that work improvement was necessary for these two operators.

In particular, 'Google' (Google-Search, Play Store) was evaluated as 'Good' this year, a two-step increase from 'Insufficient' in the previous year, as it submitted the relevant data according to the evaluation items and actively cooperated during the evaluation process.

In conclusion, the evaluation found that more efforts are being put into improving grievance protections such as those related to the vulnerable groups. For example, mobile phone operators are strengthening the promotion of the fee reduction system for those with disabilities and low-income and high-speed Internet and Mobile Virtual Network Operators are running education programs by visiting users personally and introducing consulting services for the elderly.

Table III-30 Telecommunication user protection ratings

Classification	Very Good (950 or higher)	Good (900-950)	Satisfactory (850-900)	Not Bad (800-850)	Insufficient (800 or lower)
Mobile Phone	SKT	KT, LG U*	-	-	-
Internet Phone	KT, SKB	LG U*	-	-	-
High-speed Internet	SKT, KT, SKB	LG U*, CJ Hello, HCN, D'Live, Tbroad	-	CMB	-
MVNOs	-	CJ Hello, SK telink, Korea Cable Telecom, KTM Mobile	S1, Medialog	-	Annex Telecom
Value-added Telecommunications	-	Naver	Google, Daum	-	-
Value-added Telecommunications App Market	-	-	Google (Play Store)	Samsung Electronics (Galaxy Store), One Store	Apple (Appstore)
Total	6	13	5	3	2

For global operators, such as Google, Apple, and Facebook, which perform user protection tasks in overseas offices, video interviews were used to directly communicate with customer managers thereby enhancing the effectiveness of the evaluation.

As a result of checking the procedures for handling the complaints of domestic users by global operators, ARS information, information regarding access to the online customer center, and readability of the terms of use were rated as insufficient. In order to improve the current situation, it was recommended that they operate an independent user protection organization system to be in charge of introducing and improving the customer service system and designating a dedicated person in charge.

As for Apple (App Store) and Facebook, information regarding the customer center operation was not submitted, making it difficult to evaluate their current status. Thus, it suggested that they prepare a plan to strengthen their handling of complaints and submit all related materials in the next evaluation.

The results of the detailed evaluation of user protection will be notified to the relevant business operators to induce the self-improvement of the inadequate matters, thereby helping to improve the rights and interests of users. Moreover, operators making the efforts to improve user protection will receive incentives. For example, when a penalty is imposed to an operator pursuant to Article 53 of the 「Telecommunications Business Act」, the penalty will be deducted within 30% when the operator was rated 'Very Good' in the evaluation and within 20% when the rating was 'Good'.

When the Commission establishes an evaluation plan for telecommunication operators' user protection in the future, the following will be considered: the expansion of the number of operators subject to the evaluation considering the number of its users; disclosure and revisions of evaluation items; and the expansion of incentives for excellent operators.

In 2019, user benefits have increased due to the development of communication services such as the commercialization of 5G services. However, the introduction of new, complex services has also increased damages and household communication expenses. Therefore, the Commission plans to extend the evaluations of user protection by operators which will help enhance user protection competition among domestic and foreign operators and contribute to improving user rights and interest in the future.

b. Establish Damage Relief for Users

1) Introduction of the Communications Dispute Conciliation Committee

On December 11, 2018, the Commission revised the 「Telecommunications Business Act」 which went into effect on June 12, 2019 to introduce a dispute settlement system that can quickly and efficiently resolve disputes between telecommunication users and operators.

Composed of experts, the procedure is simpler than the litigations and adjudication applications, and professional dispute resolutions can be made. Also, from the viewpoint of users, the conciliation committee has its benefits as users can reduce the time and cost compared to law suits.

Table III-31 Adjudication and dispute settlement systems

Classification	Application of Adjudication	Dispute Settlement	Notice
Composition	5 members of the council	No more than 10 experts in law-accounting-communications, etc.	Expertise reinforced
Duration	90 days, 90 day extension	60 days, 30 day extension	Save up to 90 days
Settlement	Disputes with business operators and others	Unduly charging, Service quality, Missing or false notification on important contents and others	Specified target subject for the settlement

To facilitate the smooth operation of the dispute conciliatory system, the Commission established and began the operation of the Communication Dispute Conciliation Committee, which consists of nine communication experts from academic, legal, and consumer groups in June 2019. Moreover, relevant operating rules were prepared to stipulate matters such as the installation and operation of subcommittees, etc.

Table III-32 Members of the 1st Communication Dispute Conciliation Committee

Classification	Name	Affiliation	Notice
Chairman	Kang Dong-se	Lawyer, Class	New appointment
Members	Seol Choong-meen	Lawyer, Taeshin	New appointment
	Kang Sin-ook	Lawyer, Sejong	New appointment
	Gwak Jeongmin	Lawyer, Choon Jung	New appointment
	Shin Min-soo	Professor, School of Business, Hanyang University	New appointment
	Choi Gyeongjin	Professor, School of Law, Gachon University	New appointment
	Kim Hyun-kyung	Professor, Graduate School of Public Policy and IT, Seoul National University of Science and Technology	New appointment
	Yun Myeong	Secretary-General, Consumers Korea	New appointment
	Jeong Jiyeon	Secretary-General, The Voice for Consumers	New appointment

In the six months following the implementation of the communications dispute conciliation system, a total of 6,689 communications related complaints received consulting on issues such as the background of the terms, quality defects, and a delay in the termination procedure, etc., and users were provided with the methods to protect their user rights and interests. In addition, 155 cases of disputes were filed for the dispute conciliation committee, of which 102 cases were resolved in a timely manner.

Table III-33 Communication dispute conciliation cases (Unit : case)

Classification	Consulting	Dispute Conciliation	Resolved	Total
Case	6,689	155	102	6,844

Users with communication disputes can reach the Communication Dispute Conciliation Reception Center (+82-2-2110-1499) or apply for consulting services through the website. In order to make it easy for users to understand this information, the Commission organized press releases, leaflets, homepage pop-ups, and webtoons.

2) Customized Damage Relief Standards

As part of the government policy direction, the Commission tried to reflect the opinions of telecommunications users by categorizing 11 types of disputes into three levels of subscription, use, and the termination of broadband Internet services and prepared customized damage relief standards which include documents and resolution standards for resolving disputes by type.

Since May 2018, relevant business operators, consumer groups, legal, and academic experts came together and after more than 20 consultations, the Commission developed a draft of the 「Customized Damage Relief Standards」. On October 17, 2019 (Thursday), in celebration of the Week of Users, the Commission signed an agreement with high-speed Internet service providers for the faithful implementation of the standards for damage relief.

The standards have significantly alleviated the high-speed Internet service termination requirements to strengthen the users' right to choose. Previously, users could cancel their contract without refunds if a service failure of more than 1 hour occurred more than 3 times a month, or if the cumulative service failure time is 'more than 48 hours' due to the operator's fault. However, in the new standards, the failure time has been modified to 'more than 24 hours' and made it possible for the users to cancel their contract even if they were using the services during the contract period.

Moreover, improvements were made to minimize discomfort due to military enlistment. For example, if a user who lives alone cancels his high-speed Internet service due to military reasons, it can be canceled without refunds even during the contract period.

In addition, to resolve one of the most frequently filed complaints of high-speed Internet services, the Internet quality, the method of measuring the speed of the Internet service and the method of resolving such a problem have been outlined in detail. ① Transmission speed should be measured from the service quality measurement website for more than 5 times, each time for 30 minutes. If more than 60% of the number of measurements does not reach the minimum rate set by the Terms of Use ② same-day fee exemption if it lasted less than 4 days ③ if it lasts more than 5 days, users may choose to cancel the contract without the same-day exemption or refund.

Many complaints have been filed regarding ① the charge of equipment refund and transfer installation cost without notification, ② the failure to notify the installation costs and other important matters, ③ the excessive refund request, ④ death·missing persons·moving·moving overseas. Now, necessary documents and resolution standards have been clarified to reduce the confusion of users.

The standards announced by the Commission in 2019 is expected to enable faster and more efficient

business processing in the future as it can be applied to resolve disputes related to high-speed Internet operators and disputes received by the Commission.

Table III-34 The main contents of customized disaster relief standards for the high-speed Internet services

Classification	Disputes	Resolution Standards
Sub- scription	1) New installation delays	• Withdrawal of subscription
	2) Additional charge for installation without prior notice	• Refund of additional charges
	3) Missing or false notification of important matters when signing the contract	• Exemption of the discount refund after canceling the contract
Usage	4) Poor quality of service (low speed) ※ 4 days or less within the last 30 days	• Same-day fee exemption
	5) Poor quality of service (low speed) ※ More than 5 days within the last 30 days	• Exemption of the discount refund after canceling the contract
	6) Service failure (access disabled)	• Exemption of the discount refund after canceling the contract
	7) Re-installation or change of installation delay	• Exemption of the discount refund or reduction of fee after contract termination
Termi- nation	8) Failure to notify the equipment refund and transfer installation cost upon application for termination or relocation	• Exemption of the equipment refund or transfer installation fee
	9) Excessive refund request upon termination	• Refund of the overpayment of discount refund
	10) Termination due to death, missing persons, military service	• Exemption of the discount refund after contract termination
	11) Termination due to domestic or international relocation	• Exemption of the discount refund or reduction of fee after contract termination

3) Education and Information on Communication Service Damage Prevention

The Commission cooperated with related organizations and central governments such as the Korean Senior Citizens Association, Korea Senior Citizen Welfare Center, Multicultural Family Support Center, Korea Blind Union, and Jeju City to provide the 'Visiting Broadcasting Communications Service Class.' It fostered 164 professional instructors, provided customized training for 44,000 users and developed textbooks and online contents.

Figure III-26 Educational partners for vulnerable groups

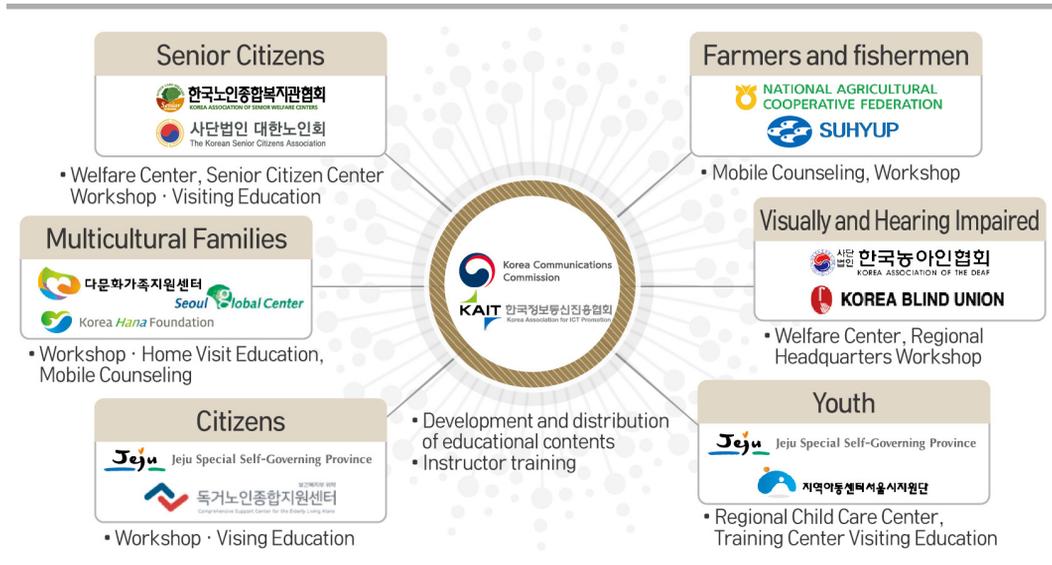
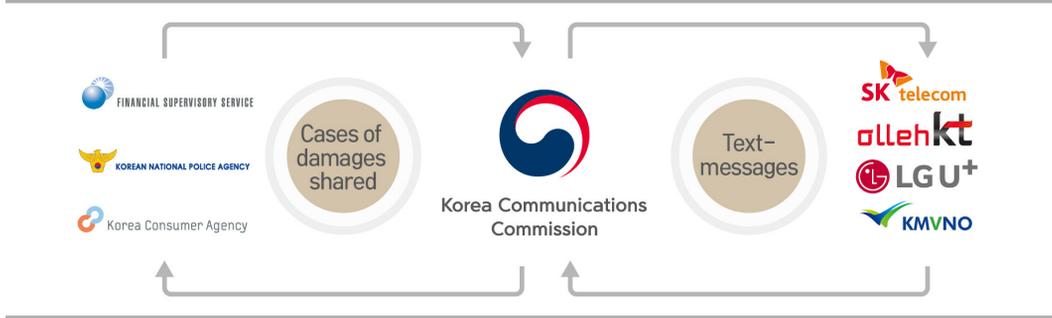


Figure III-27 Broadcasting and communications service damage prevention education covered on media



In addition, in cooperation with the Financial Supervisory Service, the National Police Agency, and the Ministry of Science and ICT, the Commission established the 'Early Warning Collaboration System' to send out text messages and notices (to 53 million people), containing the ways to prevent and respond to telecommunications financial crime, such as voice phishing, smishing during Chuseok holidays, and overseas remittance agencies.

Figure III-28 Diagram of the early warning collaboration system



This system was implemented as part of the ‘Comprehensive Measures to Prevent Telecommunications Financial Fraud (Voice Phishing)’ announced in December 2018. Voice phishings are mediated by telecommunications services which means that it targets all citizens regardless of gender, age, or region. As anyone can be a potential victim of such a crime, the text messages and notices were sent to warn the users of telecommunications services.

Figure III-29 Preventative texts for the public

Type	Period	Text-messages
Voice Phishing	May 16-24	[Voice Phishing Alert] 1330 people, 1 billion won worth of damages per day! Always be alert, hang up the phone, and check again!
Smishing During Chuseok Holidays	Sept. 5-12	Beware of SMS phishing during Chuseok holidays! Do not click on suspicious website links from delivery and payment text messages.
Overseas Remittance Agency Voice Phishing	Dec. 18-25	Beware of voice phishing pretending to be overseas remittance agencies. Always be alert, hang up the phone, and check again!

Moreover, various types of information useful for users were posted on Wise User website (<http://www.wiseuser.go.kr>) so that the users could check out the contents related to the prevention of communications service damages as well as wireless data consumption. The use of wireless data consumption was calculated through a blog with ‘moving images’⁴⁾.

The average data consumption when accessing a blog post that contains a ‘moving image’ is 47.7 MB (minimum 11 MB, maximum 88.8 MB), which shows that it takes about 18.4 times as much data as when accessing a general blog post (2.6 MB).

4) ‘Moving images’ refer to GIF (Graphics Interchange Format) files that allow one to store multiple images in a single file. It is being frequently used as it can deliver more information than a photo while delivering it in a video-like format.

Table III-35 Data consumption of a general blog vs. blog with moving images

Classification	General blog (including JPG, BMP files)	Blog with moving images (including GIF files)	Notes
Data consumption of images	0.07MB	1.91MB	difference of 27 times
Data consumption of blogs	2.6MB	47.7MB	difference of 18.4 times

The Commission held the '10th Broadcast Communication User Week Event' (October 15-17, Artist's House and Marronnier Park, Daehangno) to spread the culture of broadcasting and communication service usage and create an environment to prevent user damage.

This year's event was particularly diverse with ceremonies and competitions to induce user participation such as the 5G user protection vision declaration ceremony, the announcement of the best practices for user protection, customized damage relief standard (high-speed Internet) agreement ceremony, seminar on the protection of communication users in the age of 5G, on-site training for the prevention of broadcasting and communications damages and competition for communications service damage prevention.

Figure III-30 The 10th Broadcast Communication User Week Event



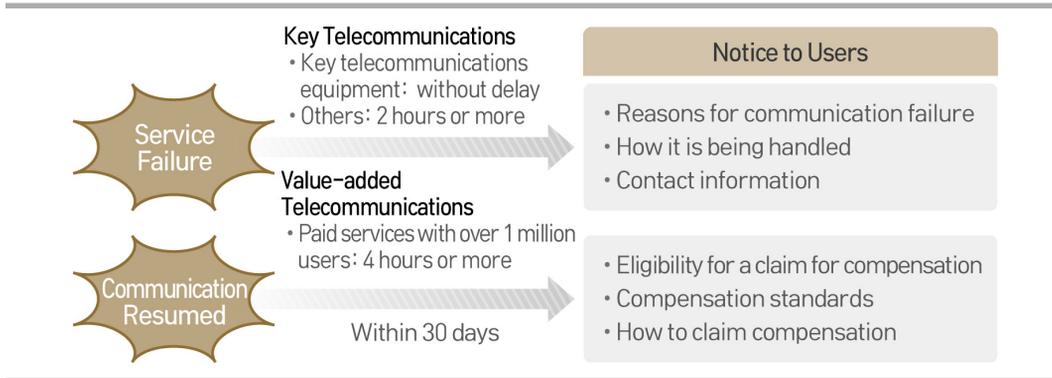
4) Provision of Protection Measures for Users Experiencing Service Failures

In addition to the compensation for damages under the terms and conditions, the Commission tried to compensate the business losses (indirect damage) of small business owners. Through the Mutual Compensation Council participated by the Commission, National Assembly and civic groups (commercial representatives, civic groups, local governments, committees, and the Ministry of Science and ICT), compensation standards were established and compensations were made accordingly. For example, based on the compensations outlined in the terms and conditions, KT provided a fee reduction (1 month, 2 to 6 months for copper cable) from the time of billing for January 2019 for 79.6 million people who have been unable to use its wired or wireless communication services for more than 3 hours (approximately KRW 35.7 billion) due to the fires at its Ahyeon branch.

Moreover, users have experienced great difficulty upon service failure as they have not received any information regarding alternative communication methods and how to report the failure. Also service failure prevents users from receiving disaster notifications, etc. Thus, in order to minimize public

inconvenience and damage in the event of a service failure and to create a safe communication environment, the Commission amended the enforcement decree that obligates businesses to inform the users of the fact that the provision of service is suspended and of the compensation standards upon service failure (enforced on June 25).

Figure III-31 User notice on suspended service due to communication failure



The Commission revised the terms and conditions to increase the amount of compensation for damages in the terms of use from 6 times to 8 times the basic rate (monthly basis) upon the suspension of communication. Also, for high-speed Internet services, the terms and conditions were modified to reduce the penalty exemption time (48 → 24 hours) when users choose to cancel their contract due to the fault of the operator.

Table III-36 Standards for compensation for damages in case of a communication failure according to the terms and conditions of mobile carriers

Classification	Before Revision (2012-September 2019)	After Revision (as of October 2019)
Amount of Compensation	Amount equivalent to six times the monthly fee and additional fees	Amount equivalent to eight times the monthly fee and additional fees

Table III-37 Penalty exemption according to high-speed Internet terms and conditions

KT	LG U* / SKB(SKT)
If the cumulative failure time per month is more than 48 hours or if a failure lasting more than 1 hour occurs more than 3 times a month	If the cumulative failure time per month is more than 24 hours or if a failure lasting more than 1 hour occurs more than 3 times a month

The Commission prepared and distributed behavioral tips to inform the public of the recommended actions at each stage of communication failure. It also contains how users should respond if a certain amount of damage is expected or has occurred due to wire or wireless communications services.

A national policy participation group was formed which consists of policy consumers (citizens, consumer

groups), experts (attorneys, telecommunications operators), policy providers, service designers to reflect on the various needs through public communication and participation from the very beginning. What is more, various opinions were gathered to prepare policies from the perspective of the general public, through surveys on college students and on-site visits to telecommunications operators. The three phases of communication failure was created using infographics to make it easy to understand and guidelines that outline the detailed steps of action were also prepared.

Figure III-32 Media coverage of user protection against communication failures and infographic on behavioral tips



c. Simplify the Termination of Combined Products

1) Promoting the Introduction of the Onestop Switch-System for Combined Products

In order to fundamentally put an end to the occurrence of user damage due operators that interfere with the termination of contracts, the Commission promoted the introduction of the Onestop Switch-System of combined products.

Some of the types of damages experienced by the users of high-speed Internet and combined products are that operators try to convince users to withdraw their intention to cancel the contract and that users end up being unfairly charged after changing their service provider because the existing service was not canceled. An analysis of complaints related to high-speed Internet services filed during 2017-2018 demonstrated that those related to the termination restrictions accounted for 25.1% of all complaints.

In response to this, the Commission formed a task force dedicated to the system construction composed of the Ministry of Science and ICT, telecommunications companies and SO operators, related organizations (KTOA, KCTA, ETRI, etc.), legal and consumer experts (Sejong, Sookmyung Women's University, and Korea Consumer Agency). The task force prepared a proposal for amendments to the laws to establish a one-stop system for combined products, led discussions on major related issues and coordinated the opinions, and reviewed the notifications and amendment to the 「Telecommunications Business Act」.

Next, the standards for the system design and interoperability of operators were developed, followed by the establishment of the operation plan of the one-stop conversion system including the system construction plan, operating regulations, cost sharing methods and construction details for the smooth introduction of the one-stop system.

Table III-38 Task force discussions on the one-stop conversion system for combined products

Date	Key Points
February 28	<ul style="list-style-type: none"> • Explain the operation plan and roadmap of the one-stop conversion system • Consumer policy perspective on the system improvement • Describe the ways to improve the discount refunds and contract period
March 28	<ul style="list-style-type: none"> • Share ideas on the ways to improve the discount refund and contract period • Amendment to the law to introduce a one-stop conversion system
April 30	<ul style="list-style-type: none"> • Collect opinions on amendments (draft) to laws related to the one-stop conversion system • Share ideas on ways to improve discount refund and contract period • Present research results on the impact of the one-stop conversion system
May 23	<ul style="list-style-type: none"> • Share ideas on the ways to improve the discount refund and contract period • Discuss the one-stop conversion system operation regulations and other undecided matters
June 20	<ul style="list-style-type: none"> • Discuss the contract expiration SMS system • Discuss the ways to send a contract expiration SMS on the next business day (draft) • Discuss notification (draft) regarding the implementation of conversion procedures such as high-speed Internet services
July 18	<ul style="list-style-type: none"> • Discuss the SMS delivery system before contract expiration • Discuss notification (draft) regarding implementation of conversion procedures such as high-speed Internet services • Discuss the cancellation verification process
September 5	<ul style="list-style-type: none"> • Focus on major unresolved issues
September 25	<ul style="list-style-type: none"> • Discuss notification (draft) regarding implementation of conversion procedures such as high-speed Internet services • Discuss on cancellation verification process
October 24	<ul style="list-style-type: none"> • Discuss how to share the burden of the cost of building the one-stop system • Listen to business operators' opinions on adjusting the period of the termination confirmation
November 7	<ul style="list-style-type: none"> • Discuss the business processing procedures of the one-stop conversion system • Discuss cost sharing issues
December 5, 13	<ul style="list-style-type: none"> • Discuss cost sharing issues

2) Prepare a Plan to Improve the Exclusive Contract System for Collective Buildings

When a user moved into a collective building such as an officetel, a studio apartment or villa, they had to pay discount refunds⁵⁾ even though they had to cancel their existing services such as high-speed Internet

5) If you cancel a service during the contract period, part of the discounted amount will be charged depending on the elapsed period

and pay broadcasting due to an exclusive contract between the landlord and a specific telecommunications provider. However, the Commission has improved this practice.

Previously, users had to pay 50% of the discounted refund when canceling the existing service regardless of his or her intention when moving into a building that has a contract with a specific operator. However, from August 2019, discount refunds has been processed in full as there are no faults of the user in such cases.

Figure III-33 Discount refund process when canceling due to the provision of a single service for a collective building



In addition, a research group was formed and operated from March to June 2019 to collect the business opinions on the monopoly contract issues of collective buildings and to negotiate business discount reduction plans. The group composed of the Commission and operators such as KT, LG U⁺, SKB, SKT, CJ Hello, TV Road, D'live, Hyundai HCN, CMB, KT Skylife, Korea Cable TV Broadcasting Association, Korea Association for ICT Promotion (KAIT), led meetings on six occasions.

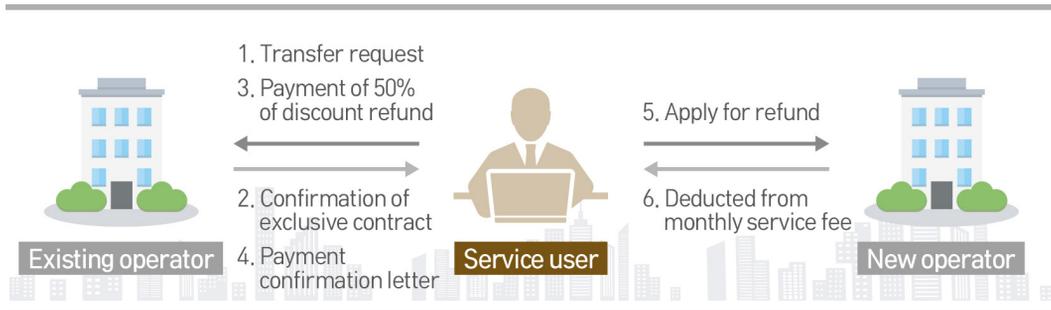
Table III-39 Discussions led by the research group on the exclusive contract system for collective buildings

Date/Venue	Key Points	Participants
March 13, Conference Room, Committee	<ul style="list-style-type: none"> Organize major issues to improve the system - Separate issues by each week 	The Commission, 4 communication companies, 5 MSOs, 1 satellite broadcasting company, KCTA
March 27, Conference Room, Committee	<ul style="list-style-type: none"> Definition of collective buildings Detailed criteria for each company, such as termination without penalty and opposition from landlords Reconciliation plan upon the return of exemption confirmation 	
April 17 Committee Information Education Room, Committee	<ul style="list-style-type: none"> Inclusion of corporate products Opinions on exemption confirmation Ways to deal with the cancellation of service during the rate adjustment period 	
April 25, Conference Room, Committee	<ul style="list-style-type: none"> Discussion on normal practices and criteria for judging the illegality of providing cash 	
April 30, Conference Room, Committee	<ul style="list-style-type: none"> Revisions to the terms of use 	
May 9-11, Gosung, Gangwondo	<ul style="list-style-type: none"> Final discussions on major issues 	

Eligibility for the reduction of the refund is determined by the on-site confirmation by the operator who receives the user's transfer request. However, if the transfer of service is impossible due to a single contract with the owner of the new building, and if the service can be used under the user's name, at the address where the transfer was requested, then the user is eligible for the reduction of refunds.

The user cancels the existing service and pays the 50% discount refund and then presents the payment confirmation to the new business operator who will then deduct the 50% of the discount refund paid by the user from its service fee.

Figure III-34 Discount refund process



d. Personal Data Use and Protection

1) Improvement of the Personal Location Information Laws and Systems

Through the compensation guarantee system, domestic agent designation system, protection of personal data of children under 14, improvement of entry regulations, and the support for non-identification measures, the Commission improved the laws and system related to personal location information.

First, by introducing a compensation system, the Commission helped reduce corporate damages and reinforce user protection in case of personal data breach. For the smooth implementation and settlement of the system, public hearings, surveys, and business briefing sessions were conducted to listen to various on-site opinions. System guides were distributed to targeted operators, card news were created, and SNS was promoted.

Second, with the development of information and communications technology, the use of global online services has become so common that it has become a frequent practice for overseas operators to handle the personal data of the Korean people. Thus, it has become imperative to provide necessary measures to help Korean citizens conveniently contact overseas operators that provide information and communication services without having an address or sales office in Korea, when grievances regarding personal data arises. Moreover, the need to strengthen the regulatory enforcement in the event of personal data infringement was raised continuously. For this reason, the domestic agent designation system was introduced and to enable the smooth implementation of regulations related to the system such as the act and the

enforcement decree of the act on the promotion of information and communications network utilization and information protection, a guideline on the system is provided in both Korean and English along with card news and SNS promotions in Korean and English. Furthermore, to facilitate the system, meetings were joined by 23 companies subject to designating the domestic agents such as Google and Facebook.

Figure III-35 Listening to on-site opinions on the personal data compensation system



Third, the Commission helped revise the Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, Etc and the Enforcement Decree of the Act on the Protection, Use, Etc. of Location Information the specify a method to check for the consent by a legal representative to strengthen the protection of the personal (location) data for children under the age of 14.

This amendment is to ensure that legal representatives have consented when information and communication service providers and location information providers, etc. collect, use, and provide the personal (location) data of children under 14 years of age, as a follow-up measure to the amendments to the Act on Promotion of Information and Communications Network Utilization and Information Protection, Etc. (promulgated on December 24, 2018, enforced on June 25, 2019) and the Act on the Protection, Use, Etc. of Location Information (promulgated on December 24, 2018, enforced on June 25, 2019).

Previously, the consent of a legal representative for children under the age of 14 was stipulated in the above laws, but the specific method of checking the consent of legal representatives was lacking.

Therefore, the Commission referred to the Personal Information Protection Act, which stipulates the general methods for consenting to children's personal data. As a result, it has been stipulated that consent by legal representatives can be made by writing, telephone, and e-mail. For Internet websites that require consent, it has been stipulated that consent can be made through text messages, credit cards, and personal authentication through mobile phones. The improvement of the consent method has helped strengthen the protection of children's personal data by considering the uniqueness of the online environment while also securing consistency between personal data related laws.

Furthermore, press releases and card news were created to inform the public of the changes made to relevant laws. Moreover, by conducting a research on personal data protection specialized for children in

an online environment, issues related to the personal data protection of children by age were derived, thereby helping to devise a plan for systematic improvement (draft).

Figure III-36 Meeting with businesses subject to the domestic agent designation system



Meeting with businesses subject to the domestic agent designation system

Particular efforts were put into maximizing campaign efficiency by collecting promotion ideas on user rights by listening to major information and communications service providers (communication service providers, portal companies, broadcasting companies, etc.) and related organizations. Moreover, the '2nd Online Personal Data Protection Policy Contest' was held and a national voting system was introduced to let the public directly suggest and elect for policy improvements, which would be reflected in the process of policy making. Such efforts led to a consensus being formed among the people regarding the personal data protection policy.

Figure III-37 Collecting opinions from information and communication providers and launching campaigns



Meeting with Businesses (on two occasions)

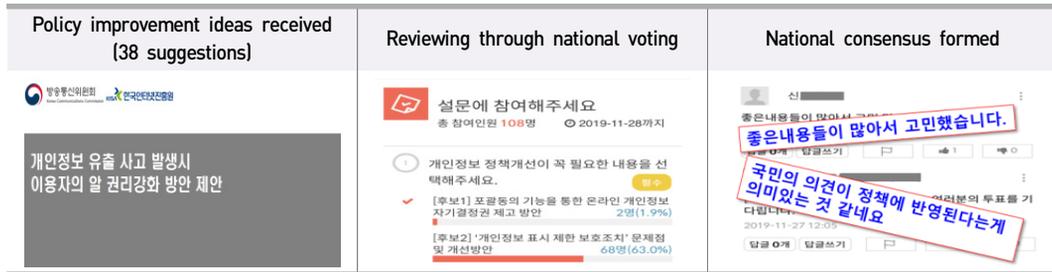
E-mart Branch (nationwide)

Hyundai Home Shopping TV Advertisement

KT Homepage

Main Advertisement on G-market

Figure III-38 Collecting public opinions regarding personal data



Fourth, the non-identification measure was adopted to organize relevant education (15 times), consultation (84 times), and Q&A sessions (78 times) for information and communications services providers to ensure the safe use of personal data. A framework for the non-identification measures of personal data was also developed.

Lastly, the regulation of entry for personal location information businesses for the activation of the location information industry has been relaxed from the existing permit system to the registration system in order to improve the regulation of entry. To resolve the side effects that may occur in the future due to the relaxation of entry regulations, and an amendment to the Act on the Protection, Use, Etc. of Location Information, is being initiated in the National Assembly, to include new provisions to stipulate matters regarding corrective actions and fines. In order to promote the support for non-identification measures, the Commission developed a non-identification measures framework to ensure the safe use of personal data by information and communication providers, and conducted comprehensive training on laws, systems, and technologies related to non-identification measures.

2) Support for Strengthening Personal Data and Location Information Capabilities

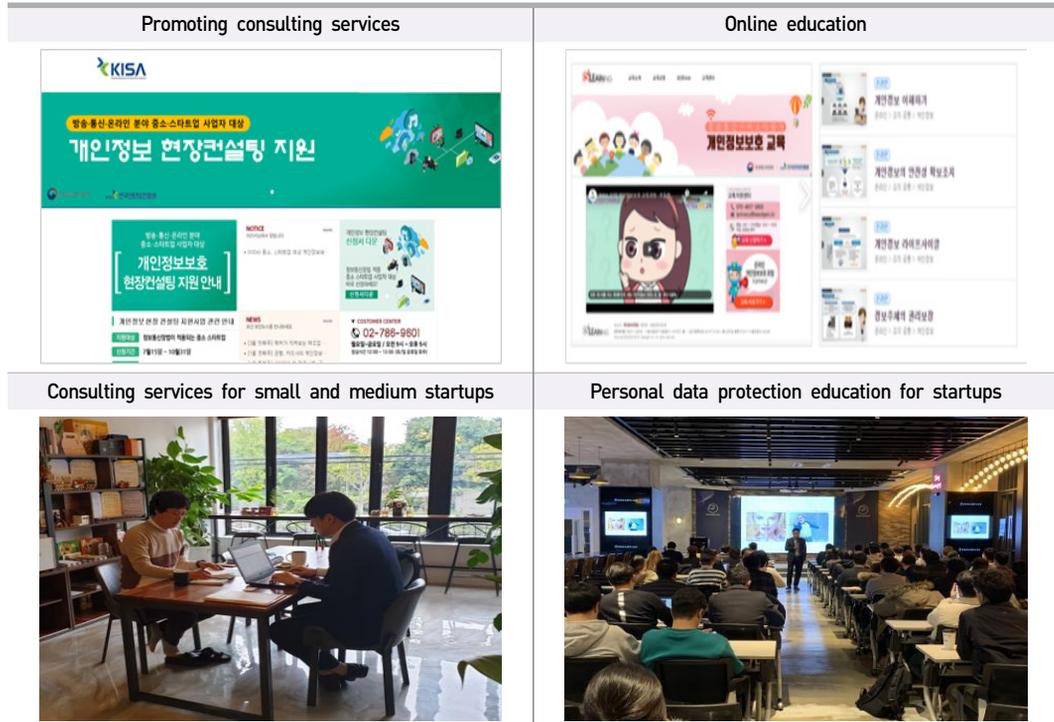
By revitalizing self-regulation, strengthening personal data awareness, and introducing educational development and a qualification system, the Commission established a system for training experts, operated ISMS-P, promoted the use of an alternative method to the resident registration number, revitalized the location information industry, strengthening the use of location information for emergency rescue, and enhanced the awareness of the location information.

In order to promote self-regulations related to personal data protection, the Commission conducted on-site consulting and training to support businesses from four industries such as telecommunications (MVNOs), online shopping, paid broadcasting, startups and five other organizations and businesses.

Figure III-39 2019 Self-Regulatory Evaluation Committee



Figure III-40 Consulting and training on personal data protection



In addition, to enhance the awareness of personal data, customized training for capacity building, such as education aimed to build a culture that protects personal data was provided not only for elementary, middle and high school students, but also for vulnerable groups, such as foreigners married Korean families, multicultural families, and seniors. Moreover, the 2019 Internet Personal Data Protection Campaign was launched to create card news, animations, and SNS events with the purpose of promoting personal data protection and preventing personal data infringement in our daily lives.

Figure III-41 2019 Internet Personal Data Protection Campaign

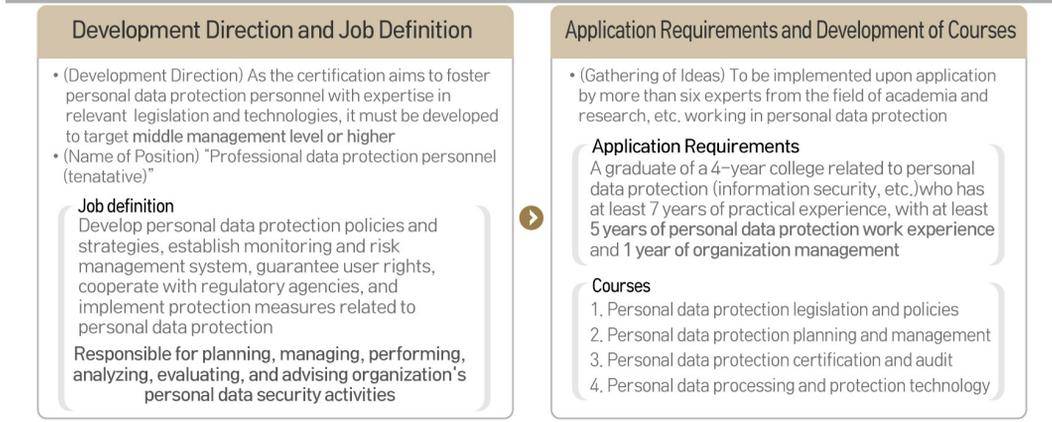


As the importance of using and protecting personal data is increasing due to the fourth industrial revolution, the Commission established a system to foster the best experts in personal data protection with expertise in related fields such as law, systems and technology. With an aim to foster personal data protection expertise that meets the requirements of the EU General Data Protection Regulation (GDPR), the Commission developed personal data protection laws and systems, created contents such as personal data risk management and protection technology, and provided training for personal data protection workers (on 2 occasions). In addition, the Commission promoted the adoption of the national certification system to assess the expertise of personal data protection and developed detailed standards such as qualifications, application requirements, and test subjects; operating systems related to employment, budget, and organization; and sample test sets.

Figure III-42 Courses for personal data protection experts



Figure III-43 Details of the personal data protection national certification system



Regarding the development of textbooks, the Textbook Development Committee was formed to develop educational programs for personal data protection experts. Composed of 24 experts from the field of legal and academia (law, technology, etc.), industries (portals, certification institutes, security companies, etc.), the Committee was responsible for developing the curriculum and writing, reviewing, and editing of textbooks.

Figure III-44 Textbook Development Committee meetings and its members

24 members of the Textbook Development Committee							First meeting (October 2)
	Name	Title	Industry		Name	Title	Industry
1	Kim	Lawyer	Legal	13	Lee	Director	Industry (portal)
2	Park	Lawyer	Legal	14	Lee	Director	Industry (portal)
3	Chae	Lawyer	Legal	15	Hong	Team Leader	Research institute
4	Kang	Lawyer	Legal	16	Gwak	Professor	Academia (technology)
5	Son	Lawyer	Legal	17	Cho	Professor	Academia (technology)
6	Sung	Director	Industry (security)	18	Lee	Professor	Academia (technology)
7	Kim	Director	Industry (security)	19	Lee	Professor	Academia (technology)
8	Ok	CEO	Industry (security)	20	Jung	Professor	Academia (technology)
9	Moon	CEO	Industry (security)	21	Kim	Professor	Academia (technology)
10	Kim	CEO	Industry (security)	22	Ko	Professor	Academia (law)
11	Yoon	Team Leader	Industry (distribution)	23	Lee	Professor	Academia (law)
12	Kang	Commissioner	Industry (certification)	24	Cho	Professor	Academia (law)



To enhance the level of voluntary personal data protection of companies, the Commission integrated the personal information protection management system (PIMS). Also to promote the use of alternative methods to the residence registration number and to strengthen the use of personal data, the Commission required Nonghyup Card to adopt an identity verification process and by expanding such a procedure successfully implemented the identity verification procedure in a total of eight card companies.

Figure III-45 Information Security Management System-Personal (ISMS-P) certification



Figure III-46 Self-regulation policy meeting



In an effort to revitalize the location information industry, the Commission conducted a location-based competition to discover excellent business models, and support commercialization through patent applications and start-up training. In addition, in order to resolve the grievances of startups and small and medium-sized businesses, location information education and consulting and technical protection measures using cloud servers were supported, and Wi-Fi DB mainly used for the indoor was provided to the public. This was to ease the burden of cost for those aiming to enter the market which will lead to new market entries that will diversify the services and industry.

By supporting the location information education and consulting and technical protection measures using cloud servers and publicizing Wi-Fi DB which is mainly used for the indoors, the burden of cost for those aiming to enter the market was reduced that led to encourage new market entry and secure service diversity.

To strengthen emergency rescue using location information, a location-based service platform (LBSP) is used to quickly provide rescuer's location information (Wi-Fi based) to emergency rescue agencies. To prevent the loss of location information during the information delivery system (device-mobile communications-emergency rescue agency), the location quality target area and evaluation indexes (accuracy, success rate, etc) have been reorganized, inducing mobile communications business operators to increase its own location quality.

Lastly, with an eye towards fostering a culture founded on the belief that the location information providers comply with the legal systems related to personal location data, the Commission provided courses for personal data and location information experts.⁶⁾ The Commission encouraged location information providers to comply with the legal system of entry restrictions (permissions, notifications, etc.) pursuant to the Location Information Act and prior consent when collecting, using, or providing location information. Also, the Commission required the providers to establish and operate training programs for practitioners in order to safeguard location-based service development and location information.

3) Strengthen International Cooperation

3-1) Responding to EU GDPR

The Commission conducted a variety of projects to support Korean companies subject to GDPR in complying with the relevant laws in a substantial and specific way, and to enhance the ability of Korean companies to respond to foreign legislation as a whole.

First of all, for 15 small and medium sized companies that have difficulty responding to the situation by

6) Eight subjects were developed through the analysis of domestic and foreign personal data education programs (① qualifications of DPO, ② personal data laws and regulations, ③ overseas laws and systems, ④ personal data planning, ⑤ personal data risk management and protection technology, ⑥ responding to regulatory inspections and audits, ⑦ responding to personal data breach, ⑧ personal data protection certification). The textbook development committee, composed of 24 experts from industry, academia, and legal circles, conducted pilot training for over 80 middle-level managers of personal data protection to gather information to write, review, and edit textbooks and verify education levels.

themselves, an all encompassing consulting service was provided. From diagnosing the current policy on personal data protection to preparing legal and technical implementation measures to comply with GDPR, the Commission provided assistance and even ran specialized training courses for those in charge.

In addition, the Commission also established a GDPR consulting center (gdpr@kisa.or.kr, 061-820-1805), to provide consulting services on various issues on whether a company is subject to the GDPR, obtaining consent from a valid subject when collecting and using personal data, and ways to designate DPOs and agents. A total of 170 GDPR counseling sessions were provided.

The Commission also reorganized the GDPR website (gdpr.kisa.or.kr) so that users can access new trends and information more effectively from a single website. In particular, a GDPR self-diagnosis tool was created on the website to help practitioners determine its compliance status and check what needs to be revised or implemented.

Furthermore, the '2020 EU GDPR Guidebook' was published by revising the 'GDPR Guidebook (first published in May 2018)' which includes an addition of overseas guidelines and the examples of penalty imposition cases.

At the same time, in order to improve the domestic company's ability to respond to overseas legislation from the long term perspective, the Commission developed specialized training courses for GDPR practitioners (8 courses) and conducted 18 training sessions (15 in Korea and 3 in the EU) for practitioners.

Through such comprehensive support, the Commission offered practical and accessible help to domestic companies subject to the GDPR.

Figure III-47 Domestic and foreign education sites related to GDPR



Table III-40 Domestic and overseas GDPR seminars held in 2019

Classification	Date	Seminar	Location
Domestic (15)	Mar. 6	Seoul DMS 2019	COEX, Seoul
	Apr. 23	Overseas E-Commerce Information Session	Office of SMEs and Startups, Daejeon
	May 28	Online Export Marketing Education	Office of SMEs and Startups, Gyeonggi
	June 14	2019 KOREA MiCE EXPO	Songdo Convensia, Songdo
	June 20	Information Session on Online Overseas Entry	Office of SMEs and Startups, Seoul
	July 9	Key Issues Pinpoint Seminar	Trade Tower, Seoul
	Aug. 28	2019 Personal Data Protection Training Course for Experts	Social Security Information Service, Seoul
	Sept. 10	[KISA] Practical Training on GDPR	Trade Tower, Seoul
	Sept. 20	[KISA] Practical Training on GDPR	Trade Tower, Seoul
	Oct. 15	[KISA] Practical Training on GDPR	Korea Internet & Security Agency
	Oct. 16	[KISA] Practical Training on GDPR	Korea Internet & Security Agency
	Nov. 7	[KISA] Practical Training on GDPR	Korea Internet & Security Agency
	Nov. 8	[KISA] Practical Training on GDPR	Korea Internet & Security Agency
	Nov. 27	Online Export Marketing Education	Office of SMEs and Startups, Gyeonggi
	Dec. 23	[KISA] GDPR Compliance Support Project	Korea Internet & Security Agency
Overseas (3)	Oct. 24	[KISA] GDPR Seminar and Consulting Desk	Frankfurt, Germany,
	Oct. 29	[KISA] Practical Training on GDPR	Ostrava, Czech Republic
	Dec. 5	[KISA] Practical Training on GDPR	Milano, Italy

3-2) Promotion of EU's Adequacy Decisions

In accordance with the implementation of the EU GDPR, personal data collected by Korean companies in the EU is, in principle, prohibited from being transferred outside the EU as GDPR stipulates that protection measures be applied such as the standard personal data protection provision for offshore transfers. However, if the European Commission decides that a country's level of privacy is appropriate (adequacy decision), then the transfer of personal information to that country will be possible without the application of other protection measures. This means that if the EU determines that Korea has an adequate level of data protection, Korean companies that have entered the EU can transfer to Korea and use the collected personal data without any additional cost or effort.

To this end, the Commission continues to seek the mutual understanding of the privacy laws and systems of both sides through face-to-face and video conferences with the European Commission. In particular, through close cooperation with the relevant domestic government agencies, the Commission actively supported the drafting of the European Commission's 'Annex to Government Access' as well as practical consultation based on the 「Personal Information Protection Act」 to expedite the EU's adequacy decisions.

3-3) Introduction and Operation of the APEC CBPR

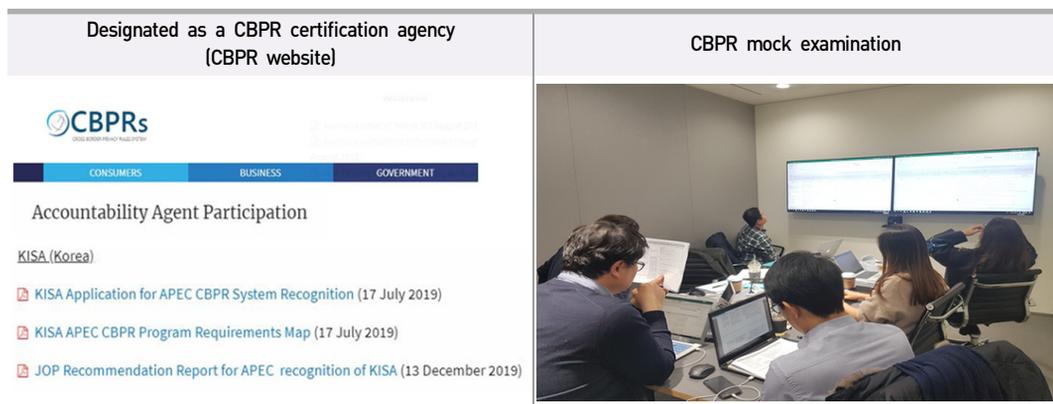
As the importance and value of data continues to rise as a key asset in the era of the Fourth Industrial Revolution, the Asia Pacific Economic Cooperation (APEC) developed a certification system, the Cross-Border Privacy Rules (CBPR), to promote the safe exchange of personal data in the region. Since officially joining the CBPR in June 2017, the Commission and the Ministry of the Interior and Safety are promoting the stable implementation of the CBPR in Korea.

To this end, the Commission designated the Korea Internet & Security Agency as the domestic CBPR certification institution and a report on the suitability of the Korea Internet & Security Agency as the CBPR certification institution in Korea was submitted to APEC for review in July 2019. After the review process and Q&As with member countries, the Korea Internet & Security Agency's application for the CBPR certification institution was officially approved in December, paving the way for Korean companies to apply for CBPR certification at home.

Prior to the official implementation of the CBPR certification, a mock examination was conducted for two domestic companies in order to test and check the operation procedure of the CBPR. The mock review focused on the suitability of pre-existing CBPR certification standards in Korea and the completeness of the review process. A more complete version of the CBPR system will be adopted by complementing the improvement needs found during the mock examination.

The domestic CBPR certification system will be officially implemented in 2020. Various awareness-raising activities will be carried out to promote the new system by developing CBPR brochures, opening websites, and holding information sessions for businesses.

Figure III-48 Introduction of APEC CBPR



3-4) Increased Participation of International Associations

The increase of personal data being transferred across borders and the growing economic value of data has led countries to strengthen their regulations regarding the personal data protection of its people and

the creation of business climates that are favorable to domestic companies. In an environment in which each country has different personal data protection law systems, the Commission made the efforts to build a close international cooperation system by expanding the participation of international associations related to personal data protection to help protect the personal data of the citizens and strengthen the competitiveness of domestic companies.

For example, in order to contribute to the international community by sharing Korea's personal data protection system and experience, the Commission attended a number of international conferences such as APEC SOM meeting, CoE 108, and ICDPPC to analyze and respond to major agendas.

The Commission participated in the Digital Economy Steering Group (DESG) and the Data Privacy Subgroup (DPS) under the 1st and 3rd APEC Senior Officials' Meeting (SOM1-SOM3) held in February and August, respectively. By doing so, the Commission was able to identify the trends and major issues in privacy policy. In particular, the Commission sought strategies to bring the CBPR system into Korea and to promote its certification by analyzing how CBPR member countries are implementing and operating the system in their own countries. At the same time, the Commission engaged in various activities to secure the global leadership related to the privacy policy in the Asia-Pacific region by sharing Korea's best practices in policy and the progress of implementation of the CBPR.

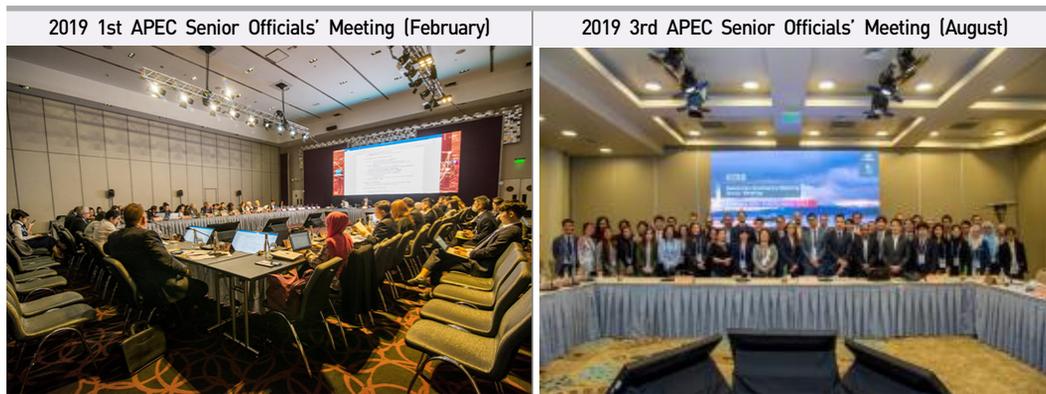
At the 51st Asia-Pacific Privacy Authorities (APPA) Forum in May, participants discussed issues including personal information laws and systems, awareness-raising programs, response cases of incidents, and the remedies for personal data breach.

The Council of Europe's CoE 108 treaty is the world's first privacy protection treaty established in 1981 by the European Parliament in accordance with Article 8 of the European Convention on Human Rights. It was revised in May 2018, as the need for modernization was raised such as the need to reflect technological development and social changes. The Commission attended the general meeting, introduced Korea's legal trends and discussed the current revisions of the amended CoE 108 treaty and privacy issues related to AI and facial recognition technology.

In addition, in October 2019, the Commission attended the 41st International Conference of Data Protection and Privacy (ICDPPC) as a regular member and organized a side event to share how the personal data awareness raising campaign is progressing in the three Asian countries (Korea, Philippines, and Hong Kong).

In November 2019, the Commission attended the OECD's 1st Data Governance and Privacy (DGP) to discuss ways to prepare privacy-related policies such as privacy guidelines and data transfer rights, new AI and IoT technologies, and online privacy for children.

Figure III-49 APEC Senior Officials' Meeting



4) Introduction of the Electronic Subscription System

The Commission prevents branch offices from illegally holding personal data upon subscribing to mobile communication services. In order to increase the level of personal data protection in the mobile communications market, the Commission has consulted with three communication companies to expand and implement the electronic subscription system⁷⁾ even at sales outlets.

The electronic subscription system in the mobile communications market was part of the 「Personal Data Protection Normalization Measures」 which was promoted at the government level in July 2014. Although the system had already been introduced to mobile carriers and distributors, it was not used in sales outlets which did not have a direct contract with the mobile carrier. Therefore, sales outlets used the paper contract, which caused a personal data infringement due to the illegal possession of personal data (illegal storing of contracts, etc).

The electronic subscription system will be piloted in sales outlets starting with SKT on July 1, and then KT (September 23) and finally LG U⁺ (December 23). The plan is to gradually expand the use of the electronic subscription system in sales outlets to create a paperless subscription system in the entire mobile communications market.

The introduction of electronic subscription system into sales outlets is expected to prevent, in advance, retailers from illegally storing personal data thereby preventing a potential personal data breach. Also, as the mobile phone subscription process is becoming completely computerized, business processing procedures such as writing and scanning subscriptions (converting subscriptions to image files) are also becoming simplified. With it, the user's confidence in the processing of personal data by sales outlets is expected to increase, thereby further improving the level of personal data protection in the mobile communications market.

7) Upon subscription, a terminal device (tablet PC) which is directly connected to the carrier's headquarters system is used, to allow users to personally type in their personal data and (electronically) sign the contract,

5) 2019 Personal Data Guardian's Night

On December 18, the Commission and the Korea Internet & Security Agency (KISA) co-hosted the '2019 Personal Data Guardian's Night' at Yangjae EL Tower.

Joined by more than 200 personal data guardians from all sectors of society, including the government, academia, industry, and the general public, the event was hosted to share online personal data protection activities and achievements, promote personal data protection culture in our society and raise the awareness of personal data protection. The event began with a lecture by Ko Hak-soo, a professor of the Graduate School of Law, Seoul National University, on 'Artificial Intelligence (AI) and Personal Data Protection Issues', which are major issues in our society as we move into the era of the fourth industrial revolution.

Next, various competitions and contest awards were presented including the 'Personal Data Protection Contribution' awards handed to individuals and organizations that contributed to strengthening personal data protection and raising awareness. A total of 20 teams were awarded including nine teams that showed great interest and insight into personal data protection at the Policy Idea Contest and Mock Trial Contest, and Zero Web who proposed a creative business model for location-based services through the 2019 Korea Location-Based Service Competition.

The Commission expressed gratitude for all the hard work of the 'personal data guardians' who have made efforts to protect personal data in each field throughout 2019. Additionally, the Commission will continue to work hard to create a strong foundation for personal data protection so that even in the age of the digital-driven economy in which personal data is actively used, the citizens can feel at ease with the handling and protection of their personal data.

Figure III -50 2019 Personal Data Guardian's Night



Chapter 3 | Create a Fair Competition Environment in the Broadcasting and Communications Market

1. Create a Win-win Environment of Broadcasting Communications

a. Create a Fair Outsourcing Production Transaction Environment

In joint efforts with the relevant government agencies such as the Ministry of Science and ICT and the Ministry of Culture, Sports and Tourism, the Commission is paving the way in establishing a transparent trading system between the broadcasting business entities and outsourcing production companies and creating a win-win environment for the outsourcing production market.

In December 2017, the Commission and five government agencies submitted the 'Comprehensive measures to address unjust practices in broadcasting programs outsourcing production market' to the State Council and made the efforts to prepare guidelines as follow-up measures. In 2018, when the 'Outsourcing Production Transaction Guideline Research Group' was formed composed of experts from legal and academia, the Commission hosted public discussions to collect the opinions of broadcasting business entities, outsourcing production organizations and others. Through the activities of the research group, the Commission made efforts to produce a set of recommendations essential to ensure fair outsourcing transactions, such as the composition of contract, calculation of the production cost, copyrights and ways to distribute revenue.

As a result, on July 17, 2017, the Commission and the Ministry of Science and ICT developed the 「Outsourcing Production Guidelines of Broadcasting Programs」 which serves as a turning point for ensuring a fair outsourcing transaction system. The main goal of the guideline is to ensure the following when outsourcing transactions occur between broadcasters and outsourcing producers: ▲ to establish of the basic principles of transactions, including signing a written contract, ▲ to ensure the transparency of transactions by specifying information provided, such as criteria for calculating production cost calculation, ▲ and to encourage broadcasters and producers to improve the environment of the outsourced production.

The guideline outlines ① the principles of outsourcing production, ② the organization and method of contract, ③ calculation of the production cost and payment, ④ copyright and distribution of revenue, ⑤ and efforts for co-prosperity. The detailed contents of the guidelines are shown in <Table III-41>.

Table III- 41 Guideline on Outsourcing the Production of Broadcasting Programs

Classification	Key Points
Article 1 General Provisions	Purpose of the guideline, principles of producing programs through outsourcing production, etc.
Article 2 Organization and Method of Contract	<ol style="list-style-type: none"> Contract <ul style="list-style-type: none"> Encourage the use of standard contracts set by the Ministry of Culture, Sports and Tourism Specify the principle of signing a written contract before shooting, and changing the contract through written form Use of the broadcaster assets <ul style="list-style-type: none"> Prohibit the use of the broadcasters' assets (personnel, equipment, facilities, etc.) and specify the details in the contract when both parties have agreed to the use of broadcasters' assets Cancellation and termination contract <ul style="list-style-type: none"> Prohibit the termination of the contract by a single party without an agreement between both parties, and specify a mandatory written notice 30 days prior to contract termination
Article 3 Calculation of the Production Cost and Payment	<ol style="list-style-type: none"> Calculation of the production cost <ul style="list-style-type: none"> Use the 'Standard for the calculation of production cost for outsourcing production' when negotiating a contract to reach an agreement on the production cost Additional cost will be paid upon additional production request by the broadcasters Broadcasters must notify in advance when there is a change to the production period, and production expenses that have been spent as of the time of the notification must be reimbursed Payment of the production cost <ul style="list-style-type: none"> Specify in the contract production cost payment by production stage. If necessary, an advance payment can be made followed by prompt payment after the delivery of the program
Article 4 Copyright and distribution of revenue	<ol style="list-style-type: none"> Copyright ownership and transfer <ul style="list-style-type: none"> Specify attribution, types of right when transferring the copyright, the period of transfer, etc. Use of the program and profit distribution <ul style="list-style-type: none"> Specify the revenue distribution ratio, payment period, etc. in the contract, to be used as evidence when distributing revenue
Article 5 Efforts for Co-prosperity	<ol style="list-style-type: none"> Win-win consultative body <ul style="list-style-type: none"> Operate a win-win consultative body to establish plans for substantive operation Grievance management <ul style="list-style-type: none"> Make efforts to improve the working environment surrounding to outsourcing contractors

Following the announcement of the guideline, on August 21, 2019, the Commission held an information session for terrestrial broadcasters and general service program providers to explain the details of the guideline. After the preparation period for implementation, the guideline officially went into effect in November.

Moreover, the Ministry of Culture, Sports and Tourism and the Commission conduct a survey on broadcasters and producers on a regular basis to check the status of outsourcing production market

transactions, such as the form of outsourcing contracts, the time of signing the contract, the distribution ratio of the rights and profits, and the method of the production cost payment.

From 2020, the Commission plans to conduct semi-annual performance checks on outsourcing contracts that have been signed in the last six months in order to encourage broadcasters to comply with the guideline.

b. Build a Fair Competition in the ICT Ecosystem

1) Promote the Introduction of Pre-approval System for Wireline sales outlets

The Commission has established pre-approval guidelines for wireline sales outlets in order to prevent the disruption of the distribution order and damage to users due to the negative transaction and illegal business activities in the wired distribution network.

'The pre-approval of the wireline sales outlets' is a system which requires telecommunications business entities to approve the sales rights of sales outlets after screening for eligibility. This is to prevent damage to users arising out of personal data breaches and the illegal businesses of sales outlets that handle telecommunications services, and combined products and services.

Since 2014, under the 「Mobile Device Distribution Improvement Act」, mobile communications sector had already implemented the pre-approval system. But the pre-approval system for fixed-line retailers, which deals with high-speed Internet and paid broadcasting, was operated on their own without any legal basis. That called for addressing the loopholes in the regulation.

To this end, opinions were gathered from stakeholders such as the Korea Mobile Distributors Association, the Korea Mobile Store Association, and the National Mobile Communication Commercial Association. And even after the implementation of the guideline on the pre-approval system in September 2019, meetings have been organized (6 times) with carriers, distribution association and sales outlet representatives, and engaged in activities for guidance regarding the first and second implementation of the pre-approval (visiting sales outlets and holding information sessions).

Table III- 42 The number of people participating the regional information session on the pre-approval system (Unit : person)

Date	Region	Participants
November 18 th	Seoul	26
	Incheon	38
	Gyeonggi	24
November 19 th	Daegu	47
	Daejeon	10
	Gwangju	13

Figure III-51 Information session on the implementation of the pre-approval system for wireline sales outlets



It is expected that the implementation of the pre-approval system in the wireline sales outlets will increase transparency in the distribution market and protect users by preventing illegal businesses of sales outlets that have not been approved. Looking forward, the Commission plans to provide official online application forms and reward systems and to revise the guideline to include provisions on the withdrawal of the pre-approval applications by sales outlets that engage in unfair and illegal businesses,

2) Detailed Criteria for Economic Benefits (Notice)

The Commission found that excessive competition among operators in the already saturated wired market has caused discrimination against users regarding giveaways to users upon service subscription. An effective regulation was needed to prevent discrimination against users, so that the Commission has developed the Detailed criteria for Economic Benefits (Notice).

Market monitoring and weekly market status meetings have been organized to enhance the effectiveness of the new regulatory system. In addition, the user discrimination index was established. A mutual reporting system between business operators was implemented to strengthen market monitoring, while an online and offline group was formed to check for violations and take real-times measures to

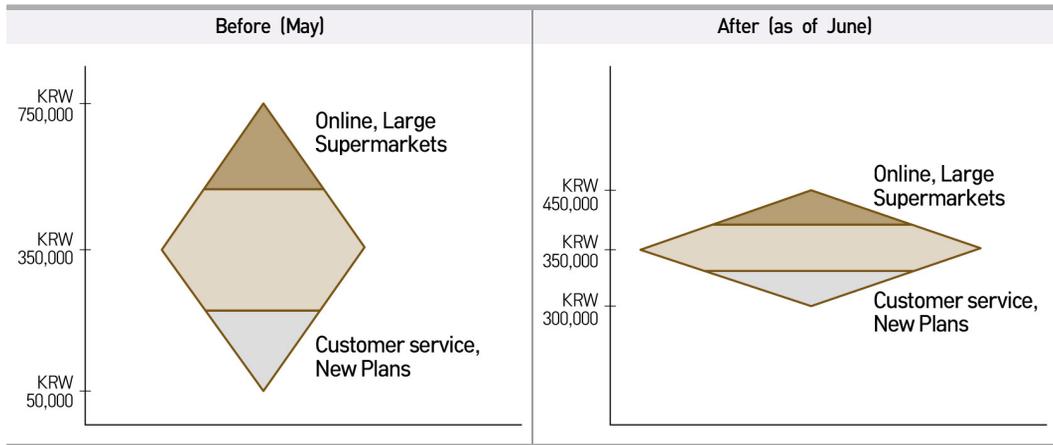
improve the situation.

In addition, through market monitoring and the on-site inspection of the distribution network, an economic effect analysis was conducted to see the effect of the giveaway announcements on the market and understand the impact of the regulations.

In the revised giveaway regulations, the previous upper limit regulation has been changed to the user discrimination regulation. This will reduce user discrimination as it will allow similar giveaways to be provided to users who use the same service regardless of region, age, and the subscription route.

Whereas new and existing subscribers who are entering new plans received low-priced giveaways (approximately KRW 170,000), the average amount of giveaways have now been increased (approximately KRW 330,000) to reduce discrimination against users and increase the overall user welfare.

Figure III-52 Changes in giveaways according to the introduction of giveaway notice (based on Internet + TV combined products)



3) Establishment of the Guideline on Open Market Devices

To establish a fair competition in the mobile communication terminal distribution market and to enhance the convenience of the open market device (OMD) users, the Commission developed the 'Guideline on Open Market Devices' to be effective as of January 2020.

Recently, the government's policy to activate OMDs increased the demand for OMD. However there have been concerns about the infringements that may arise during the distribution process of OMDs such as illegal subsidies by the mobile operators, limited choice of the users, and unfair discriminations, due to lack of explicit legal provisions.

In response to this, the Commission formed a research group meeting joined by the Korea Information Society Development Institute (KISDI), mobile carriers, terminal manufacturers, and distribution stores to prepare the guidelines by reviewing the customer complaints and cases of illegal sales, etc.

The main content of the guideline on OMD are as follows: ① Prohibit refusals, interruption and quantity

limit in distribution during the production and distribution stage and prohibit the differentiated methods of applying service standards, ② Prohibit discrimination in connection with the subscription conditions of a certain mobile operator at the sales stage and notification of the OMD sales price (including tax) at the stores, ③ Prohibit discrimination regarding the handling of subscription and fees during the subscription stage and prohibit refusal and delay and additional subscription procedures, ④ and prohibit discrimination against the conditions of providing AS and insurance for lost or damaged devices.

In order to help the ‘Guideline on Open Market Devices’ to be fully adopted in the market, the Commission plans to operate a consultative body joined by experts and an center for reporting unfair activities. The implementation of the guideline is expected to prevent illegal actions such as unfair subsidies during distribution and user discrimination and promote the sound development of the terminal distribution market and user welfare.

4) Domestic and Foreign Open Market Device Price Information

The Commission announced that it will provide the price information of open market devices (OMD) at home and abroad from May 9. The domestic and foreign price information of OMDs, including the price of open markets, can be found at the Wise User Portal (www.wiseuser.go.kr).

Figure III-53 Terminal device price information open to the public



The Commission had previously provided price information on domestic and foreign mobile communication carriers’ terminal devices as well as devices by manufacturers but many have requested for additional information and an easy access to the open market prices.

First, websites with the highest market share in 17 countries were selected. The prices of one of the latest

flagship terminal devices from global manufacturers (Samsung Electronics, LG Electronics, Apple) have been presented. In 2019, two devices (Galaxy S10, iPhone XS) were posted (LG Electronic's G8 was excluded because it could not be compared to other countries). In addition, as the prices posted on the open market fluctuate depending on the time of inquiry, the lowest and highest prices are separately posted.

A research revealed that the price of the open market is lower than or equal to that of prices posted by the manufacturers in most countries. For example, in Korea, the price of Galaxy S10 appeared to be the same as the price posted by the manufacturer, and that of iPhone XS turned out to be slightly lower (based on prices in April).

It is expected that the open markets, designed to part of the government innovation, will further vitalize the distribution of OMDs.

Figure III -54 Prices of devices posted on wiseuser.go.kr



5) Planning to Minimize the Fraudulent Sales of Terminal Devices

The Commission announced its plan to establish 'Measures to prevent and minimize the fraudulent sales of terminal devices.' Such an improvement is being made to prevent and minimize damages caused by an increasing number of the fraudulent sales of mobile phones which include the luring of people with high subsidies for mobile phones.

Fraud schemes related to mobile phone sales is a matter that requires investigation and trial by law enforcement agencies, and it is difficult for the committee to investigate directly and rescue victims. The Commission established a policy focusing on market management and user protection, that aims to ① strengthen the management of retailers used by the majority of the people, ② raise the awareness of users to strengthen resistance to fraud, ③ provide legal assistance to minimize the damages caused by fraud. The

details of the policy are as follows:

- ① “Promote on-site management to strengthen the responsibility of the retailers used by the majority of the people and to proactively block the illegal actions conducted by suspicious retailers.” Analyze the subscription history of the retailers and conduct on-site inspections when there are abnormal signs; closely monitor the online channel in which fraud frequently occurs; reveal the name of the seller to hold them accountable and; conduct intensive monitoring during the pre-booking periods when market overheating occurs.
- ② “Provide information on the types of fraudulent sales to strengthen resistance against fraud as a lack of information and anticipation for illegal subsidies lead to fraud.” Select four types of typical fraud cases and promote them continuously; promote the users to check for fraud by checking pop-ups and text messages before and after filling out the subscription form; in particular, conduct fraud prevention training for vulnerable groups such as the elderly and youth; and send out fraud advisory if fraud cases are expected upon the launch of a new terminal device, etc.

Table III-43 Four types of typical fraud schemes

Typical Fraud schemes
<ul style="list-style-type: none"> • Promising free(or discounted) terminal device for advance payment • Promising to sign up a mobile phone for you when there is a large subsidy and asking you to leave your ID card with them • Writing an informal contract (promising to give you the subsidy by using a code) • Recommending a three-year contract and promising to waiver the remaining installment after two years

- ③ “Operate a support system within the Korea Association for ICT Promotion (KAIT) to help victims of fraud receive legal assistance and compensation as many are from vulnerable groups and have difficulty acquiring information related to legal procedures such as compensation.” Conduct store monitoring, promote to users and implement the fraud advisory system from October 2019; revealing the name of the seller needs revision thus that will be implemented later in the year; strengthening the checking procedure for fraud, preventative education, legal support will be begin in the first quarter of 2020.

If fraudulent crimes continue to occur, unnecessary socioeconomic costs are expected due to real damages affecting users as well as degraded reliability of mobile telecommunication services. For this reason, the Commission plans to actively promote the above-mentioned strategies to minimize fraud.

c. Strengthen the Inspection of Unfair Practices

1) Implementing Guidelines for Creating a Win-win Environment for Home Shopping Broadcasters and Suppliers

In January 2019, the Commission enacted and implemented the ‘Guideline for Creating a Win-Win Environment for Home Shopping Broadcasters and Suppliers’ to create a fair trade system for home

shopping broadcasters and suppliers and to promote a win-win cooperation.

The guideline includes regulations that prohibit the unreasonable cancellation and change of the broadcasting programming by home shopping broadcasters, distribution of fees in a flat rate or mixed (fixed rate + fixed amount) method, and the unfair transfer of all or part of the production cost of broadcasting for the sales of products.

In addition, it requires home shopping broadcasters to establish a standard for pre-production video production cost sharing and to notify the suppliers of the standard in advance and prohibited home shopping broadcasters from changing the contents of the Terms and Conditions to be unfavorable to the supplier such as unfairly increasing the existing sales commission rate due to the fact that they are bearing the cost of producing pre-production videos.

On June 27, in cooperation with the Korea TV Home Shopping Association, the Commission held a 'Declaration of the win-win cooperation between TV home shopping and suppliers (partner)' present voluntary cooperation and the compliance of home shopping broadcasters, joined by the representatives of 7 TV home shopping broadcasters and 7 suppliers (partners). The 'Win-win cooperation between TV home shopping and suppliers (partner) agreement' which includes compliance guidelines for home shopping broadcasters and the establishment of the standard for the pre-production video production cost sharing, was signed and exchanged by both parties.

The Chairman said that TV home shopping broadcasters made a pledge to deal with unfair practices in the home shopping market, establish a fair trade system, and create a mutually beneficial environment, which is not only in line with the government task, 'Better Economy for Everyone-A Fair Economy of Vitality' but a very important promise for the future development of the TV home shopping market.

By checking the implementation process of the guidelines, the Commission will continue to make the efforts to create a win-win environment that enables user protection and fair trade to take place in the TV home shopping market.

Figure III -55 Declaration of the win-win cooperation between TV home shopping and suppliers



2) Imposition of the Correction Order Against Violations of Broadcasting Companies

From September to December 2018, the Commission inspected the status of the payment of program fees for PPs by paid broadcasting business entities and conducted a fact-finding investigation for those who appeared to have overpaid program fees to their affiliated PPs.

It turned out that unlike its channel evaluation results, CMB was overpaying the program fees to its affiliated PPs while restricting the profits of small and medium-sized PPs, thereby committing one of the prohibited actions pursuant to the Broadcasting Act.

Thus, the Commission required CMB ▲ to prohibit the act of restricting the PP program fees, ▲ to announce the fact they have imposed corrective action on broadcasting and on the website, ▲ to establish an improvement measure to prevent the recurrence of the violations of broadcasting laws within a month period, ▲ to submit the implementation plans and its result in a report. Along with such corrective orders, the Commission also imposed CMB a fine of KRW 96.5 million.

The Commission will continue to pay close attention to monitoring so that paid broadcasters provide proper program fees to PPs and take serious actions against violations.

3) Reducing the Usage Fee for Dedicated Lines to Ensure the Coexistence of IPTV and Content Providers

On June 25, 2019, prior to the meeting to ensure coexistence between IPTV and content providers, the Commission assisted the signing of an agreement which allows content providers to choose the delivery method to help them reduce the cost of using dedicated lines. The meeting was attended by three IPTV companies, the PP council of the Korea Cable Television & Telecommunications Association, and the Korea Broadcasting Channel Promotion Association.

Currently, content providers send their content to IPTV operators through a single line for a single channel transmission. Thus, approximately KRW 39.4 billion (based on the monthly usage fee in 2018) is paid to three IPTV companies annually.

The key point of the agreement allows content providers to select a 'multi-transmission method (multi-channel transmission using one line)' to transmit multiple channels on a single line and save about KRW 3.9 billion per year (about 10%, based on a 3-year contract).

The multi-transmission method will be implemented in 2020 after three IPTV operators finish adopting the relevant equipment.

Figure III-56 Agreement to reduce the content provider's line usage fee



d. Promote the Terrestrial Retransmission Agreement

Normally, the terrestrial broadcasting retransmission agreement is formed through voluntary discussions between the paid broadcasting platform and terrestrial operators. However, to encourage smoother and fairer negotiations, the Commission is closely monitoring the market.

For example, there was a dispute over the retransmission agreement between CCS Chungbuk Broadcasting and MBC in November 2019. The Commission had identified the difference in opinions of both parties in advance and reviewed the possible scenarios working with the Ministry of Science and ICT to prepare for future scenarios.

Given that terrestrial broadcasting retransmission agreements are closely related not only to creating a win-win growth among operators in the paid broadcasting market, but also in securing viewer rights, the Commission will continue to actively promote such agreements within the framework of the current system.

2. Resolve Reverse Discrimination Between the Domestic and Foreign Operators

a. Create a Fair Internet Environment

1) Guideline on the Fair Internet Network Use Contract

From November 2018 to June 2019, the Commission held 10 research group meetings to listen to the opinions of telecommunication companies and Internet companies (CP), and form a draft of the guideline. From July, opinion gathering meetings and the many occasions of the opinion coordination joined by four telecommunication companies and 12 CPs were followed. Then, in November 2019, the guideline was devised with the consideration of the opinion of the stakeholders. And the opinions from the operators,

Korea Telecommunications Operations Association, Korea Internet Corporations Association, Korea Startup Forum, civic groups, three major telecommunication companies and small and medium CPs were also collected.

In addition, the Commission held the 2nd subcommittee of the Internet Win-Win Development Council, composed of business operators, experts, and civic groups (November 19) along with a public hearing (December 5), and an online public opinion gathering (December 5-12). As a result, the guideline on the fair Internet network use contract was developed, outlining the principles and procedures of contracts, types of unfair practices. The guideline is expected to establish a fair Internet network use contracts and contribute to the promotion of user rights.

Table III-44 Details of the guideline on the fair Internet network use contract

Classification	Key Points
Principles of the Contract	<ul style="list-style-type: none"> • Must adhere to the principles of good faith between parties; prohibits the act of unfairly limiting the interests of the other party by taking advantage of higher status; and must make efforts to enter into non-discriminatory contracts with similar contents
Principles of the Written Contract	<ul style="list-style-type: none"> • Must include the principles of the written contracts; must be written in an easy and clear writing; must include complaints handling procedures; must include necessary matters such as transmission capacity and usage period
Provision of Information	<ul style="list-style-type: none"> • Upon request for increasing the cost of using the Internet network, the reason for such an increase must be explained
Type of Unfair Practices	<ul style="list-style-type: none"> • Forcing certain contents of the contract; unreasonable delays and the rejection of contracts; forcing to conclude or reject contracts with third parties; collusion with third parties; demanding conditions that are significantly unfavorable to the other party by comparing the contract to other contracts signed by them, etc.
Criteria for Unfairness	<ul style="list-style-type: none"> • Unfairness is determined in consideration of all of the following comprehensively - the Internet network composition and cost-sharing structure, market conditions such as content competitiveness and business strategy, discount rates due to mass and long-term purchases, and contracts with similar contents.
Responsibility of ISP	<ul style="list-style-type: none"> • Efforts must be made to prevent user damage caused by the changes or termination of the network usage contracts; to perform necessary measures related to facilities so that content providers can continuously improve Internet services
Responsibility of CP	<ul style="list-style-type: none"> • Efforts must be made to prevent user damage caused by changes or the termination of network usage contracts; to provide relevant information to ISPs in advance if a considerable negative impact is expected upon users while enjoying content, such as a change in the internet traffic path or a surge in the traffic they are in charge of.

2) Council for the Internet Win-win Strategy

The Commission formed and operated the 2nd Council for the Internet Win-Win Strategy in June to discuss the win-win strategies on ways to improve and support regulatory policies in response to environmental changes highlighted by the introduction of 5G services, and ways to secure fair global competition.

The 'Council for the Internet Win-win Strategy' was first operated in 2018 as part of government innovation and some of its systems, namely the offshore application and domestic agent system, have been legislated and taken into effect, laying the groundwork to establish advanced telecommunications legislation to resolve reverse discrimination between domestic and foreign business operators. The 2nd council analyzed the current status and result report of the 1st council in 2018 and composed its members by considering the expertise and representativeness including experts from the field of media·management·economy·ICT·legal, consumer·civil groups, domestic·foreign Internet·telecommunications operators, research institutions, relevant organizations, and government agencies.

Table III-45 General meeting of the sub-councils

Date	Topic	Key Points
1st (June 19)	Council operation plan, first presentation	<ul style="list-style-type: none"> • Council operation plan and operation regulations • Market and technology environment changes and policy issues in the age of 5G • Building a virtuous cycle in advance for an economic structure using ICT innovation through future-oriented win-win development consultation
2nd (Jan. 30, 2020 Paper meeting)	Report on results	<ul style="list-style-type: none"> • Report by subcommittees • Confirmed the result report of the Council for the Internet Win-Win Strategy

Table III-46 1st sub-council meeting

Date	Topic	Key Points
1st (July 22)	Ensuring fair global competition	<ul style="list-style-type: none"> • Discuss the amendments to the Telecommunications Business Act related to the use of Internet networks • Discuss amendments to the Telecommunications Business Act regarding the introduction of the domestic agent system and the temporary suspension order system
2nd (Oct. 22)	Improving the use of the Internet network to ensure fair global competition	<ul style="list-style-type: none"> • Ways to improve the domestic Internet network environment
3rd (Nov. 19)	Improving the use of the Internet network to ensure fair global competition	<ul style="list-style-type: none"> • Drafting the guideline for a fair Internet network use contract • Network neutrality which drives the Internet • The need to build a fair, future-oriented ecosystem according to the changes in the ICT environment at home and abroad
4th (Dec. 9)	Win-win strategy for the Internet ecosystem	<ul style="list-style-type: none"> • Measures to support SMEs to build win-win cooperation in the Internet ecosystem
5th (Jan. 20, 2020) Written meeting	Report on results	<ul style="list-style-type: none"> • Confirmed the result report of the 1st subcommittee

Table III-47 2nd sub-council meeting

Date	Topic	Key Points
1st (Sept. 27)	Regulatory reforms to respond to environmental changes	<ul style="list-style-type: none"> • Policy proposals to stimulate the data economy • Deregulation in response to environmental changes: focusing on the Internet
2nd (Nov. 12)	Regulatory reforms to respond to environmental changes	<ul style="list-style-type: none"> • Critical analysis of the consent system of Korea's Personal Data Protection Act • Evidence-based/Risk-based Privacy Regulation Approaches : regulations and protection cases related to the provision of personal data to third parties
3rd (Dec. 13)	Support measures to expand 5G ecosystem	<ul style="list-style-type: none"> • Support the plan to expand the 5G ecosystem • Requests to expand the 5G ecosystem
4th (Jan. 20, 2020)	Report on results	<ul style="list-style-type: none"> • Confirmed the result report of the 2nd subcommittee

Figure III-57 Council for the Internet Win-win Strategy



Taking into account the new policy issues raised in 2019 and the tasks that require further discussion following the 1st Council, the 2nd Council adopted ‘Ensuring fair global competition and win-win strategies for the Internet ecosystem’ and ‘Regulatory reforms to respond to environmental changes and support measures to expand the 5G ecosystem’ as policy agenda. Accordingly, two sub-councils were organized to hold discussions on different topics, and two general meetings and nine subcommittee meetings were held to discuss the agenda.

It is expected that the Council for the Internet Win-Win Strategy would allow the stakeholders to actively suggest policy issues and win-win strategies, thereby improving policies that will help respond to the changing telecommunications environment.

b. Enhance the Regulatory Enforcement in Personal Data

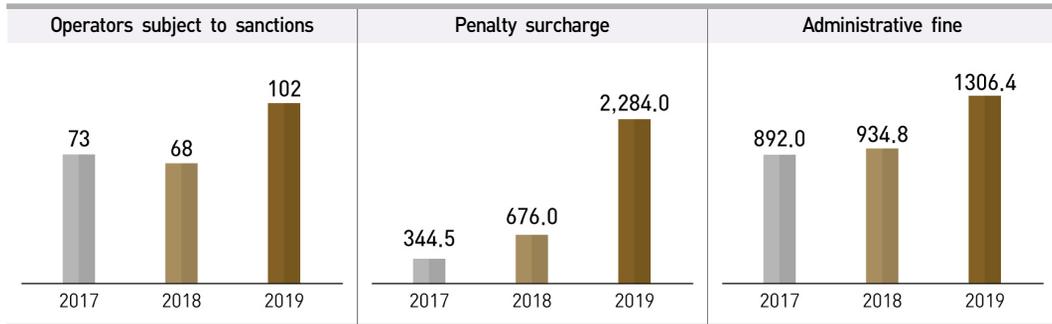
1) Investigation on the Personal Data Infringement

With the development of intelligent information technologies such as AI and IoT and the advent of the data economic era, the value and importance of personal data has become apparent. In the meantime, data infringement cases including the disclosure and leakage of personal data have been on a steady rise. Compromised personal data could cause additional damages when they are subject to illegal transactions or disclosure. A growing number of users are concerned about personal data infringement.

As many infringements occur due to hacking and system errors, etc. the Commission promptly conducted investigations on 286 information and telecommunications operators to prevent the secondary damage of data infringement. Out of 102 companies from which illegal practices were found, a total penalty surcharge of approximately KRW 2.3 billion (18 operators) and a total administrative fine of KRW 1.3 billion (101 operators) were imposed as well as corrective orders (102 operators).

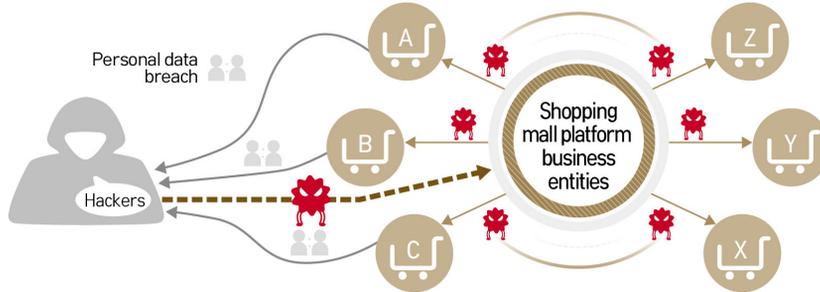
Figure III-58 Statistics of administrative sanctions

(Unit : operator, KRW 1 million)



Among these operators, hacking accidents caused by platform providers resulted in a personal data breach cases on many websites. A total penalty surcharge of KRW 473 million (14 companies), a total administrative fine of KRW 1.12 billion (78 companies), and correction orders (78 companies) were imposed on 78 companies that violated the personal data protection policy. An additional penalty surcharge of KRW 1.8 billion was imposed on social commerce companies which caused system errors due to repeated carelessness. By doing so, the Commission helped strengthen the awareness of the importance of personal data protection.

Figure III-59 Operation of platform providers and the reasons for data infringement



In addition, the Commission conducted investigations to check whether O2O services and virtual currency handling businesses, vulnerable to personal data infringement, are complying with the personal data protection regulations of the Information and Telecommunication Network Act. As a result, a total administrative fine of KRW 70 million and corrective orders were imposed on 10 companies that have violated regulations. In addition, in order to proactively respond to personal data infringement that may arise with the increasing development and distribution of IoT services, a total of 36 companies including two home nets, three home appliances, and four home security companies were investigated, and AI and telematics operators are to be included in 2020.

The Commission's preliminary investigations on areas vulnerable to personal data protection provided an opportunity to raise the awareness of the importance of managing personal and location information and helped prevent user damage by responding to personal data infringement proactively.

2) Monitoring Personal and Location Information Regulation Compliance

The Commission monitored a total of 39,220 information and communications services (web and app) to check their compliance with personal and location information protection regulations and requested improvements by providing administrative guidance to help raise the awareness of the service operators on the need to improve their system.

The Commission monitored websites and smartphone apps, and encouraged improvement by providing the monitoring results, guidelines on the related laws, and training guidance. In addition, for overseas apps, the report of the monitoring results, guidelines for improvement, and commentary on domestic laws and regulations were written in English and leaflets were distributed. The Commission also promoted the importance of personal data protection by providing online and offline education for business operators.

Table III-48 Online personal data protection training

Classification	Key Points
Date	<ul style="list-style-type: none"> February 22-December 14 (12 sessions)
Subject	<ul style="list-style-type: none"> Essential information for those handling personal data including the main content of the relevant laws such as the Information and Communications Network Act and Location Information Act
Method	<ul style="list-style-type: none"> Offline (KISA, Seoul) and online education for business operators who are unable to attend offline courses
Promotion	<ul style="list-style-type: none"> Schedule for education was promoted to business operators who received improvement and administrative guidance as a result of monitoring
Participants	<ul style="list-style-type: none"> An Average of 52 business operators participated in each session; a total of 626 business operators participated

Figure III-60 Personal data protection training brochures and leaflets

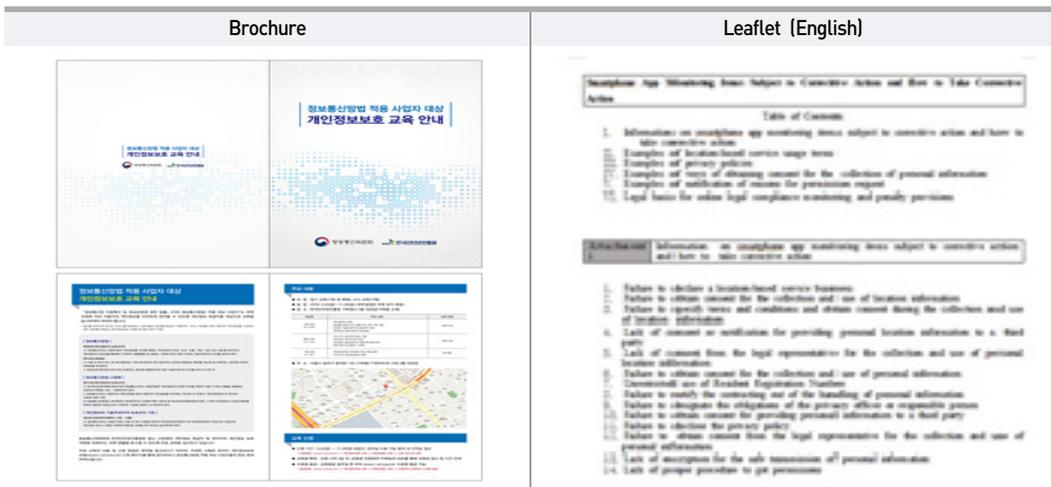


Figure III-61 Personal data and location information protection training



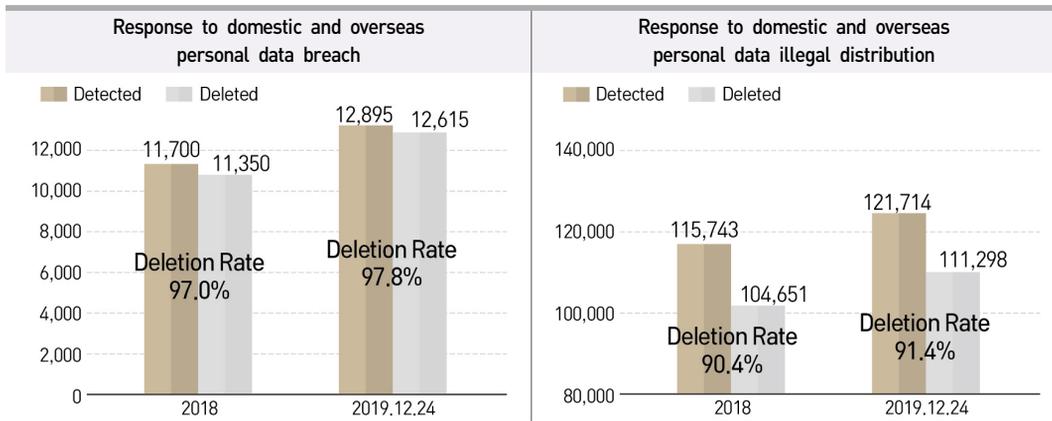
For business operators that failed to address the issues on their non-compliance despite continuous guidance, administrative guidance was delivered. In addition, to encourage voluntary improvements of the app and web operators who have failed to comply with the relevant regulations and have been difficult to contact, a meeting was held for hosting companies⁸⁾ and app market business operators.

Moreover, to proactively respond to additional damages that may result from the personal data breach, the Commission successfully detected and deleted the personal data of Korean people (8 types) disclosed on domestic and foreign websites (as of December 2019, the total deletion rate was 97.8%). Also, from January 2019, the Commission detected personal images disclosed online by using images on resident registration cards and passports. As a result, a total of 2,749 personal data disclosed through images were deleted.

Table III-49 Detection and deletion of personal data disclosed and illegally distributed (as of December 2019) (Unit : case, %)

Classification	Personal data breach			Illegal distribution		
	Detected	Deleted	Deletion Rate	Detected	Deleted	Deletion Rate
Domestic	9,025	8,811	97.63	47,022	46,154	98.15
Overseas	3,870	3,804	98.29	74,692	65,144	87.22
Total	12,895	12,615	97.83	121,714	111,298	91.44

Figure III-62 Response to the personal data breach and illegal distribution



In addition, in order to proactively block illegal transactions of IDs to prevent them from being used for false promotion of goods and services on the Internet and other crimes, etc., an intensive detection and deletion took place from May 3 to June 30. For example, during the intensive crackdown on illegal transactions of IDs, reporting system was introduced and operated, and card news were created and promoted on SNS.

8) Those who produce and operate websites and provide servers

As a result, the Commission requested an investigation for those who wrote posts on illegal transactions of IDs on a regular basis, thereby forming a public consensus on the illegality of personal data breach and raising the awareness on personal data crimes.

c. Strengthening Regulations on Illegal Practices

1) Investigating Restrictions on the Termination of Combined Products

In the 31st general meeting, the Commission decided to impose a total penalty surcharge of KRW 390 million to SKT and SKB, (SKT, KRW 231 million) for restricting the termination of high speed Internet-based combined products by calling the user without the express consent of the user.

Following the imposition of the corrective orders for the act of restricting the termination of high speed Internet-based combined products in December 2017, the Commission conducted an investigation to check if the carriers follow the corrective orders on two occasions beginning in March 2018. The first investigation revealed that none of the four carriers had restricted termination, or if so it was not serious. However, the second investigation revealed that SKT and SKB had made phone calls to users to persuade them not to terminate the contract even they had not received a written consent from the users, thus a fact-finding investigation was conducted for the two carriers.

Table III-50 Restrictions on terminations without user consent

(Unit : case, %)

Classification	Termination Consultation	O/B Consultation			
			Consent	Without Consent	Unconfirmed
SKB	514	359 (69.8)	161 (31.3)	114 (22.2)	84 (16.3)
SKT	435	300 (69.0)	75 (17.2)	135 (31.0)	90 (20.7)
Total	949	659 (69.4)	236 (24.9)	249 (26.2)	174 (18.3)

In accordance with Article 53 of the 「Telecommunications Business Act」 and Article 46 Attached Table 6 of the 「Enforcement Decree of the Telecommunications Business Act」, the Commission imposed fines of KRW 231 million to SKT and KRW 165 million to SKB respectively, considering the degree of violation, essential reasons for weighing and reduction, etc., and imposed a corrective order to both operators to prepare the measures and report on the ways to improve business processing procedures, such as strengthening counselor training and improving counseling manuals.

The Commission will continue to strengthen monitoring to eradicate the excessive termination defenses that affects users. Also, efforts will be made to improve the system by introducing a one-stop conversion system for the compound products of high-speed Internet and paid broadcasting the second half of next year.

2) Investigating the False and Exaggerated Advertising and Promoting System Improvements

There have been growing concerns about false and exaggerated advertising due to excessive competition regarding compound product sales. Against this background, the Commission made system improvements by reflecting the results of on-site and online investigations on major commercial areas such as providing education on preventing false and exaggerated advertising with an aim to protect the rights and interests of broadcasting and communication users.

Table III-51 Meeting with the operators to prevent false and exaggerated advertising

Date/Venue	Key Points	Participants
April 3, Korea Chamber of Commerce & Industry	<ul style="list-style-type: none"> Discuss ways to induce the voluntary cooperation of operators and to improve false and exaggerated advertising 	Public relations or marketing representative of broadcasting and communications operators, KCTA, KAIT, etc.

Table III-52 False and exaggerated advertising prevention education

(Unit : person)

Date	Region/Venue	Participants	Note
April 3	• (Metropolitan Area) Korea Chamber of Commerce & Industry	105	Employees of regional headquarters, distributors, wireline sales outlets
April 18	• (Jeonnam · Jeonbuk · Gwangju) Gwangju Chamber of Commerce & Industry	38	
May 16	• (Gyeongnam · Busan) Busan Chamber of Commerce & Industry	35	
May 21	• (Chungcheong · Daejeon) Daejeon Trade Center	46	
May 31	• (Gyeongbuk · Daegu) Daegu Trade Center	29	
Total Participants		253	

Figure III-63 False and exaggerated advertising prevention education



To this end, the Commission delivered false and exaggerated advertising prevention education on five occasion during April to May, for a total of 253 participants. In May, an investigation was conducted on 428 cases of offline and online false and exaggerated advertising.

Table III-53 Investigation on false and exaggerated advertising (Unit : case)

Date	Areas	Cases Found	Note
May 16	• Busan / Daegu apartment and commercial areas, etc.	22	On-site (230 cases)
May 17	• Busan apartment and commercial areas, etc.	54	
May 20	• Deajeon/Sejong apartment and commercial areas, etc.	42	
May 21	• Gwangju apartment and commercial areas, etc.	36	
May 27	• Seoul and Metropolitan Area apartment and commercial areas, etc.	76	
May 16-27	• Internet websites and online community, etc.	198	Online
Total		428	

The Commission's market monitoring of false and exaggerated advertising has demonstrated that the compliance rate is continuing to increase thanks to prevention education and continuous market monitoring. It appears that the investigation on false and exaggerated advertising has had a positive impact.

Table III-54 False and exaggerated advertising guide compliance rate (Unit : case, %)

Classification	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Total	776	619	741	787	775	712	770	712	570	641	606	606	8,315
Violation	163	127	131	121	145	110	127	110	69	86	78	78	1,345
Compliance	613	492	610	666	630	602	643	602	501	555	528	528	6,970
Compliance Rate	79.0	79.5	82.3	84.6	81.3	84.6	83.5	84.6	87.9	86.6	87.1	87.1	83.8

3) Investigations and Sanctions for the Violations of the Terminal Device Distribution Law

On March 20, 2019, the Commission held its 14th meeting to decide on the 'Corrective Actions for Violation of the Terminal Distribution Act of 3 Mobile Carriers and Distributors'. From April 1, 2018 to August 31, 2018, the Commission investigated the illegal practices of the three major mobile carriers' online sales policies and distributors. The investigation found that all three carriers had induced unfair discriminatory subsidies by paying discriminatory incentives to 35 distributors. And the 35 distributors provided users with publicly announced subsidies or more in the forms of cash payments, free giveaways, and credit card partnership discounts.

In addition, some distributors of KT (2) and LG U⁺ (3) violated the terminal distribution law by requiring a mandatory use period of 3 to 6 months on the condition of providing a separate subsidy that is not included in the Terms of Use to subscribers who used premium plans.

In conclusion, the Commission decided to impose a total penalty surcharge fine of KRW 2.58 billion for the three carriers and a total administrative fine of KRW 133.9 million for 35 distributors.

3. Improve the Regulatory Equity Between Broadcasting Operators

a. Improve the Regulations for the General Service PPs

Changes in the environment of general service PPs, such as its sales and viewership increase has called for regulatory reforms such as improving asymmetrical regulations. In response, regarding the regulations for general service PP, the Commission unified the contribution collection system, applied outsourcing production obligations, and abolished the mandatory delivery of general service PP, thereby revising the relevant regulations to strengthen the public responsibility of general service PP.

In order to strengthen the equity of the contributions to the Broadcasting and Telecommunication Development Fund for terrestrial and general service PPs, a system improvement plan was prepared to unify the collection system. Also, to alleviate the regulatory discrimination between the two PPs, the Commission decided to revise the 「Notice on the contribution to the Broadcasting and Telecommunication Development Fund」. By revising the notice, the Commission decided to unify the method of determining the collection rate of contributions by terrestrial broadcasters, general service PP and news reporting PP, from determining it annually to periodically (every 3 years), considering the mid-term financial trend. The Commission also aimed to increase the fairness and predictability of the contribution rate. Moreover, a collection rate calculation was established so that the amount of contributions can be calculated automatically according to the sales of broadcast advertising, increasing the transparency of contributions.

Meanwhile, the amendment to the 「Enforcement Decree of the Broadcasting Act」 was implemented from June 25, 2019 to require general service PP to comply with outsourcing obligations. As general service PPs become obliged to organize the programs that are entirely outsourced, the Commission revised the 「Notice on program organization」 to stipulate the detailed organization ratios. Considering that general service PP has entered a stable growth trend both in their sales and viewerships, the Commission provided new provisions to oblige general service PP to organize the programs that are entirely outsourced, equal to the ratio of terrestrial broadcasters. In accordance with the principle of the same regulation to the same service, general service PP must include more than 30% of their organization every quarter with those that are entirely outsourced. Also, more than 10% of their organization of outsourced programs must be aired during the main viewing hours⁹⁾, which is the same with terrestrial broadcasters. The Commission expects that the revisions will enhance regulatory equity and resolve discrimination in the regulatory system especially between terrestrial broadcasters and general service PP.

⁹⁾ The peak viewing hours are from 19:00 to 23:00 on weekdays and from 18:00 to 23:00 on weekends and holidays.

Table III-56 Partial amendment to the 「Enforcement Decree of the Broadcasting Act」

Current	Amendment (Proposal)
Article 53 (Arrangement and Operation of Channels) ① Pursuant to Article 70 (1) of the Act, terrestrial broadcasting business entities that provide digital multimedia broadcasting services, CATV broadcasting business entities, and satellite broadcasting business entities shall arrange and operate the channels by observing the following matters by any of the following business entities to ensure that they do not preponderate to a specific field of broadcasting and realize diversity	Article 53 (Arrangement and Operation of Channels) ① (As is)
1. (omitted)	1. (As is)
2. CATV broadcasting business entities and general satellite broadcasting business entities	2. (As is)
a. (omitted)	a. (As is)
b. Required to include channels of program providers engaged in general programming with approval from the Korea Communications Commission under the proviso to Article 9 [5] of the Act;	b. Deleted
c ~ d. (omitted)	c. ~ d. (As is)
3. Satellite mobile multimedia broadcasting business entities	3. (As is)
a. ~ c. (omitted)	a. ~ c. (As is)
d. Required to include at least one broadcasting channel of any program provider engaged in general programming or any other program provider engaged in specialized programming of news reporting	d. Required to include at least one broadcasting channel of any program provider engaged in the specialized programming of news reporting
e. ~ f. (omitted)	e. ~ f. (As is)
② ~ ④ (omitted)	② ~ ④ (As is)

Figure III-64 Media coverage of the abolishment of the compulsory transmission for General Service PP

KBS News (December 3)	JoongAng Ilbo (December 3)
	<p>중앙일보 종편도 경쟁력따라 희비 갈린다, IPTV-케이블 의무 송출 폐지 <small>기사입력 2019.12.03. 오후 2:44 최종수정 2019.12.03. 오후 2:55 기사원문 스크린 본문듣기 설정</small> <small>154 107</small> <small>가 </small></p> <p>유료 방송이 반드시 포함해야 하는 채널에서 종합편성채널(종편PP)이 제외된다. 과학기술통신부는 3일 "유료방송사업자의 채널 구성·운용에 관한 규제 개선을 위한 방송법 시행령 개정안이 국무회의를 통과함에 따라 관보에 게재되는 즉시 공포·시행될 예정"이라고 밝혔다.</p> <p>이번에 개정된 방송법 시행령은 인터넷TV(IPTV)·케이블TV·위성방송 등 유료 방송 사업자가 의무적으로 편성해야 하는 채널에서 종편을 제외하는 내용을 골자로 하고 있다. 과기정통부는 "의무 송출 대상 채널의 수가 최소 19개로 너무 많고, 방송·광고 매출 등에서 시장 경쟁력을 확보한 종편 채널이 공익적 채널을 대상으로 하는 의무 송출 채널로 보기에 부적절한 측면이 있어 제도 개선이 필요하다는 의견이 제기됐다"며 개정 배경을 설명했다.</p>

b. New IPTV Information Submission Regulation

On December 2019, the Commission submitted partial amendments to the 「Internet Multimedia Broadcasting Business Act」, to require Internet multimedia broadcasting operators (IPTV) to submit the relevant documents to the investigation of violations. The main contents of the proposed amendment is to establish a provision for requiring IPTV operators to submit the relevant documents upon investigations for violations and imposing fines upon non-compliance.

Existing broadcasting laws stipulate the submission of documents for investigations related to the violations of prohibited acts against broadcasters such as SO, but the laws applied to IPTV providers only regulate prohibited acts related to fair competition and user interests. Thus, there was a lack of legal provision to require and fine IPTV providers regarding the submission of the documents related to the investigation of prohibited acts.

Previously, the investigation of IPTV operators relied on their voluntary cooperation in accordance with Article 5 of the Framework Act on the Administrative Investigation. However, without their cooperation, investigations could not be conducted. Recognizing this situation, and to improve the fairness of regulations among broadcasting companies and also to resolve the asymmetric regulation among paid broadcasting operators, the Commission has promoted the amendment to IPTV related laws to establish provisions regarding the submission of documents related to the prohibited acts of IPTV operators so that the provisions are on a par with those of the Broadcasting Act.

The proposed amendment to the IPTV related law submitted to the National Assembly obligates IPTV operators to submit documents for the investigation of violations. The provisions include that the details of document submission are delegated to the enforcement decree. Moreover, the provision was established to levy fines upon the rejection of document submission and enhance the overall effectiveness of the relevant rules and regulations.

Table III-57 Partial amendment to the Internet Multimedia Broadcast Services Act (proposal)

Current	Proposed Amendments
Article 17 (Prohibited Acts) ① · ② · ③ (omitted) <Newly established> ④ (omitted)	Article 17 (Prohibited Acts) ① · ② · ③ (As is) ④ <u>The Korea Communications Commission may request submission of the relevant data to Internet multimedia broadcasting providers as prescribed by Presidential Decree, if necessary, for the investigation of the facts of whether the Internet multimedia broadcasting provider has acted under any of the subparagraphs of paragraph (1) or has caused a third party to do so. In this case, the person who is requested to submit data should follow the request unless there is a specific reason.</u> ⑤ (As is Article 4)

Current	Proposed Amendments
<p><u>Article 28</u> (Administrative Fines) ① A person who falls under any of the following subparagraphs shall be punished by an administrative fine not exceeding 10 million won</p> <p>1. ~ 4. (omitted)</p> <p><Newly established></p> <p><u>5-6</u> (omitted)</p> <p>② (omitted)</p>	<p><u>Article 28</u> (Administrative Fines) ① ----- ----- ----- -----.</p> <p>1. ~ 4. (As is)</p> <p><u>5. A person who refuses, interferes with, or avoids submitting data pursuant to Article 17 (4) or submits data in a false manner.</u></p> <p><u>6-7</u> (As is Article 5 and 6)</p> <p>② (As is)</p>

Chapter 4 | Expand the Foundation for Producing and Distributing High-Quality Hallyu Broadcasting Content

1. Improve the Broadcasting Commercial System to Expand Production Resources

a. Improve the Broadcasting Commercial System

Against the background of growing content competition, the Commission is promoting the improvement of the broadcasting commercial system, the basis of the financial resources for production. As a follow-up to the announcement of the policy direction for the improvement of the broadcasting advertising system in November 2018, a proposal for the amendment to the 「Enforcement Decree of the Broadcasting Act」 was prepared in December 2018.

The main content of the proposal is to allow the commercial breaks of terrestrial broadcasting, banned since 1973, to the same level as paid broadcasting and to newly establish the size of the subtitles for notifying commercial breaks (over 1/32 of the screen) to prevent viewer right infringement.

In addition, in January 2019, the legislative notice of the amendment to the 「Enforcement Decree of the Broadcasting Act」 was announced, and a wide range of opinions were continuously collected from broadcasters such as terrestrial broadcasters and paid broadcasters, outsourced producers, civic groups, and related institutes.

Given the changing competitive environment including the growth of paid broadcasting, the Commission is making the efforts to resolve asymmetric regulations that allows terrestrial broadcasters to air commercial breaks. The Commission believe that improving the broadcasting commercial system would help create a fair competition environment for media and strengthen the content production capabilities of the broadcasters.

b. Improve the Sponsorship System

The Commission promotes the improvement of the sponsorship system that serves as sound production resources and enhance the transparency of the sponsorship transaction.

In June 2019, the Commission prepared a proposal for an amendment to the 「Broadcasting Act」 to enhance the publicity and transparency of sponsorships, including the legal basis for sponsorships, a mandatory notice to protect viewers, and the storing and submission of documents related to

sponsorships. This is because the current law only stipulates the definition of the ‘notice of sponsorship’ and to what extent it is acceptable. The detailed standards are outlined in the enforcement decree and determined by rules of the Commission, which lacks provisions on ‘sponsorship’.

Therefore, even if a broadcaster had received an inappropriate sponsorship, it was impossible to find if the sponsorship notice was not given, that caused the problem of transparency in the sponsorship system. And since the ‘notice of sponsorship’ can be made selectively by the operator, some programs would promote a certain health supplement without the notice of sponsorship while simultaneously selling the same product at its home shopping channel organized at the same time.

Accordingly, the Commission prepared a proposal for an amendment that includes the following: ① to prepare legal grounds such as the definition and allowance of the sponsorship, ② to notify the sponsorship when promoting the efficacy of the product sold by the sponsors, ③ to prohibit the so-called ‘gift certificate payment’ and other unfair transactions, ④ to store and submit sponsorship related documents. Legislative amendments were prepared with the main content of the obligation to store and submit support-related materials. The Commission plans to submit the final revision to the National Assembly after the review procedure performed by the Korea Ministry of Government Legislation.

c. Improve the Broadcasting Commercial Sales System

In October 2019, the Commission decided on a proposal for an amendment to the 「Act on Broadcast Advertising Sales Agencies, Etc.」 to prepare a basis for reducing the validity period of renewal from 5 years to three years and to establish a new provision regarding the collection of the opinions of the stakeholders.

It was promoted in accordance with the policy recommendations of the Media Representative Renewal Review Committee in 2017. If the amendment is implemented, then the broadcast advertising sales agency would be granted within the range of two years from the current five years for renewal. The valid period for renewal can be reduced if the agency fails to fulfill the conditions given at the time of reviewing the renewal or if there are serious violations.

In addition, in order to conduct a sound review of broadcasting advertising sales agencies, a procedure was added to listen to the opinions of the stakeholders so that they can be reflected in the results in the review. Such an opinion gathering procedure is applied to the renewal process as well.

The Commission expects that by improving the effectiveness of the renewal process and establishing an opinion gathering procedure in the review process, it will contribute to the establishment of a fair competition environment in the broadcast advertising sales market.

d. The Third Committee on the Balanced Development of Broadcast Advertising

In July 2019, the Commission appointed the members of the 3rd Committee on the Balanced Development of Broadcast Advertising. The Committee was established to ensure the balanced development of terrestrial broadcast advertising in accordance with Article 23 of the 「Act on Broadcast Advertising Sales Agencies, Etc.」. The third committee is composed of 11 persons in total, six persons

recommended by broadcasters and five persons recommended by the Commission, to serve the committee for three years.

The Committee will be responsible for deliberating and suggesting policy improvement measures on issues such as the 'Basic Plan for the Balanced Development of Broadcast Advertisements', 'Evaluation of Support for Network Local Terrestrial Broadcasters and Small and Medium-sized Terrestrial Broadcasters', 'Dispute Mediation in Broadcast Advertising Sales', 'Performance for the Balanced Development of Broadcast Advertisements', etc.

2. Support for the Overseas Entry of the Broadcasting Contents

a. Expand the Broadcasting Co-production Agreement

The broadcast co-production agreement is an agreement between governments that have provisions made through the FTA with an aim to promote co-production and exchanges between the broadcast programs. A co-production agreement is meaningful because co-produced programs can be broadcast without being subject to the restrictions applied to overseas broadcasting programs (organizational restrictions). Co-produced programs, whether it be through investments or participation, are recognized as their own in each country

In 2019, among the ten ASEAN countries, the Commission promoted agreements with Vietnam, Thailand, and Indonesia because they have the largest market size and a high potential to create a Hallyu ripple, and then planned the new agreements with Turkey and Canada.

In particular, the Commission has been discussing a co-production agreement with Vietnam since 2016, and have agreed to the final draft in 2018 which was initiated by the Directors of both countries. Finally, in March 2019, a 'Korea-Vietnam TV Program Co-production Agreement' was signed between the Commission and the Ministry of Information and Communication (MIC) in Hanoi, Vietnam, which was officially entered into force in August 2019.

As the Korea-Vietnam co-production agreement enters into force, programs co-produced by South Korea and Vietnam can be organized by the broadcasters of both countries. In accordance with the principle of reciprocity, co-produced programs can be aired without being restricted by regulations that limit the broadcasts of foreign programs. This means that an important foundation has been laid to further promote Korean broadcasters and the producers' advancement into Vietnam.

Indeed, immediately after signing the co-production agreement, an MOU was signed between the Korea Educational Broadcasting System and Vietnam's VTV to co-produce 'My Happy House(tentative)'. In addition, the Commission selected Vietnam as the host country at the '2019 International Conference on Broadcasting Co-Production', held a 'Vietnam Forum' for companies wishing to enter Vietnam, and operated a 'Vietnam Special Pavilion' to commemorate the Korea-Vietnam TV Program Co-Production

Agreement.

The Commission plans to strengthen the implementation of the agreement and make the efforts to accelerate Korean broadcasters' entry into Vietnam.

Figure III-65 2019 Korea-Vietnam TV Program Co-production Agreement



Furthermore, in June 2019, the Commission signed an MOU with Turkey's Radio and Television Supreme Council (RTUK) to promote a co-production agreement between Korea and Turkey.

It is evaluated that the MOU has laid the groundwork for the co-production agreement and for the exchange and expansion of broadcasting contents in new northern countries that the Commission is focusing on. The Commission plans to diversify the co-production agreement signatories by reviewing the new export market for Hallyu contents.

Figure III-66 2019 MOU with Turkey's Radio and Television Supreme Council (RTUK)



b. Overseas Market Research

With a view to supporting domestic broadcasters to enter the overseas markets, the Commission has selected the potential countries with which to sign the co-production agreements and major countries with active co-production programs since 2018. By doing so, the Commission conducts research on the selected

countries regarding their broadcasting regulations, legal system, broadcasting market characteristics, media service usage behavior, etc.

In 2019, the Commission and Korea Information Society Development Institute (KISDI) conducted an online survey targeting 2,355 local viewers from five countries, including the United States, India, Canada, Turkey, and Hungary, on issues such as the following: ▲ Viewing experience of Korean broadcasting content, viewing method, preferred genre, general perception, factors to consider, viewing opportunities, inconveniences, reasons for not watching, ▲ device used to view videos, platform used, use behavior, ▲ viewing experience of the co-production contents, perception on co-production, factors to consider, and the appropriate genre.

The result of the survey showed that viewers from the United States, India, Canada, Turkey, and Hungary found Korean broadcasting content to be 'interesting', 'well made', 'shows the unique characteristics of Korean culture', and 'suitable for family watching'. They considered whether the content was 'well-made', 'interesting', or which 'genre and format' it is in, when selecting the broadcasting contents.

In addition, when asked if they have seen any co-production program produced by Korea and their country, Turkey (42.9%) and India (35.6%) showed the highest rate which indicates that they could become important bases for Hallyu in the future. Meanwhile, the majority of respondents from the five countries said that co-production between the countries would lead to the positive contribution to the production of broadcasting programs and the development of the broadcasting industry in their own country and said that they consider 'cultural understanding' as the most important factor in co-production.

In response to the question whether there were enough viewing opportunities for Korean broadcast content, many responded below 'average', and for this reason, mentioned 'language barriers', 'lack of channels and sites provided', and the 'lack of advertisements and publicity'. The main reason for not watching Korean broadcast content for all respondents from the five countries was 'because they are not interested in Korea', which demonstrates that in these countries, Korea needs to be promoted as well as its broadcast content.

This survey suggested the basic factors to be taken into consideration for the overseas expansion of broadcasting contents by providing the media usage behavior of local viewers and their perspective on Hallyu broadcasting contents. The Commission plans to expand the survey to other countries, such as Northeast Asia, Russia, the Middle East, and Central and South America, to provide necessary information to broadcasters.

c. International Conference on Broadcasting Co-production

Every year, the Commission holds International Conference on Broadcasting Co-production every year to strengthen the exchange of broadcasting co-productions between countries and to support the overseas entry of Korean broadcasting contents. The conference held in June 2019 was held under the theme of 'Collaboration across Borders and Technologies'. This year, the number of participants was the largest ever, joined by a total of 12 major government agencies related to broadcasting and production and

distribution managers working in the industry. The conference brought people together to discuss experiences, challenges, and the future visions of each country and raised the level of exchange and cooperation, including the co-production of broadcast contents.

The conference was joined by Ebubekir Sahin, Chairman of the Turkish Radio and TV Commission (RTUK) and Yuliandre Darwis, Chairman of the Indonesian Broadcasting Commission (KPI). The congratulatory speech was delivered by Lee Byeonghun, the director of 'Dae Jang Geum,' a pioneer of the Hallyu drama and the keynote speakers were Ed Waller, editor-in-chief of C21, UK, and Nam Seungyong, head of the entertainment division, SBS.

The 'Vision Round Table' was joined by key personnel such as the ministers and deputy ministers from countries such as Turkey, India, Thailand, China, and New Zealand, to discuss the ways to move to a new level of exchange and cooperation with mutual trust in the rapidly changing global broadcasting and communication environment.

In the first session of the afternoon, the Turkish Radio and Television (TRT), Indian broadcaster Doordarshan (DD), Radio Television Malaysia (RTM) led a heated discussion under the theme of 'Content Strategy for the Global Media Ecosystem,' followed by a presentation by a domestic broadcaster on their response strategies in a global environment.

In the second session entitled, 'New Contents of the Age of Media Complex and Hybrid', the Media Nusantara Citra (MNC) from Indonesia and One 31, a terrestrial broadcaster of Thailand's largest media group, GMM Grammy shared their survival strategy in a changing content production environment.

In the third session, the 'Expert Round Table', Korea's first global discussion group, Experts Working Group on Broadcasting Content Beyond Borders (BCBB) was introduced to encourage the participation of the participants. Next, an in-depth discussion took place to spread Hallyu worldwide and promote mutual exchange between the countries. Lastly, in order to promote the overseas co-production of broadcast contents and to stimulate the creative desire of broadcasters and producers, three programs were presented with the 'Best International Broadcast Co-Production Awards'.

At the conference, the 'Vietnam Forum' was opened to commemorate the 'Korea-Vietnam TV Program Co-Production Agreement' which was concluded in March of the same year and to provide various information to domestic operators wishing to exchange broadcast contents with Vietnam. The 'Vietnam Special Pavilion' was operated to expand exchanges between the broadcasters from both countries. A booth for each broadcaster was installed to enable practical business networking to take place for overseas entry.

The Commission hopes that the conference will serve as an opportunity for domestic and foreign operators to network and to promote and sell Hallyu broadcast content.

Figure III-67 2019 International Conference on Broadcasting Co-production



d. Symposium on the Future and Cooperation Strategy of Korea-ASEAN Broadcasting Content

The Commission held a symposium (November 25) in the public hall of the Busan Community Media Center as the official side event of the 'Korea-ASEAN Special Summit (November 25-26) and the Korea-Mekong Summit (November 27). ASEAN countries such as Vietnam, Thailand, Cambodia, and domestic media experts, broadcast content managers, and academics participated in the discussion, and heated discussions were stimulated on ways to promote the exchange of broadcasting contents between ASEAN countries and the co-production of broadcasting contents and the future of the exchange of broadcasting contents.

Kim Sinseok, Director, Furmo DT presented on the 'Co-production Programs with Vietnam,' and Jackkit Sangkittiwat, partner of Time Consulting, a comprehensive media consulting company in Thailand presented on 'The Current Status and Prospects of the ASEAN Content Market and Co-production,' followed by Be Gihyeong's presentation, producer at KBS, on the 'Cooperative Plan for the Co-Production of Korea-ASEAN Broadcasting Contents.'

Based on the discussions of the symposium, the Commission plans to support the network expansion and exchange activation policy to strengthen the co-production cooperation with ASEAN countries.

Figure III-68 Symposium on the Future and Cooperation Strategy of Korea-ASEAN Broadcasting Content



e. Experts Working Group on Broadcasting Content Beyond Borders Founding Ceremony

In June, the Commission held the founding ceremony for the Experts Working Group on Broadcasting Content Beyond Borders (BCBB), founded with support from countries participating in the International Broadcasting Co-production Conference. BCBB is a public, private, academic discussion group (Think Tank) proposed by the Commission to share the broadcast content market and policy information of each country, and to seek the future vision and policy direction of broadcast content. It was designed to promote diversity and the inclusive development of broadcast contents in the production and distribution environment focused on global OTT platforms such as YouTube and Netflix, and to make joint efforts to cope with the rapidly changing media environment.

On the day of the ceremony, Geo Rim of the Cambodian Ministry of Post and Communication (MPTC) was invited as a special guest speaker, and the members of the three divisions shared their plans and impressions. In addition, the government, public institutions, research institutes, and business operators who attended the ceremony signed the 'Pledge of BCBB Members' to promise cooperation and reaffirm their willingness to move forward.

BCBB consists of 113 experts from 25 countries from the agencies responsible for broadcasting policies, broadcasting operators, research institutes, academia, and legal circles in each country (as of December 26). The agenda will be explored and discussed in three subdivisions: "Social Contribution to Broadcasting", 'Regional-friendly Broadcasting Content,' and the 'Promotion of Co-Production and Distribution.'

Figure III-69 The Founding Ceremony of the Experts Working Group on Broadcasting Content Beyond Borders



3. Support and System Maintenance for New Services

a. Institutionalize OTT Services

Due to the continuous development of the Internet, the increase in the distribution of smart devices, and changes in content usage, the influence of OTT (Over The Top) services are continuing to expand. As the

OTT service is currently classified as a value-added telecommunication service under the 「Telecommunications Business Act」, its regulations are weak. Some of the OTT services are considered to be the same or similar to broadcasting, which raises the issues of regulatory equity, fair competition, and the protection of viewers. Moreover, with an increase in the share of overseas operators such as Netflix, concerns over the domestic market erosion of foreign capital are also expanding. Therefore, in order to respond to the growing influence of OTT services and to the full-scale entry of global operators, the Commission promoted the establishment of an institutional foundation and support for domestic operators.

Table III-58 Major type of OTT services

Classification	Operator	Note
① Real time+VoD (Wavve type)	Wavve(major 3 terrestrial operators), Tving(CJ), Olleh TV(KT), LTE Video Portal (LG U+), etc.	Paid and free service
② VoD (Netflix type)	Netflix, Amazon, Watcha Play, etc.	
③ Video sharing and single broadcast (Youtube type)	YouTube, Africa TV (including real-time), Naver TV, etc.	

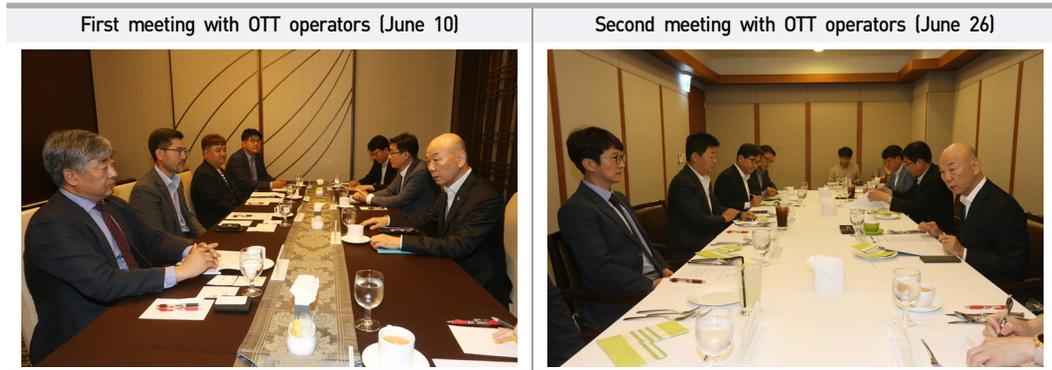
In 2018 and 2019, a bill was proposed to the National Assembly to institutionalize OTT through the revision of the 「Broadcasting Act」 or the 「IPTV Act」. Under the principle of creating a fair competitive environment and protecting the rights and interests of the users, while securing the revitalization of the industry, the Commission confirmed that applying minimum necessary regulations is the most desirable action, and actively promoted the discussions on proposals for amendment.

On June 10 and 26, the Commission organized a meeting to gather opinions and grievances on its institutionalization from 11 OTT operators¹⁰⁾. The operators presented their business progress, OTT activation strategies, future visions, and explained that the OTT service business environment has deteriorated, with the growing competition in the global media market. The suggestions are that government-level support is needed when it comes to the establishment of the method of calculating network usage fees and the institutionalization of OTT services with an aim to level the playing field with global operators. They particularly requested that the regulations related to OTT services must be carefully examined so that domestic and overseas operators alike can have an equal influence on the market. They also requested for the Commission to establish the relevant standards and regulations that allow global operators to pay the network usage fee under the same conditions as the domestic operators. Commissioner Lee Hyo-seong said that as the media market expands with the rise of OTT services, it has become necessary to consider the provision of global laws and systems. He reassured that the current proposal for an amendment to the relevant law has been submitted to the National Assembly, and the Commission will make every effort to establish the regulations to the extent that do not hinder the expansion of the OTT, but are necessary to ensure a fair competition in the market and protect users. The

10) Gom TV, Africa TV, Mgoon, Watcha Play, Pandora TV, POOQ, Tving, Everyon TV, Oksusu, Olleh TV Mobile, U+ Mobile TV

participants agreed that content production and the distribution capability is of the utmost importance in the coming OTT era and confirmed to strengthen the global response in the field of broadcasting and communication through cooperation between governments and businesses.

Figure III-70 Meeting with OTT operators



In addition, by introducing the OTT consortium, the Commission encouraged domestic operators to enhance their competitiveness in the global market by increasing cooperation between the broadcasting and telecommunications operator and strengthening R&D capabilities. To secure regulatory equity in the future and to create a fair competition environment for the market, the Commission plans to resolve the reverse discrimination between domestic and overseas operators and protect users while actively supporting the global response of the domestic operators by improving the legal status and classification system for converged media services such as VOD and OTT.

b. Reorganize the Terrestrial UHD Policy

With the evolution of broadcasting technology, a more vivid and realistic terrestrial ultra high definition (UHD) environment has arrived, and viewers' interest in the next generation broadcasting service is increasing. Against this background, the Commission aired terrestrial UHD broadcasting in the Seoul Metropolitan Area in May 2017 and expanded it to the Pyeongchang and Gangneung areas in December 2017. The Commission plans to end HD broadcasting within 10 years, in 2027.

Table III-59 Terrestrial UHD broadcasting introduction schedule

First Phase	May 31, 2017 Broadcasting in the Seoul Metropolitan Area (Completed)	<p>Metropolitan Area (May, 2017) → Regional Cities, Pyeongchang (Dec, 2017) → Nationwide (2021)</p>
Second Phase	December 2017 Expanded to Regional Metropolitan Cities, Pyeongchang and Gangneung (Completed)	
Third Phase	Following the schedule of the new terrestrial UHD broadcasting policy plan (to be established in July 2020)	

The review of the terrestrial UHD broadcasting policy was continuously raised through the National Assembly and broadcasters as they felt the need to consider the changes in broadcasting environment and technological conditions since the establishment of the 'Policy for the Introduction of Terrestrial UHD Broadcasting' (December 2015).

To this end, the Commission formed and operated the 'UHD Promotion and Inspection TF' (April to June 2019) joined by the Ministry of Science and ICT, broadcasters, and research institutes to discuss the direction of the UHD policy to strengthen UHD broadcasting. The task force inspected the terrestrial UHD broadcasting progress and listened to opinions on the UHD program recognition standards and mandatory organization ratio, UHD infrastructure and content investment. Based on the works by the task force, the 'UHD Program Recognition Criteria' was revised in August 2019, in consideration of the UHD broadcasting production, investment, and technology conditions. Through the amendment, the Commission tried to encourage the production and organization of programs that contribute to the realization of public interest and regionality, such as programs targeted for the underprivileged and local broadcasting programs. In addition, the Commission decided to establish a new terrestrial UHD policy plan by July 2020, taking into account viewer interests, global market trends, and the financial conditions of broadcasters. To establish a temporary standard to be applied until the final implementation of the new terrestrial UHD broadcasting policy plan, a 'provisional measure (proposal)' was deliberated and decided on December 11, 2019.

Table III-60 Terrestrial UHD broadcasting policy measures (draft)

- {2nd phase metropolitan area operators} Modify the conditions for the mandatory organizational rate (25%) applied in 2020 to be the same as the rate of the mandatory organizational rate applied to the first phase metropolitan area operators (20%); organizational rate is to be modified upon the implementation of the new policy plan.
- {3rd phase city and county operators} The introduction of terrestrial UHD broadcasting in the city and county area, originally planned for 2020-2021, will follow the schedule of the new terrestrial UHD broadcasting policy plan

Meanwhile, as it became necessary to prepare a plan to secure the ratio of the organization for those who have not complied with the ratio of compulsory terrestrial UHD, the Commission promoted monitoring for the UHD program organization and review process for renewals to expand high-quality UHD program organization. From February to August, 2019, terrestrial broadcasters had been monitored for the performance of UHD permit conditions such as compliance with the mandatory UHD program organization ratio and content investment and corrective orders were imposed on broadcasters (3) that failed to comply with the UHD mandatory organization rate in 2018. In addition, it has been pointed out that there is a lack of content investment and promotion of UHD. Therefore, several renewal items have been added to promote UHD, such as whether the operator has executed more than the content investment amount and the establishment of a detailed investment plan regarding the production facility of the UHD.

Due to delays in discussions on transmission support between KBS and EBS, permission for the UHD

broadcasting stations for EBS was pending. Therefore, on October 2019, a proposal for the amendment to the 「Broadcasting Act」 was prepared and submitted to the National Assembly to specify the scope of KBS' transmission support for EBS. In addition, the Commission invited experts to discuss AI upscaling technology, overseas 4K·8K UHD promotion status (July 1) and held a meeting with terrestrial broadcasters on the issues related to terrestrial UHD broadcasting (August 22, December 9). After inspecting the status of the terrestrial UHD broadcasting policy initiatives and encouraging operators, the result showed that the ratio of the UHD program formation (5.5% in 2017 → 10.9% in 2018) increased, contributing to the expansion of the viewers' choices. In order to help people enjoy high-quality next-generation broadcasting services through the free, universal terrestrial UHD broadcasting, the Commission plans to operate a 'Special Committee on Promoting UHD Broadcasting' to develop policies by taking into account the changes in the media environment, market conditions and overseas UHD status.

4. Encourage Competition and Expand Data Openness

a. Secure Publicity During Mergers and Acquisitions Between Companies

In the context of the mergers and acquisitions between SK Broadband (hereinafter referred to as SKB) and T-broad, and LG U+ and CJ Hello, it has become necessary to examine the publicity and regionality of broadcasting in the process of M&As between media companies and promote content investment. In March 2019, the Commission improved the market planning and analysis method related to the evaluation of the broadcasting market competition by taking into account the environmental changes such as the development of broadcasting and communication technologies, the growth of new types of broadcasting services, and changes in institutions.

While the Fair Trade Commission and the Ministry of Science and ICT were in the process of reviewing the application for the merger of SKB-T-broad in May 2019, the Commission prepared and released the 'Agreement Plan for the Change Permits for T-broad, etc.' The plan comes after T-Broad, a CATV broadcasting company, applied to the Ministry of Science, Technology, Information and Communication for a change permit in order to merge with SKB, an Internet multimedia broadcasting company. In accordance with Article 9, Paragraph 2 of the 「Broadcasting Act」, the Minister of Science and ICT must obtain the consent of the Commission in advance of granting renewals or permission for change for CATV broadcasting business entities, etc. Keeping in line with the review items in Article 10 of the 「Broadcasting Act」, the Commission outlined 9 review items: ▲ Possibility to guarantee access to broadcasting services, ▲ possibility to secure the diversity of broadcasting service providers, ▲ possibility to protect viewers (users), ▲ (for merger corporation and those who wish to become the largest shareholder) possibility to fulfill public responsibility, ▲ possibility to secure diversity of content sources, ▲ adequacy of the regional channel operation plan and community contribution plan. The review committee, which includes external experts, adopted and presented the results of the review. After considering them, the Commission decided

whether or not to agree to the prior consent and conditional matters, and then notified the results to the Ministry of Science and ICT. The committee plans to finalize the review plan through additional expert consultation, etc., after the request for prior consent from the Ministry of Science and ICT.

Table III-61 Review items for prior consent to permission for change for Tbroadcast, etc.

Review Criteria	Review Items
1. Possibility to realize public responsibility, fairness and public interest in broadcasting	<ul style="list-style-type: none"> • Able to guarantee access to broadcasting services • Able to secure diversity of broadcasting service providers • Able to protect viewers (users) • Able to fulfill public responsibility (for merger corporation and the largest shareholder)
2. Appropriateness of the broadcasting program planning, organizing, and production planning	<ul style="list-style-type: none"> • Able to secure diversity of content sources
3. Local, social and cultural necessity and validity	<ul style="list-style-type: none"> • Adequacy of regional channel operation plan and community contribution plan
4. Appropriateness of the management plans such as organization and personnel management	<ul style="list-style-type: none"> • Reasonable and efficient organizational operation
5. Financial and technical skills	<ul style="list-style-type: none"> • Financial stability and adequacy of investment plans
6. Support plan for the development of broadcasting services	<ul style="list-style-type: none"> • Potential to contribute to the development of the media industry

b. Expand Data Openness

1) Broadcasting Statistics Portal

The Commission provides public data related to broadcasting statistics and the field of broadcasting through the Broadcasting Statistics Portal so that businesses, research institutes and the general public could have access to the data. Since January 2, 2018, the Commission has provided statistical data on a single website so that citizens access them easily and conveniently.

The 2019 portal provided statistical information in eight areas: the results of broadcasting media usage; the evaluation of the competition of broadcasting service operators; audience share by channel; status of the broadcasting industry; KI viewer evaluation index, status of the formation of broadcasting service providers; property situation of broadcasters, and broadcasting evaluation.

The Broadcasting Statistics portal is focused on charting statistics that users are interested in, improving readability, while providing the subject-specific (broadcasting recipients, its industry, and its service providers) broadcasting statistics and enhancing user convenience, such as the direct link to the official website of the Commission.

Figure III-71 Screen capture of Broadcasting Statistics Portal(mediastat.or.kr)



2) Value Analysis System (Response about Content on the Internet, RACOI)

The Analysis System, launched by the Commission in January 2018, is a website that provides the results of domestic and the foreign viewers' responses of domestic broadcast contents on the Internet. The system is largely composed of three menus (Internet response, comprehensive response, and overseas response).

Internet responses collect the responses on the Internet regarding the broadcasting contents (drama and entertainment) aired on 29 broadcasting channels (five terrestrial channels, four comprehensive PP channels, and 20 general PP channels). Weekly survey results are provided through "Viewer Buzz" and "Media Buzz".

Comprehensive responses offer the Internet response index, TV viewing rates and real-time and non-real time VOD viewer data watched on PC and mobiles on a single screen. Since 2019, users can search not only monthly but also weekly results. Lastly the "Foreign Response" section offers the results of a survey by four foreign countries(China, Japan, Vietnam and Indonesia) where Korean dramas are popular, making it available to learn about the overseas responses of Korean broadcasting content.

In 2019, the Commission improved the service by establishing a search menu on the website and introducing convenient functions such as the word cloud, user guide, and library menu. Through the Value Analysis System, the Commission hopes not only to provide users with a variety of indicators for evaluating broadcast content, but also to promote Hallyu by collecting, analyzing, and releasing the Internet responses of domestic and foreign viewers.

3) Survey of Spam Distribution status

In September 2019, the Commission announced the current status of spam distribution for the first half of 2019, which surveyed the amount of spams sent via mobile phones and emails, the amount received, and spam blocking service's blocking rate. As the result of the survey on spam distribution is public data, it is posted on the Public Data Portal (www.data.go.kr) and has been published twice each year since 2012 in order to encourage business operators to voluntarily reduce spams and to improve the public's right to know.

The survey of spam distribution status in the first half of 2019 analyzed spam cases reported at the Korea Internet & Security Agency from January to June, and spam detected by the system. The survey results of the spam blocking rate and major measures to reduce spam were included.

The survey found an increase on the voice spams of illegal loans through Internet phone services and an increase in text messages spam related to gambling, sent through the mass texting service. Specifically, the number of voice spams by mobile phone amounted to 600,000 cases (7%) and that of text spams reached 950,000 cases (17%). The main reason for the increase in voice spam was illegal loan spams that recorded 1.08 million cases (68%). The main reason for the increased text spam was the gambling texts which amounted to 590,000 cases (25%) of gambling text and illegal loan text recorded 160,000 cases (28%). Out of the total number of text spam, 5.46 million cases (83%) were sent through a mass texting service. On the other hand, e-mail spam decreased by 16.22 million cases (44%) due to the drastic reduction of spam from China.

The Commission announced its plans to further strengthen the countermeasures against illegal spams based on the results of spam distribution. As spams through the mass text sending service continue to account for more than 80%, the Commission plans to cut down the spam reduction rate by strengthening the on-site inspections for mass text sending service providers. Furthermore, in order to respond to spam messages sophisticated enough to bypass the spam blocking system, the Commission plans to continuously seek ways to increase the spam blocking rate by tapping into AI technology to advance the big data analysis, detection and blocking system.

4) Open System for Spam Data

In order to minimize the social and economic damages on the public caused by the growing number of crimes in forms of voice phishing, financial fraud, and illegal gambling that begin with spams, the Commission established the 'Spam Big Data Project' in 2019.

Recently, social and economic damages such as online gambling, lending fraud, and stock investment fraud have been continuously raised, and text message spams and voice spams have been used as gateways to these crimes. Gambling, illegal loans, and stock-related spam accounted for more than 60% of all spams reported in 2019 and the number of similar malicious spam reports has more than doubled over the past three years (7.12 million in 2016 → 15.64 million in 2019).

Up until then, the government had made the efforts to block spam by introducing various spam blocking technologies including an image spam blocking service and voice spam blocking service. However, as spam senders transmit illegal spam by using intelligent methods of anomalous techniques to evade the government's spam blocking system, existing countermeasures alone were insufficient to effectively block the spams. Accordingly, the Commission decided to disclose spam data, previously been used only for processing and investigating individual complaints, to the related agencies so that they can quickly respond to related crimes by using the provided spam data.

Considering a growing number of illegal loan and gambling related spams that cause damages on the public on economic and social aspects, the Commission tried to implement a system to effectively prevent spam-based crimes by sharing spam data in real time with the relevant regulatory agencies (Korea Racing Authority, the National Gaming Control Commission, Financial Supervisory Service, etc.). Spam data contains key information about the crime, such as the address of the gambling site. Therefore if used properly, it may help reduce the number of such crimes.

The 'Spam Big Data Project' was fully implemented on October 12, when the Korea Internet & Security Agency (KISA) signed an 'Agreement to eradicate illegal horse racing and gambling spam' with the Korea Racing Authority. The project awarded the Excellence Award for 'Creating a crime prevention collaboration system by disclosing spam data' at the Broadcast and Communication Government Innovation Concert¹¹⁾ held on November 26.

In addition, to develop spam blocking technology and models by using creative ideas from various public and private sectors, the Korea Internet & Security Agency (KISA) and KB Financial Holdings co-hosted a competition, the Development of Text Analyzing Algorithm to Prevent Loan Fraud (November 21, 2019-January 12, 2020). A total of 650 teams participated, and the final 440 teams submitted the data analysis results. It demonstrated that many participants from academia and research institutions had a thirst for developing systems to block spam. The Commission will continue to play a role in developing new spam response technologies.

The Commission will support the establishment of the 'Illegal Online Gambling Monitoring System' by the Korea Internet & Security Agency in cooperation with the National Gaming Control Commission. And through system connection, the Commission will continue to promote the ways to share information on the gambling spam reported and received by the Korea Internet & Security Agency. In addition, to support the immediate measures to block illegal websites and the punishment of those responsible for illegal act through collaboration between public and financial institutions and private companies, the Commission plans to establish an open system for spam data and continue to promote cooperation with various regulating agencies in 2020.

11) Commission held a concert to promote the innovation activities in broadcasting and communications so that best practices of government innovation could be shared of government innovation and to raise public interest in government innovation.

Table III-62 Key cooperation in 2019

Agency	Key Points
Korea Racing Authority	(Gambling Spams) An agreement to block domestic and foreign illegal horse racing sites (October 12)
National Gaming Control Commission	(Gambling Spams) Agreement to provide spam data upon the establishment of the National Gaming Control Commission's 'Illegal Online Gambling Monitoring System'(March 26, Cooperation Plan)
KB Financial Holdings	(Loan Fraud Spam) Co-hosted a competition for developing text analysis algorithm to prevent loan frauds, etc. (November 21, 2019-January 12, 2020)

Figure III-72 Agreement signing ceremony and government innovation concert



5) Open System for Location Information

The use of big data, which is a key resource driving the Fourth Industrial Revolution, is increasingly becoming important. Location information in particular is being used extensively in various fields such as disaster prevention, emergency rescue, and national safety. However, due to the cost of positioning an infrastructure required for location information, SMEs have expressed difficulties related to entering the indoor location-based service field and developing new services.

In response to this, the Commission disclosed a nationwide subway Wi-Fi AP(Access Point) DB on the public data portal (data.go.kr) to enable start-ups and private companies to use the data. The data was collected by the Commission and the Korea Internet & Security Agency (KISA) for four years since 2014 for the purpose of using it for an emergency rescue. The Commission hopes that it will alleviate start-up costs and help create new services.

Table III-63 Open system of location information

Open System of Location Information

- Published : Public data portal (data.go.kr)
- Name of file : Korea Broadcasting and Communications Commission, Wi-Fi AP(Access Point)
- File format : csv
- Composition : ① Wi-Fi AP by subway station
② Wi-Fi subways information
③ Wi-Fi positioning information

The data was collected from 890 subway stations in the Seoul and Gyeonggi area (628 locations), Busan (129 locations), Daejeon (22 locations), Daegu (91 locations), and Gwangju (20 locations). It is a collection of refined Wi-Fi AP data installed in each subway station. There are about 220,000 AP information, which enables positioning in the indoor area of subway stations. It consists of Wi-Fi SSID (Service Set Identifier), MAC address, AP signal strength, and the latitude (x, y) value of the Wi-Fi AP collection point.

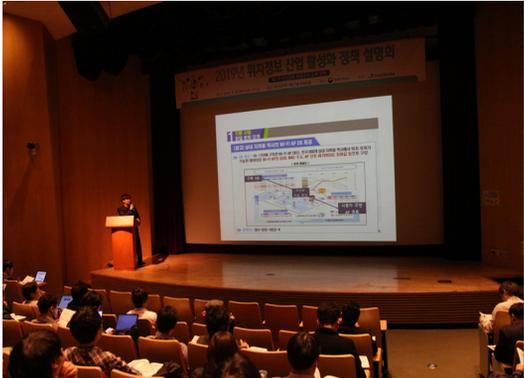
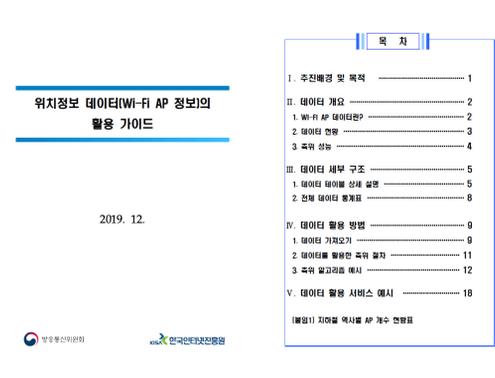
Table III-64 Number of Wi-Fi APs organized by subway line (Unit : AP)

Location	Subway Line	Number of Stations	Number of APs
Seoul (428)	1	98	25,649
	2	51	13,298
	3	44	10,162
	4	48	12,868
	5	51	12,003
	6	38	6,156
	7	51	12,745
	8	17	4,361
	9	30	5,613
Gyeonggi (118)	Bundang Line	36	7,070
	Sinbundang Line	12	2,723
	Central Line	55	21,304
	Uijeongbu Line	15	5,818
Incheon (82)	Airport Line	12	4,400
	Suin Line	14	4,624
	Incheon 1	29	4,951
	Incheon 2	27	3,335
Daejeon (22)	Daejeon 1	22	3,248

Location	Subway Line	Number of Stations	Number of APs
Gwangju (20)	Gwangju 1	20	2,949
Daegu (91)	Daegu 1	32	12,636
	Daegu 2	29	12,891
	Daegu 3	30	12,624
Busan (129)	Busan 1	34	4,405
	Busan 2	43	5,966
	Busan 3	17	3,979
	Busan 4	14	1,990
	Busan Gyeongjeon Line	21	6,225
Total		890	223,993

In 2019, the Commission tried to improve the quality of the data that was previously collected and updated the data for a total of 890 subway stations. As a result, 80% of the entire data has been updated and those that have not been updated will be continuously monitored. In addition, the Commission held an Information Session on the Location Information Industry Policy in April 2019 to facilitate the easy use of data by operators. In December 2019, the ‘Guide for Using Location Information Data (Wi-Fi AP Information)’ was distributed which included information on the structure of Wi-Fi AP DB, positioning performance, and usage methods.

Figure III-73 2019 information session and guide for using location information data

Information Session on the Location Information Industry Policy (April)	Guide for Using Location Information Data (December)
	

Chapter 5 | Increase Freedom of Expression and Strengthen the Measures Against the Dysfunction of the Internet

1. Promote Freedom of Expression on the Internet

The Commission has continued to improve the provisional measures and the cyber defamation system to ensure the freedom of expression on the Internet. Also the Commission gathered the opinions of stakeholders and supported legislation activities.

a. Improve the Provisional Measure System

Some have pointed out that the provisional measures introduced to address a growing number of infringement cases such as the invasion of privacy and defamation on the Internet, but they turned out to be restricting the freedom of expression. Thus, in order to promote the freedom of expression on the Internet, the Commission made efforts to improve the system by promoting the information publisher's right to challenge and an online dispute resolution committee. To this end, opinions from stakeholders including civic groups were gathered and expert meetings were held, and various legislative support activities were conducted for the National Assembly. In addition, the Commission participated in a panel discussion on improving the system on the provisional measures, held by the Congressman Lee Sangmin, to present the Commission's policy direction thereon.

Table III-65 Gathering the opinion of the stakeholders to improve the provisional measures

Date	Key Points
April 23	Meeting with Korea Internet Self-governance Organization (KISO) to discuss the ways to improve the system on the provisional measures
June 25	Meeting with experts to discuss the ways to improve the system on the provisional measures
July 4	Participate in panel discussions on improving the information and communications network law and collect the opinions of civic groups

b. Improve the Cyber Defamation System

In order to promote the function of criticism on the Internet and to create a healthy Internet environment where freedom of expression is guaranteed, the Commission actively supported the revision of Article 70 of the 「Information and Communication Network Act」, to add 'reasons to sever illegality in the

case of public interest’.

In addition, to refine the cyber defamation system in a reasonable way, the Commission gathered opinions from the Korea Internet Corporations Association, Korea Communications Standards Commission, and the Ministry of Justice regarding the revision of the ‘Information and Communication Network Act’, and the Commission engaged in multilateral legislative support.

2. Strengthen the Measures Against the Dysfunction of the Internet

a. Provide Customized Internet Ethics Education and Encourage ethical use of the Internet

With a view to encouraging ethical use of the Internet and to prevent cyberbullying, the Commission, in cooperation with the National Information Society Agency (NIA) provided customized Internet ethics education not only for kindergarten children, elementary, middle and high school students, teachers, but also for parents, soldiers, adults, and vulnerable groups including disabled people.

In order to increase the effectiveness and timeliness of Internet ethics education, the Commission further developed training programs to resolve and prevent adverse effects of the Internet such as falsely manipulated information, the flooding of harmful contents, and personal data issues.

In addition, to strengthen digital citizenship, the Commission developed digital citizen education programs for elementary, middle and high school students and teachers and distributed to educational sites through the cooperation with metropolitan and provincial offices of education including Seoul and Gyeonggi-do.

Moreover, Internet ethics were branded as ‘Welley’, ‘Beautiful Internet World (Ainse)’, and ‘Korea Internet Dream Team’, to increase public appeal. Various online and offline promotions were carried out to raise the public awareness in the proper use of the Internet and the creation of a healthy environment for Internet use.

Internet ethics education was provided in March after the application procedure which began each year in January. In 2019, a total of 1,448 institutions joined to provide training for 178,826 participants, which is a 4.1% increase from 171,676 in 2018.

In particular, as the military has allowed men and women in uniform to carry smartphones, the Commission signed a cooperation agreement with the Ministry of National Defense (May 2019) to develop customized Internet ethics education programs for soldiers (3 types of videos and lectures) and provide Internet ethics and cyber violence prevention training to 111 units.

For organizations that do not benefit from the educational programs, the Commission developed and distributed training content in cooperation with the Office of Education. Also, education materials such as videos, fairy tale books, teaching and learning guidance, and exercise books are posted on the ‘Beautiful Internet World’ website (www.einse.kr) to allow everyone to have access to the materials.

As a result of measuring the improvement of Internet ethics awareness among 864 youth who received Internet ethics education in 2019, the Internet ethics awareness rose by 7.5 points after education and in particular, abstinence improved to 8.7 points.

Based on these achievements, the Commission seeks to present Internet ethics education to up to 1 million people by 2022. Also, customized training courses for each life cycle is to be developed and expanded.

Table III-66 Internet ethics education

Name of education (audience)	Key Points
Barun Internet Preschool (Infant)	Puppet show performance for infants and education using digital teaching aids on the topic of using the Internet properly
Korea Internet Dream Team (Elementary, middle school, high school)	Teaching Internet ethics through extra-curricular activities such as clubs related to expanding an ethical culture on the Internet
Special Lecture Tour (Elementary, middle school, high school)	Training to dispatch professional instructors to cultivate healthy Internet use
Arts Performance Education (Elementary, middle school, high school)	Visiting musical education based on cyber violence cases
Cyber Violence Prevention Using Tools (Elementary)	Hands-on experiences and activities to prevent cyber violence
Parents and Adult Internet Ethics Education	To establish Internet ethics in homes and cultivate Internet ethics awareness for adults
Internet ethics education for vulnerable groups	Internet ethics education tailored to the vulnerable groups such as regional child centers and youth with disabilities and
Training for teachers	Training for elementary, middle and high school principals (supervisor), officers of education
Online training for teachers	Education to strengthen teachers' leadership capabilities to prevent and respond to cyber violence

Figure III-74 Internet ethics education



Figure III-75 Main contents of Internet ethics by different audiences



In addition, the Commission and the National Information Society Agency (NIA) held a ceremony to announce the “Beautiful Internet World” (March 25) and the campaign week (March 25–31) which marks the beginning of the nationwide awareness-raising activities of 2019. Joined by related organizations such as M Clean, U Clean, Korea Youth Expo, etc., the campaign invited a total of 90,500 people. The campaign served as an opportunity to discover and expand the outstanding programs as can be seen from the ‘Beautiful World Singing Competition,’ the ‘Internet Ethics Creative Content Competition,’ and the ‘Teaching and Education Guidance Competition.’

Figure III-76 Beautiful Internet World campaign



In addition, online newsletters, card news, webtoons, etc. were created to inform the public of Internet ethics and its necessity.

To bridge the regional gap in Internet ethics education, Internet Ethics Experience Centers are run all year round located in Busan (National Busan Science Museum), Gwangju (National Gwangju Science Museum), and Bundang (Korea Job World). In December, an additional center was opened in Daejeon (National Science Museum).

Figure III-77 2019 Internet Ethics Experience Center

Venue (Location)	Contents	Experience Center
Korea Job World (Bundang)	<ol style="list-style-type: none"> 1. Introduction to Beautiful Internet World (2018) 2. Malicious comment writer (2013) 3. Protect Beautiful Internet World (2018) 4. Beautiful Internet World in My Hand (2018) 5. Run! Beautiful Internet World Protectors! (2014) 6. 4D Rollercoaster (2016, 2017) 7. VR Say It With Your Body (2017) 	
National Busan Science Museum (Gijanggun, Busan)	<ol style="list-style-type: none"> 1. Introduction to Beautiful Internet World (2019) 2. Internet Ethics Information Wall (2019) 3. Save us! Beautiful Internet World! (2019) 4. Beautiful Internet World Photo Zone (2019) 	
National Gwangju Science Museum (Bukgu, Gwangju)	<ol style="list-style-type: none"> 1. Introduction to Beautiful Internet World (2018) 2. Welly High Five (2018) 3. Beautiful Internet World Tree (2018) 4. Beautiful Internet World Palms (2018) 5. Malicious Comments Game (2018) 	
National Science Museum (Yuseonggu, Daejeon)	<ol style="list-style-type: none"> 1. Introducing Beautiful Internet World (2019) 2. Run! Beautiful Internet World Protectors! (2014) 3. Protect Beautiful Internet World (2018) 4. Introduction to Beautiful Internet World (2019) 5. Internet Ethics Information Wall (2019) 6. Beautiful Internet World Created from My Hand (2019) 	

At the end of the year, teachers, schools, and institutions that contributed to the creation of a healthy Internet culture were awarded at the ‘2019 Internet Ethics Competition’, thereby increasing the value of Internet ethics education and raising interest in Internet ethics for all people.

b. Strengthen Youth Protection

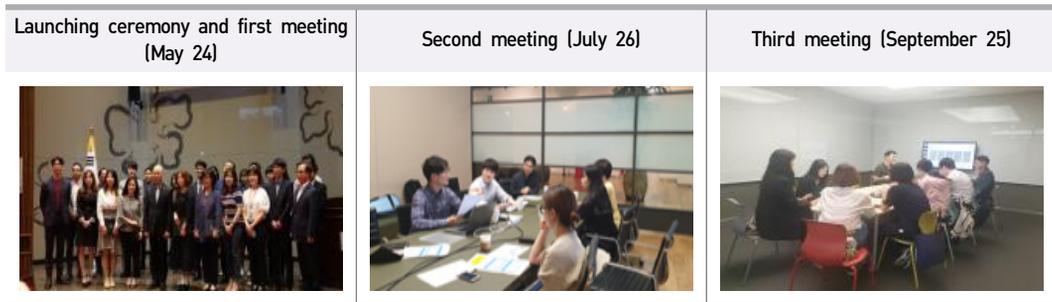
1) Improve the Youth Protection Service

In addition to the excessive use of smartphones by adolescents, various complicated dysfunctions are occurring. Therefore, in order to create a safe environment for the use of smartphones by teenagers, the ‘National Policy Participation Group’ was formed to improve cybersecurity zone services.

The group was formed to diagnose the problems of the service which has been in operation since 2013 to the present and suggest directions and specific details of improvements. For in-depth discussions, the group was composed of the general public, civil society organizations, field experts, service communicators, and civil servants from various fields, but mainly with designers.

Since the establishment of the group in May 2019, three meetings and two pre-tasks have been conducted. In order to understand the relationship between students and parents, role-playing and interviews were conducted. Moreover, other services were reviewed for benchmarking to introduce new ideas to find specific service improvements.

Figure III-78 National Policy Participation Group



Through these activities, the Commission devised a plan on service improvements in the mid-term perspective. The Commission will first provide customized information provision and encourage motivation by reflecting both the opinions of parents and children; from the mid-term perspective, the Commission will review the establishment of a promise system between parents and children and help build a self-led environment of smartphone use.

Figure III-79 Improvement plans for cybersecurity zone services



2) Expand Youth Protection Service

The Commission made efforts to expand and distribute cybersecurity zone services nationwide in 2019. Since its implementation in 2013, a total of 1,503 elementary schools, middle schools, and high schools nationwide participated, and education was provided to approximately 172,000 parents and teachers.

Table III-67 Cybersecurity Zone by Year

(Unit : school, person)

Classification	2013	2014	2015	2016	2017	2018년	2019	Total
Schools Participated	41	127	165	198	239	330	403	1,503
Education	Teachers	800	4,000	5,840	8,700	5,530	4,173	32,453
	Parents	15,733	15,245	15,658	15,300	20,870	26,674	140,110
	Total	16,533	19,245	21,498	24,000	26,400	30,847	172,563

Source) Korea Mobile Internet Business Association

Since the beginning of the project, the Commission has continuously forged agreements with the regional offices of education and related organizations to expand the service nationwide. In 2019, the Commission signed an MOU on Realizing a Digital Nation with a total of 14 organizations including public institutions and corporations such as the Seoul Metropolitan Office of Education (March), Gwangju Metropolitan Office of Education (May), and the National Information Society Agency, etc. The Commission will continue to discuss the conclusion of agreement with other regions and agencies with an aim to expand the distribution of services.

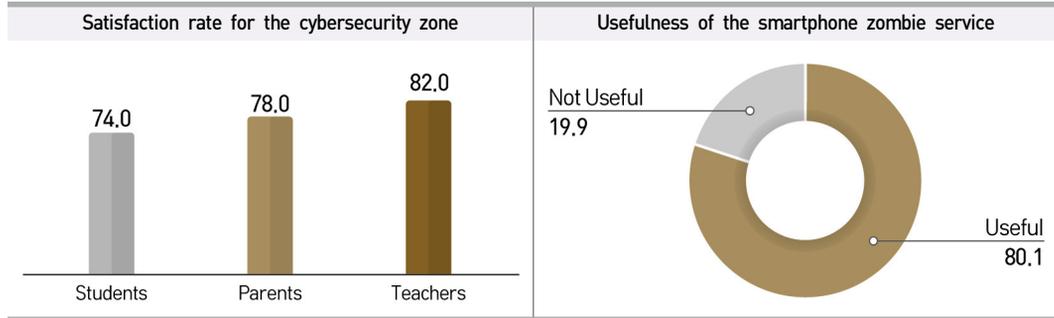
Figure III-80 Signing of MOU in 2019



In addition, the Commission conducted a survey on the users of cyber security zones. A total of 835 students participated, including 312 students, 423 parents, and 100 teachers. On the satisfaction of the service, students rated the system 74 out of 100, while parents and teachers gave 78 points, and 82 points respectively. This shows that the parents and teachers are more satisfied with the system than students.

In particular, 80.1% of students responded that the ‘smartphone zombie’ prevention service contributed to improving their smartphone usage habits. Thus, it was found that there is a need to continuously develop its functions in the future.

Figure III-81 Level of service satisfaction and the usefulness of the smartphone zombie prevention service (Unit : %)

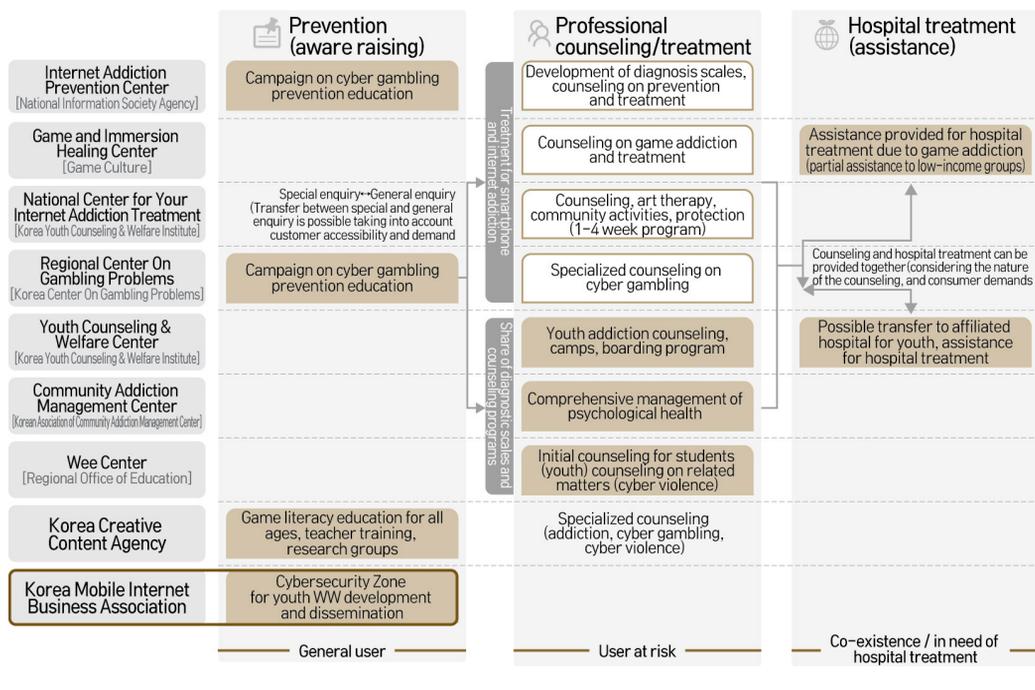


Source) Survey for users of cybersecurity zone, Korea Mobile Internet Business Association 2019

3) Strengthening Youth Protection Cooperation System

To protect youth in a constantly changing smart mobile environment, the Commission developed and distributed youth protection software in line with the ‘Comprehensive plan to resolve the smartphone dependency issues’ (2019-2021).

Figure III-82 Cooperative system for smartphone and Internet dependency issues



Source) The 4th comprehensive plan to resolve smartphone dependency issues, Ministry of Science and ICT, 2019

The Commission will continue to improve the services and strengthen the cooperation system with government departments and related organizations by taking into account consumers and users. At the same time, education on the adverse effects of smartphones will be promoted to parents and teachers.

c. Create an environment for ethical use of the Internet

1) Prohibiting Distribution of Illegal or Harmful Information

The Commission strengthened all cooperation systems with government agencies, to block the distribution of illegal and harmful information such as digital sexual crime videos. Moreover, the Commission prepared the 'Webhard Cartel Prevention Plan to Block the Distribution of Illegal Pornography' in order to create a healthy Internet environment for both youth and adults.

Figure III-83 Government-wide Webhard Cartel Prevention Plan

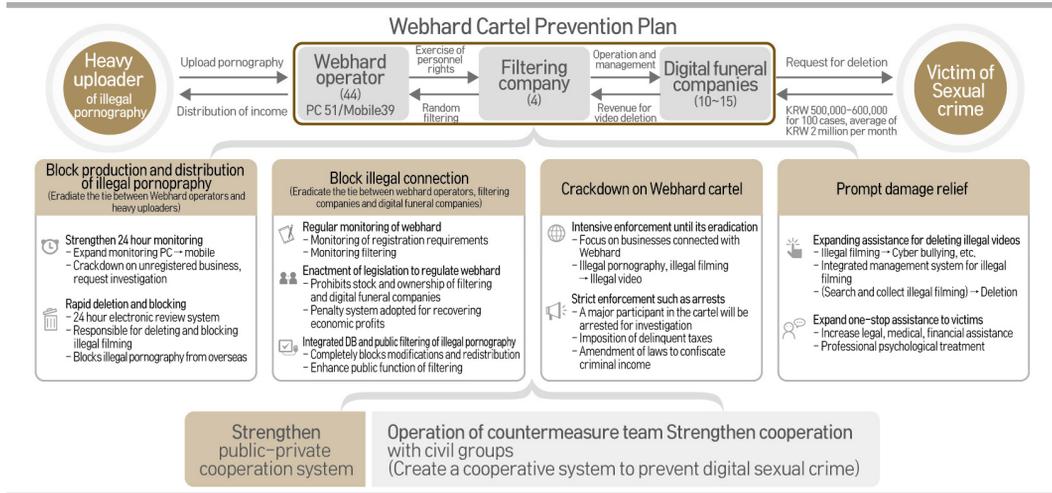


Figure III-84 Media reports on the eradication of illegal pornography

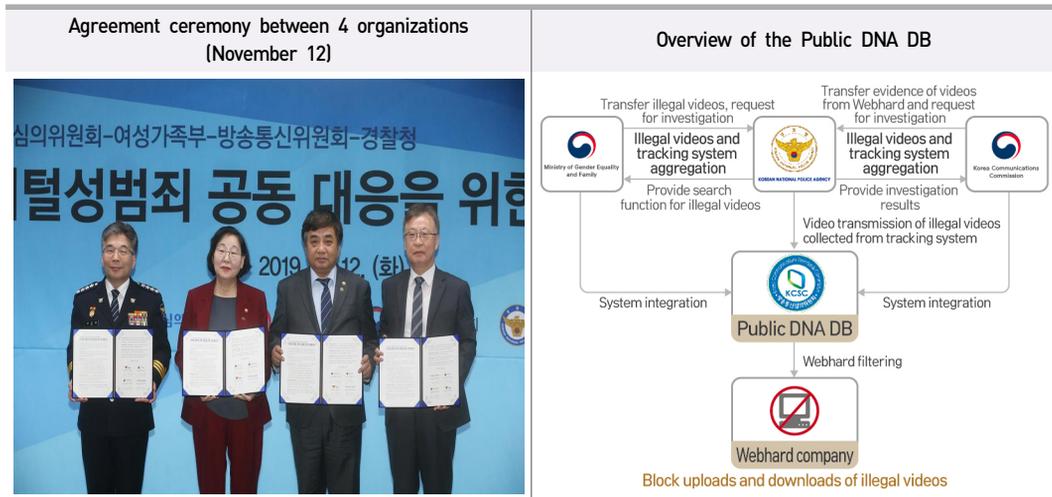


The Commission established a new provision (amendment to the Telecommunications Business Act, effective on June 25) that requires value-added telecommunications operators to take actions such as deleting and blocking access, etc. when they clearly recognize the distribution of digital Sexual crime video. And a fast track (amendment to the Act on Promotion of Information and Communications Network, Utilization and Information Protection Act, effective on March 25) was prepared to allow the Commission to immediately delete and block such digital sexual crime videos upon request of an investigative agency,

In addition, the Commission conducted a regular check to see whether special value-added telecommunications business operators have implemented technical measures (41 operators, 90 sites, as of January 2019). For suspicious operators, an on-site inspection was conducted (32 operators, 37 sites). As a result of the on-site inspection, five operators who have failed to implement technical measures were imposed with a corrective order, and two operators were imposed with administrative fines of KRW 2,100 million (April 2019).

Furthermore, the budget for the new establishment of the ‘Digital Sexual Crimes Deliberation Support Group’ by the Korea Communications Standards Commission was arranged (+ KRW 1.31 billion in fund changes in 2019). The Commission introduced an electronic deliberation system and an expedited deliberation system (within 24 hours), and helped provide legal grounds for written and electronic deliberations (the Committee Establishment Act, revised on December 10). Moreover, an agreement was signed on November 12 between the Commission, Ministry of Gender Equality and Family, the National Police Agency, and the Korea Communications Standards Commission to build a 24-hour hotline and public DNA database.

Figure III-85 Public DNA DB



2) Expansion of Damage Relief by Strengthening the Blocking of Overseas Internet Sites

The Commission will strengthen its efforts in blocking overseas pornography and gambling websites that are designed to distribute illegal information by using https¹²⁾ and bypassing connection¹³⁾. New measures will take effect from February 11.

Until now, even if illegal information such as illegal recordings, gambling, pornography, works, etc. was distributed on a secure access (https) overseas Internet website, the Commission could not technically block access to the site. In the meantime, the National Assembly and the media have pointed out that the relevant watchdog should tighten the concerned regulations on illegal overseas sites which have enjoyed the loopholes in the system.

In response to this, from June 2018, the Commission discussed with the Korea Communications Standards Commission and seven other Internet service providers the adoption of the SNI (Server Name Indication) blocking method, which was newly introduced to effectively block illegal information from overseas sites and advance the blocking capability. The SNI blocking method checks and blocks the server in the SNI field, which is not encrypted, and is not related to wiretapping and data packet monitoring. The aim is to block access to overseas websites that distribute illegal information such as child pornography, illegal photography, and illegal gambling. The deliberation on the subject is conducted by the Korea Communications Standards Commission.

The new system is expected to effectively block illegal overseas sites. The Commission will continue its endeavor to create a sound Internet environment by protecting the human rights of victims suffering from digital sexual crime videos and also the rights of webtoon and other creators.

3) Establishment of the Internet Regulation Improvement Council

In February, the Commission introduced the SNI blocking method limiting offshore unlicensed websites that use secure access (https) for distribution. During this process, the Commission realized that a balance between ensuring freedom of expression on the Internet and blocking illegal websites should be struck. Also, to reflect the opinion that a public consensus is needed, the Commission formed the Internet Regulation Improvement Council.

The members of the council were composed of a total of 14 members including those from academia, the legal field, civic groups and related organizations, and to secure expertise, 10 experts came together to form a special technical sub-council specializing in blocking technology. The composition and discussion agenda of the Special Technology Sub-council was formulated based on the consensus among the members of the general meeting. The Council was found on June 13, 2019 and run for about six months until

12) https(hypertext transfer protocol over Secure Sockets Layer): Communication protocol for transmitting and receiving data on the Internet in an encrypted manner. Prohibit hackers from intercept data through enhanced security function of HTTP.

13) IP(Internet Protocol) and DNS(Domain Name System) modulation software. A connection that bypasses access blocking technology by changing the communication port.

December, and held a total of seven general meetings and three special technical subcommittee meetings.

The issues covered in the general meeting are alternatives to prevent the illegal information distribution in non-technical ways, measures to improve transparency in the introduction of technical measures, measures to protect the user rights, and laws and systems related to technical measures to prevent illegal information distribution. On the other hand, the special subcommittee reviewed the current technologies to prevent illegal information from being distributed and discussed the technical alternatives to keep illegal information from being distributed, and protection of users' interest.

The Commission received ① a report containing the discussion based on the analysis data on public opinion including petitions, complaints and comments, ② opinions of the council, ③ a final report including government recommendations, etc. from the council, which was subsequently submitted (February 3, 2020).

Table III-68 Members of the Internet Regulation Improvement Council

Classification	Members	Affiliation
Academia	5	Dept. of Information Security, Seoul Women's University
		Cyber Communication Academics Society
		School of Cybersecurity, Korea University
		Media Communication, Konkuk University
		Dept. of Media, Sookmyung Women's University
Legal	2	Sejong
		Bae, Kim & Lee
Civil groups and relevant organizations	7	Seoul YMCA Viewer Group
		Voice for Consumers
		Womenlink
		Jinbo Network
		Parent Information Monitoring Team
		Korea Internet Self-governance Organization
		Korea Communications Standards Commission

Table III-69 Members of the special sub-council of the Internet Regulation Improvement Council

Classification	Members	Affiliation
Academia	3	School of Cybersecurity, Korea University
		Dept. Software Engineering, Joongbu University
		Dept. of Computer Science and Engineering, Korea University
Legal	2	Sejong
		Bae, Kim & Lee

Classification	Members	Affiliation
Civil groups and relevant organization	5	National Information Society Agency (NIA)
		Korea Internet & Security Agency (KISA)
		Jinbo Network
		Electronics and Telecommunications Research
		Korea Communications Standards Commission

Figure III-86 Launching of the Internet Regulation Improvement Council



4) Organization of Expert Meetings on Falsely Manipulated Information

As mentioned in the objectives of 2019, with a view to establishing self-regulatory plans regarding manipulated information, the Commission organized the ‘Expert Meeting on Falsely Manipulated Information’.

With the growing concerns about falsely manipulated online information spreading indiscriminately, the necessity of preparing countermeasures has been continuously raised.

Accordingly, this meeting was organized to develop a self-regulation plan that meets the need of Korea, based on various self-regulation models proposed in the 2018 policy research (Seoul National University, based on Internet reliability). The members of the meeting are composed of those from academia, media organizations, civic groups, and business groups. The government did not participate in this meeting to allow the opinions to be shared and developed more freely.

Since the meeting was formed as a social discussion organization led by the private sector, it was expected that a social consensus would be formed within the meeting regarding the need to respond to falsely manipulated information thereby paving the way to activate self-regulation.

From June to December, a total of 7 meetings were convened. As a result of the meetings, the members prepared ‘Suggestions for resolving the false manipulation information issue’ by separating their suggestions into different industries such as platform operators, citizens and media, etc. In addition, a public

discussion forum was held on December 20 to gather the expert opinions on the suggestions that were made by the members.

Table III-70 Participants of the expert meeting on falsely manipulated information

Classification	Participants	Affiliation
Academia	6	School of Communication and Media, Ewha Womans University
		Hankuk University of Foreign Studies Law School
		Korea University Law School
		Dept. of Media and Communication, Sungkyunkwan University
		Media Communication, Konkuk University
		Hanyang University Law School
Journalism	2	Korea Broadcasting Journalist Association
		Korea Press Foundation
Relevant Experts	3	Institute of Communication Research, Seoul National University
		Media and Communication, Soon Chun Hyang University
		Story of Seoul
Civil Groups	2	Citizen's Coalition for Democratic Media
		Consumer Network for Public Interest
Business	1	Korea Internet Corporations Association

Figure III-87 Public discussion to resolve the issue of falsely manipulated information



At the public discussion, the ‘Suggestions for resolving the false manipulation information issue’ were presented which outlined the efforts that need to made in every sector of the society (including platform operators, citizens, journalists, government, etc.). The panel discussion was joined by Dr. Lee Jae-Jin (Dept. of Media and Communications, Hanyang University), Shin Ikjun (Secretary General, Korea Internet Self-governance Organization), Dr. Ko Min-su (Dept. of Law, Gangneung-Wonju University) and others who led heated discussions.



Appendix

Appendix

1. Financial Statements of 2019

a. Execution of the Budget

Appendix Table-1 Execution of the Budget in 2019

(Unit : KRW 1 million, %)

	Category	Budget (A)	Real Budget (B)	Actual (C)	Execution Rate (C/B)
Income	Total	1,515,836	1,517,396	1,497,513	98.7
	General Accounting	32,267	35,188	9,152	26.0
	Broadcast Communications Development Fund	1,257,905	1,257,905	1,242,883	98.8
Expenses	Total	257,931	259,491	254,630	98.1
	General Accounting	62,772	63,022	59,093	93.8
	Broadcast Communications Development Fund	195,159	196,469	195,537	99.5

Note) The income of the Broadcast Communications Development Fund is the total amount and its expenses exclude the services, internal expenditure, and surplus fund related to the Ministry of Science and ICT.

b. Budgets and Expenses by Program

Appendix Table-2 Budgets and Expenses by Program

(Unit : KRW 1 million)

Program	Budget	Expenses
Total	259,491	254,631
<General Accounting>	63,022	59,093
Item 2100: Establishment of a Fair and Secure Market Environment	28,633	28,616
Item: 7100: Administrative Support for Broadcasting and Communications	34,389	30,477
<Broadcast Communications Development Fund>	196,469	195,537
Item 3100: Establishment of the Broadcasting and Communications Environment Boosting Satisfaction and Convenience	186,237	185,305
Item 3200: Establishment of the Broadcasting and Communications Environment Boosting Fair and Secure	10,232	10,232

c. Broadcast Communications Development Fund

(1) Asset and Liabilities

Appendix Table-3 Assets and Liabilities of the Broadcast Communications Development Fund (Unit : KRW 1 million, %)

Classification	2019 (A)	2018 (B)	Change (A - B)	
			in amount	in % rate
Assets	739,951	840,640	△100,689	△12.0
Liabilities	663,673	864,747	△201,074	△23.3
Net Assets	76,277	△24,107	100,384	416.4

Note) The financial statement table is the total amount of the Fund as of Dec. 31, 2019. △ : reduction

(2) Income and Expenses

Appendix Table-4 Income and Expenses of the Broadcast Communications Development Fund (Unit : KRW 1 million, %)

Classification	2019 (A)	2018 (B)	Change (A - B)	
			in amount	in % rate
Net Program Costs (I)	793,655	613,518	180,137	29.4
Operation Expenses (II)	4,305	4,001	304	7.6
Non-distribution Costs (III)	49	2	47	2,350.0
Non-distribution Revenue (IV)	714,790	553,110	161,680	29.2
Net Financial Management Costs (V = I + II + III - IV)	83,219	64,411	18,808	29.2
Non-exchange Revenue (VI)	179,254	186,720	△7,466	△4.0
Asset Management Result (VII = V - VI)	△96,035	△122,309	26,274	21.5

Note) The fiscal management table refers to the total amount of the Fund as of Dec. 31, 2019. △ : reduction

2. The List of General Meetings and Agenda Items of the Commission

Appendix Table-5 List of General Meetings and Agenda Items of the Commission

Session	Date	Type	Agenda Item
1	Jan. 4 (Fri)	Report	Plan for the 「2019 Broadcasting Awards of the Korea Communications Commission (draft)」
		Report	Partial amendment to the 「Regulation of the members, operation, etc. of the Media Diversity Promotion Committee」
2	Jan. 21 (Mon)	Vote	Matters on the selection of the candidates of EBS president etc.
3	Jan. 22 (Tue)	Vote	Approval of the foreign capital contribution to FEBC
		Vote	Matters on the compensation of SK Telecom under the 「Telecommunications Business Act」
		Vote	Matters on review of broadcasting deliberation - TBS <2018 Inter-Korean Summit Pyeongyang Special> -
		Vote	Administrative measures on business operators for violating the broadcasting advertising
		Vote	Administrative measures on business operators for violating the broadcasting sponsorship notification
4	Jan. 23 (Wed)	Vote	Matters on the basic plan for the approval of the largest investor (draft) - Ulsan Broadcasting Corporation
		Vote	Matters on the preliminary agreement on the re-licensing of CATVs
		Vote	Partial amendment to the 「Notice on the guarantee of broadcasting access rights for people with disabilities including broadcasting services for the handicapped」
		Report	Partial amendment to the 「Notice of standards for restricting the provision of the broadcasting and communications development fund」
5	Jan. 29 (Tue)	Vote	Matters on the election of the vice chairman of the Korea Communications Commission
		Vote	Correction order on CATVs for the violation of license renewal
		Vote	Correction order against operators for violating personal data laws
6	Jan. 31 (Thu)	Vote	Appointment of members of the Viewers' Rights Protection Committee
7	Feb. 13 (Wed)	Vote	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Report	Partial amendment to the 「Enforcement Decree of the Telecommunications Business Act」
		Report	「Comprehensive plan for the protection of telecommunication users (draft)」
		Report	Partial amendment to the 「Enforcement Decree of Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
8	Feb. 19 (Tue)	Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
		Vote	Partial amendment to the 「Regulation of the Members, Operation, etc. of the Media Diversity Promotion Committee」
		Vote	Matters on the appointment of substitute board members of the Broadcasting Market Competition Evaluation Committee
		Report	Partial amendment to the 「Enforcement Decree of Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
9	Feb. 27 (Wed)	Vote	Matters on the new licensing of the personal location information service
		Vote	Partial amendment to the 「Enforcement Decree of Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
		Vote	Drafting of the 「Detailed criteria on provision, etc. of undue benefits such as economic profits to users」

Session	Date	Type	Agenda Item
10	Mar. 5 (Tue)	Vote	Matters on the appointment of substitute board members of the Viewers' Rights Protection Committee
11	Mar. 8 (Fri)	Vote	Matters on the appointment of EBS presidents
12	Mar. 13 (Wed)	Vote	Matters on the reduction of programming obligations regarding programs for persons with disabilities
		Report	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Report	Matters on the results of the Broadcasting Market Competition Evaluation Report in 2018
13	Mar. 19 (Tue)	Vote	Administrative measures on business operators for violating the law regarding the person in charge of broadcast programming under the 「Broadcasting Act」
		Vote	Matters on the compensation of SK Telecom under the 「Telecommunications Business Act」
		Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
14	Mar. 20 (Wed)	Vote	Correction order on SKT, KT, LGU+ and distribution stores for violating the 「Mobile Device Distribution Improvement Act」
		Vote	Matters on the modified approval for Ulsan Broadcasting Corporation as the largest investor
		Vote	Partial amendment to the 「Notice of standards for restricting the provision of the broadcasting and communications development fund」
		Report	Partial amendment to the 「Notice on the compilation of broadcasting programs, etc.」
15	Apr. 3 (Wed)	Vote	Matters on the 2018 Basic Plan for Broadcasting Evaluation (proposal)
16	Apr. 8 (Mon)	Vote	Matters on compensation of SK Telecom under the 「Telecommunications Business Act」
17	Apr. 17 (Wed)	Vote	Corrective order for special value-added telecommunications business operators for violating the 「Telecommunications Business Act」
		Vote	Matters on the exemption of license fees for subscribers from the Gangwon areas affected by forest fires
		Vote	Appointment of the EBS auditor general
18	Apr. 23 (Tue)	Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
19	Apr. 24 (Wed)	Vote	Partial amendment to the 「Telecommunications Business Act」
		Report	Partial amendment to the 「Enforcement Decree of the Mobile Device Distribution Improvement Act」
		Report	Partial amendment to the 「Broadcasting Act」
		Report	Partial amendment to the 「Internet Multimedia Broadcast Services Act」
20	Apr. 25 (Thu)	Report	Legislative notice on the partial amendment of the 「Telecommunications Business Act」
21	May 10 (Fri)	Vote	Matters on the basic plan for the renewal or reapproval of the license for broadcasting business entities (proposal)
22	May 13 (Mon)	Vote	Matters on compensation of LGU+ under the 「Telecommunications Business Act」
		Vote	Matters on compensation of KT under the 「Telecommunications Business Act」
23	May 15 (Wed)	Vote	Partial amendment to the 「Enforcement Decree of Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.」
		Vote	Matters on the new licensing of the personal location information service

Session	Date	Type	Agenda Item
24	May 21 (Tue)	Vote	Matters on the retrial of broadcasting deliberation – Chosun Broadcasting Corporation <Taste of Love>-
		Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
		Vote	Administrative measures on business operators for violating broadcasting advertising
25	May 22 (Wed)	Vote	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Vote	Detailed plan for the renewal of license for terrestrial broadcasting service operators in 2019 (proposal)
		Vote	Matters on the detailed plan for the renewal of the license for terrestrial DMB broadcasting stations in 2019 (proposal)
		Vote	Matters on the 2019 assessment plan for the privacy protection of telecommunication business entities (proposal)
		Report	Partial amendment to the 「Act on Broadcast Advertising Sales Agencies, etc.」
26	May 31 (Fri)	Vote	Partial amendment to the 「Enforcement Decree of the Telecommunications Business Act」
		Vote	Matters on the 2020 budget and operation plan of the Broadcasting and Communications Development Fund
27	June 10 (Mon)	Vote	Appointment of members of the Communication Dispute Conciliation Committee
		Vote	Partial amendment to the 「Notice on the compilation of broadcasting programs, etc.」
28	June 12 (Wed)	Vote	Correction order on CallApp Software Ltd, for violating laws on personal information
		Vote	Correction order on entities violating the 「Personal Information Protection Act」 and 「Act on the Protection, Use, Etc. of Location Information」
		Report	Partial amendment to the 「Notice on the matters concerning the collection and imposition of contributions from the Korea Communications Development Fund」
		Report	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
29	June 18 (Tue)	Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notification
		Report	Partial amendment to the 「Notice on the operational guidelines for the advanced assessment of the Korea Communications Committee」
30	June 19 (Wed)	Vote	Administrative measures on business operators violating the regulations of broadcasting stations
		Report	Partial amendment to the 「Broadcasting Act」
31	June 26 (Wed)	Vote	Correction order regarding the termination restrictions of broadband Internet access services and packaged sales for violating user rights
32	June 27 (Thu)	Vote	Partial amendment to the 「Notice on the operational guidelines for the advance assessment of the Korea Communications Committee」
		Report	Matters on the public announcement of the assets status of broadcasting service operators in 2018
33	July 9 (Tue)	Vote	Correction order against SK Telecom for violating the 「Mobile Device Distribution Improvement Act」
		Report	Matters on the basic plan for evaluating the production capacity of broadcasting contents in 2019
34	July 11 (Thu)	Vote	Appointment of members for the Committee on the Balanced Development of Broadcast Advertising
		Vote	Matters regarding the designation of an additional certification body for daily newspapers
35	July 17 (Wed)	Vote	Matters on the estimation of the viewer rate of broadcasting in 2018
		Report	Matters on the establishment of guidelines for programs produced by external producers
36	July 19 (Fri)	Vote	Matters on the change of the basic plan for re-licensing paid broadcasting services
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications

Session	Date	Type	Agenda Item
37	July 24 (Wed)	Vote	Matters on imposing administrative fines to broadcasting business operators for failing to provide disaster broadcasting services during the third to fourth quarter of 2018
		Vote	Matters on the new licensing of the personal location information service
38	Aug. 7 (Wed)	Vote	Partial amendment to the 「Broadcasting Act」
		Vote	Partial amendment to the 「Internet Multimedia Broadcast Services Act」
		Report	Matters on the performance evaluation of broadcasting services for disabled people in 2018
39	Aug. 8 (Thu)	Vote	Matters on the preliminary agreement on granting permission for the facility changes of CATV -CMB and NIB-
		Vote	Matters on the preliminary agreement on granting permission for the changes of CATV -Hyundai HCN merger-
40	Aug. 13 (Tue)	Vote	Administrative measures on terrestrial broadcasting business operators for violating the correction order
		Vote	Correction order against terrestrial broadcasting business operators failing to abide by requirements
		Report	Matters related to the standards for UHD programs (draft)
41	Aug. 23 (Fri)	Vote	Partial amendment to the 「Notice on the matters concerning the collection and imposition of contributions from the Korea Communications Development Fund」
		Vote	Matters concerning the detailed plan on the reapproval of general service program providers in 2020 (proposal)
		Vote	Correction order against NHN Godo and 50 other entities for violating the 「Personal Information Protection Act」
		Vote	Correction order against entities for violating the 「Personal Information Protection Act」
		Vote	Partial amendment to the 「Enforcement Decree of the Broadcasting Act」
		Report	Matters regarding the guidelines on the implementation of a real-name system
42	Aug. 26 (Tue)	Report	Matters regarding the development of guidelines on advanced approval for broadcasting stores
		Vote	Administrative measures on business operators for violating broadcasting advertising
43	Sept. 4 (Wed)	Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
		Report	Administrative measures on the Broadcast Advertising Sales Agency for violating the ownership limit
44	Sept. 6 (Fri)	Vote	Partial amendment to the 「Notice on the mandatory packaged sales of broadcast advertising」
45	Sept. 18 (Wed)	Vote	Matters regarding the voting on the correction order against NHN Godo and 50 other entities for violating the 「Personal Information Protection Act」
45	Sept. 18 (Wed)	Vote	Matters on OBS's reduction of the programming obligation regarding programs for disabled people
		Report	Operation status and future plans for the Community Media Center
46	Sept. 24 (Tue)	Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
47	Oct. 1 (Tue)	Vote	Approval of foreign capital contributions to FEBC
48	Oct. 2 (Wed)	Vote	Correction order on terrestrial broadcasting business entities for violating the license renewal requirements
		Vote	Matters on the 2019 assessment results for the privacy protection of telecommunication business entities (proposal)
		Report	Matters on minimizing damages and preventing mobile phone scams
49	Oct. 8 (Tue)	Vote	Matters on the review of broadcasting deliberation -Pax TV <NEWS Insight>-

Session	Date	Type	Agenda Item
50	Oct. 22 (Tue)	Vote	Partial amendment to the 「Notice on the mandatory packaged sales of broadcast advertising」
		Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
51	Oct. 23 (Wed)	Vote	Matters regarding the correction order and correction recommendation against business operators engaging in prohibited acts under the 「Broadcasting Act」
		Vote	Partial amendment to the 「Act on Broadcast Advertising Sales Agencies, Etc.」
		Vote	Matters on the new licensing of the personal location information service
		Report	Partial amendment to the 「Guidelines on the technical and managerial safeguards of personal information」
52	Nov. 1 (Fri)	Report	Matters on the assessment plan for granting advanced approval for changes of t-broad Dongdaemun
		Report	Matters regarding the development of guidelines on the operation of the audience participation programs
		Report	Matters on the 「Guidelines on customized remedy for damages (broadband Internet access services)」
53	Nov. 6 (Wed)	Vote	Financial matters regarding the review request of the 'Wholesale Telecommunications Services Agreement' between CJ Hello and KT
54	Nov. 7 (Thu)	Report	Partial amendment to the 「Guidelines on the imposition of fines for the violation of personal information protection laws」
55	Nov. 14 (Thu)	Vote	Matters on the appointment of members of the Korea Communications Committee
56	Nov. 19 (Tue)	Vote	Administrative measures on business operators for violating broadcasting advertising
		Report	Partial amendment to the 「Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, Etc.」
57	Nov. 22 (Fri)	Vote	Correction order against mobile communications distributors, etc. for violating the 「Personal Information Protection Act」
		Vote	Partial amendment to the 「Broadcasting Act」
		Report	Matters concerning the results of the inspection of the performance of general service program providers in 2018
58	Nov. 27 (Wed)	Vote	Matters on the preliminary agreement on the re-licensing of CATV broadcasting business entities -JCN-
		Vote	Matters on the assessment results of broadcasting in 2018
		Report	Financial matters regarding the review request of the 'Wholesale Telecommunications Services Agreement' between CJ Hello and KT
59	Nov. 28 (Thu)	Vote	Appointment of the substitute members of the Viewers' Rights Protection Committee
		Vote	Appointment of the substitute members of the Communication Dispute Conciliation Committee
60	Dec. 4 (Wed)	Vote	Basic plan for granting permission for the changes of TBS Seoul (draft)
		Report	Matters regarding the development of guidelines on the distribution of terminal devices
61	Dec. 10 (Tue)	Vote	Matters regarding advance approval for the license renewal of CATV relay broadcasting business entities
62	Dec. 11 (Wed)	Vote	Matters on the license renewal of terrestrial broadcasting business entities in 2019
		Report	Matters on the evaluation results of the content production capability of broadcasting service operators registered in 2019
63	Dec. 18 (Wed)	Vote	Matters on the basic plan for the approval of the largest investor (draft) -Ulsan Broadcasting Corporation-
		Vote	Matters on the policy review of terrestrial UHD
		Report	Matters on the establishment of an exclusive organization dealing with the rights of viewers

Session	Date	Type	Agenda Item
64	Dec. 26 (Thu)	Report	Matters on the assessment of the license renewal of TBC in 2019
65	Dec. 26 (Thu)	Vote	Matters on the new licensing of the personal location information service
		Vote	Matters on granting permission for the changes of TBS Seoul (draft)
		Vote	Matters regarding advanced approval for the license renewal of CATV broadcasting business entities
		Report	Matters regarding the development of the 「Guidelines on the fair usage of the Internet agreement」
		Report	Partial amendment to the 「Guidelines on the provision of disaster and civil defense drill broadcasting services」
		Report	Partial amendment to the 「Notice on the compilation of broadcasting programs」
66	Dec. 27 (Fri)	Vote	Partial amendment to the 「Guidelines on the imposition of fines for the violation of personal information protection laws」
		Vote	Partial amendment to the 「Guidelines on the technical and managerial safeguards of personal information」
		Vote	Administrative measures on business operators for violating broadcasting advertising
		Vote	Administrative measures on business operators for violating broadcasting sponsorship notifications
		Report	Partial amendment to two laws regarding the disqualification of limited wards
67	Dec. 30 (Mon)	Vote	Matters regarding the license renewal of terrestrial broadcasting business entities in 2019 -OBS-
			Matters regarding the license renewal of terrestrial broadcasting business entities in 2019 -KFM-
			Matters regarding the license renewal of terrestrial broadcasting business entities in 2019 -TBC-

3. Monthly Major Achievements of 2019

Appendix Table-6 Monthly Major Achievements of 2019

❁ January 2019

Date	Events
Jan. 17	Launching of a working group for the self-improvement of paid broadcasting to strengthen the protection of the rights and interests of paid broadcasting users
Jan. 17	Second results of the 2018 overseas reaction of domestic dramas unveiled
Jan. 24	2018 broadcasting media usage behavior survey results unveiled
Jan. 24	Measures to prevent webhard cartels to eradicate the distribution of illegal pornography
Jan. 29	2018 cyber bullying research results unveiled
Jan. 31	Chairman Lee Hyo-Seong hosted a policy meeting with consumer-civic groups
Jan. 31	2018 ASEAN Media use behavior survey results unveiled
Jan. 31	11 th members of the Viewers' Rights Protection Committee appointed

A working group for the self-improvement of paid broadcasting to strengthen the protection of the rights and interests of paid broadcasting users



Appointment of the 11th Viewers' Rights Protection Committee



Chairman Lee hosting a policy meeting with consumer-civic groups



February 2019

Date	Events
Feb. 12	Investigating whether YouTube premium service impairs user interest
Feb. 13	Suggesting a mid-long term policy vision to protect communication users
Feb. 14	Chairman Lee Hyo-seong hosted an on-site meeting with Kakao
Feb. 25	Commissioner Ko Sam-seog participated in the 2019 MWC and strengthened broadcasting communications cooperation with Spain and Czech Republic
Feb. 25	2019 Personal Location Information Business Permit Plan Announcement
Feb. 26	2019 Signing ceremony for the 2019 SME Broadcasting Advertising Activation Support Project

Chairman Lee Hyo-seong hosts an on-site meeting with Kakao



Signing ceremony for the 2019 SME Broadcasting Advertising Activation Support Project



March 2019

Date	Events
Mar. 5	Commission-Seoul Metropolitan Office of Education-National Information Society Agency-Korea Mobile Internet Business Association signed a youth protection agreement
Mar. 7	Announcement of the major business plans for 2019
Mar. 11	Commissioner Pyo Chul-soo promotes Korean wave content and strengthens broadcasting and communication cooperation with Turkey and the UAE
Mar. 11	Public hearing to amend the Enforcement Decree of the Information and Communication Network Act
Mar. 12	Commissioner Ko Sam-seog visits a small and medium-sized broadcasting company's production site
Mar. 13	Announcement of 2018 broadcast market competition assessment results
Mar. 13	Chairman Lee Hyo-seong held a media meeting with civic groups
Mar. 15	A win-win agreement made between mobile carriers and distributors
Mar. 25	Announcement of the Beautiful Internet World Week to commemorate its 10th anniversary
Mar. 26	Signed a co-production agreement with Vietnam
Mar. 28	Spam distribution status for the second half of 2018 announced

Commission-Seoul Metropolitan Office of Education-National Information Society Agency-Korea Mobile Internet Business Association signed a youth protection agreement



Announcement of major business plans for 2019



Chairman Lee attended a meeting with civic groups



March 2019

Commissioner Ko Sam-seog visits a small and medium-sized broadcasting company's production site



Announcement of the Beautiful Internet World Week to commemorate its 10th anniversary



Signed a co-production agreement with Vietnam



April 2019

Date	Events
Apr. 4	Policy customer representative meeting held in the first half of 2019
Apr. 4	Introduced the government's proof of responsibility system and expanded and reorganized the Korea Communications Standards Review Board
Apr. 8	Vice Chairman Kim Suk-jin observes NAB's latest trends in broadcasting technology and visits broadcasters in the Americas to seek ways to support Hallyu proliferation
Apr. 9	Commissioner Ko Sam-seog attends a meeting to improve the drama production environment
Apr. 10, 12	Disaster broadcast manual improvement meeting
Apr. 11	Organized a hackathon to promote bottom-up government innovation
Apr. 17	Chairman Lee Hyo-seong makes an on-site visits to 5G services
Apr. 19	Implementation of the 2019 Personal Information Protection Training to encourage personl data protection
Apr. 23	Launched a mid- to long-term broadcast communication system improvement promotion group
Apr. 25	Distribution of standard guidelines for the paid TV service
Apr. 26	Commissioner Ko Sam-seog makes an on-site visit to Jeju broadcasting

2019 Policy customer representative meeting



Commissioner Ko Sam-seog attends a meeting to improve the drama production environment



April 2019

Organized a hackathon to promote bottom-up government innovation



Chairman Lee Hyo-seong makes a 5G service on-site visit



Mid- to long-term broadcast communication system improvement promotion group



Commissioner Ko Sam-seog, makes an on-site visit to Jeju broadcasting



May 2019

Date	Events
May 2	Free distribution of TV for the visually impaired in cooperation with local governments
May 3	Intensive enforcement of ID (account) illegal transactions on the Internet
May 8	Announcement of 2018 Intelligent Information Society User Recognition Survey Results
May 9	Wireless data consumption measurement result data released
May 9	Domestic and foreign open market price comparison provided to the public
May 10 ~ Nov. 30	Promotion of cyber violence prevention education through musicals
May 13	2019 Korea Communications Commission Broadcast Awards
May 14	Report on the measures to improve the speed and reliability of disaster broadcasting
May 16	Voice phishing warning text messages sent to the public
May 17	Commission-Gwangju Metropolitan Office of Education-National Information Society Agency-Korea Mobile Internet Business Association signed a youth protection agreement
May 23	2019 Broadcasting and communication national policy participation team
May 23	Chairman Lee Hyo-seong visits a drama production site in Paju-si, Gyeonggi-do
May 24	Entered into an agreement with the Ministry of National Defense and conducted an Internet ethics training session for soldiers
May 28	Chairman Lee Hyo-seong held a meeting with the three major terrestrial broadcasting operators
May 29	Chairman Lee Hyo-seong conducted an interview with the Minister of Post and Communication of Cambodia
May 31	2019 Ceremony and meeting for the evaluation of user protection

Promotion of cyber violence prevention education through musicals



Report on the measures to improve the speed and reliability of disaster broadcasting



May 2019

Commission-Gwangju Metropolitan Office of Education-National Information Society Agency-Korea Mobile Internet Business Association signed a youth protection agreement



2019 Broadcasting and communication national policy participation team



Chairman Lee Hyo-seong visits a drama production site in Paju-si, Gyeonggi-do



Entered into an agreement with the Ministry of National Defense and conducted an Internet ethics training session for soldiers



Chairman Lee Hyo-seong conducted an interview with the Minister of Post and Communication of Cambodia



2019 Ceremony and meeting for the evaluation of user protection



June 2019

Date	Events
Jun. 4	Information session on amendments to the Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Protection, Etc., such as personal data liability insurance
Jun. 10	Chairman Lee Hyo-seong held a meeting with five OTT companies
Jun. 11	Established and held the first meeting of a self-regulatory council on false manipulation information
Jun. 11~16	Commissioner Ko Sam-seog attended the Asia Media Summit (AMS) and shared broadcasting and communication policy with Singapore
Jun. 13	Established and held the first meeting of the Internet Regulation Council
Jun. 13	Commissioner Ko Sam-seog presented at the AMS and strengthened cooperation with APEC
Jun. 18	Chairman Lee Hyo-seong conducted an on-site inspection of the KBS disaster broadcasting center
Jun. 19	Signed an MOU with RTUK to promote the co-production agreement with Tureky
Jun. 19	Chairman Lee Hyo-seong held a meeting with the representatives of broadcasting channel operators
Jun. 19	Launch of the 2nd Internet Win-Win Development Council
Jun. 19	Hosted the Vietnam Forum and operated a special booth
Jun. 19~20	Hosted the 2019 International Broadcasting Co-production Conference
Jun. 20	Commissioner Ko Sam-seog met with the Vice-Chairman of the National Broadcasting and Communications Commission of Thailand (NBTC)
Jun. 25	Commissioner Heo Wuk signed an agreement for the reduction of dedicated circuits for 3 IPTV companies
Jun. 25	Amendment to the Enforcement Decree of the Telecommunications Business Act to include the notification of the suspension of the service provision to users in case of communication failure and standards for compensation for damages (enforced June 25)
Jun. 26	Chairman Lee Hyo-seong, met with OTT operators
Jun. 26	The 1st Administrative Judgment Committee in 2019
Jun. 27	A declaration ceremony for win-win cooperation between TV home shopping companies and suppliers
Jun. 27	Information session for business operators to improve the speed and reliability of disaster broadcasting
Jun. 27	Announcement of 2018 broadcaster property status

June 2019

Chairman Lee Hyo-seong held a meeting with five OTT companies



Established and held the first meeting of a self-regulatory council on false manipulation information



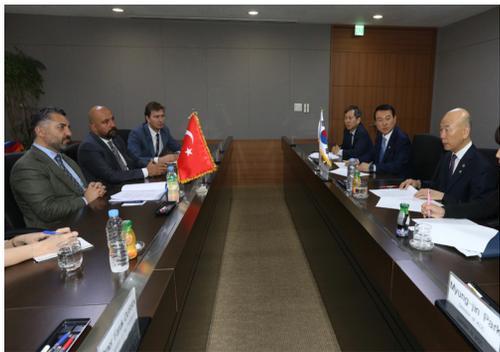
Established and held the first meeting of the Internet Regulation Council



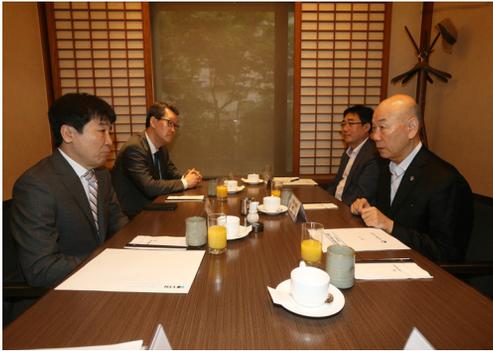
Chairman Lee Hyo-seong conducted an on-site inspection of the KBS disaster broadcasting center



Signed an MOU with RTUK, to promote the co-production agreement with Turkey



Chairman Lee Hyo-seong held a meeting with the representatives of broadcasting channel operators



The launch of the 2nd Internet Win-Win Development Council



Hosted the Vietnam Forum and operated a special booth



2019 International Broadcasting Co-production Conference



June 2019

Commissioner Ko Sam-seog met with the Vice-Chairman of the National Broadcasting and Communications Commission of Thailand (NBTC)



Commissioner Heo Wuk signed an agreement for the reduction of dedicated circuits for 3 IPTV companies



Chairman Lee Hyo-seong, met with OTT operators



A declaration ceremony for win-win cooperation between TV home shopping and suppliers



July 2019

Date	Events
Jul. 4	A ceremony for launching the smart sign- language broadcasting service
Jul. 4	Organized public-private collaboration TF and held meetings to improve disaster broadcasting
Jul. 5	Chairman Lee Hyo-seong held a meeting to listen to the grievances of outsourcing production
Jul. 9	The 8th Information Protection Day
Jul. 9	Distributed infographics for the 'Check My Paid Broadcasting Family Campaign'
Jul. 9	Announcement of the basic plan for evaluating the production capability for broadcasting content in 2019
Jul. 11	The 3rd Balanced Development of the Broadcast Advertising Committee
Jul. 17	Announcement of guidelines on the outsourced broadcasting program
Jul. 17	Announcement of 2018 broadcasting company's viewing share results
Jul. 22	Announcement of the results and plans for the last two years
Jul. 24	Improvement of the discount refund system according to the single contract of collective building
Jul. 30	Vice Chairman Kim Suk-jin strengthened broadcasting and communications cooperation with India

A ceremony for launching the smart sign- language broadcasting service



🌀 August 2019

Date	Events
Aug. 12	Korea Internet Dream Team Summer Camp
Aug. 19	Internet Ethics Creative Contents Contest
Aug. 20	Commissioner Ko Sam-seog presented at the KBS-ABU international forum on the Media Policies for Global Win-win and Cooperation
Aug. 22	Commissioner Pyo Chul-soo attended the Daejeon Media Festival 2019
Aug. 22	An information session was held to explain the outsourcing production transaction guidelines
Aug. 23	Provision of guidelines for the pre-approval of wireline sales outlets
Aug. 28	Announcement of the 2018 N-screen viewing behavior survey results
Aug. 28	The 4th Personal Data Protection Mock Contest

Korea Internet Dream Team Summer Camp



Commissioner Ko Sam-seog presented at the KBS-ABU international forum on Media Policies for Global Win-win and Cooperation



The 4th Personal Data Protection Mock Contest



Commissioner Pyo Chul-soo attended the Daejeon Media Festival 2019



September 2019

Date	Events
Sep. 2	Commissioner Heo Wuk strengthened cooperation in broadcasting and communication with Finland and attended the Berlin International Consumer Electronics Show
Sep. 4	Smishing warning texts were sent to protect people from smishing during Chuseok holidays
Sep. 16 ~ Nov. 22	2019 Internet Information Protection Campaign
Sep. 19	Consumer Group Policy Meeting
Sep. 20	Chairman Han Sang-hyuk visited KBS's Disaster Broadcasting Center and checked its 'response system'
Sep. 20	Launch of the policy reporters group
Sep. 26	Spam distribution status announced to cover the first half of 2019
Sep. 26	Chairman Han Sang-hyuk visited the TV home shopping (NS home shopping) call center
Sep. 26	2019 Beautiful Internet World Singing Competition
Sep. 27	Chairman Han Sang-hyuk held a policy meeting with major three terrestrial companies

Consumer Group Policy Meeting



Chairman Han Sang-hyuk visited KBS's Disaster Broadcasting Center and checked its 'response system'



September 2019

Launch of the policy reporters group



Chairman Han Sang-hyuk visited the TV home shopping (NS home shopping) call center



2019 Beautiful Internet World Singing Competition



Chairman Han Sang-hyuk held a policy meeting with three major terrestrial companies



October 2019

Date	Events
Oct. 1	Enhanced the amount of compensation for damages under the terms and conditions (6 → 8 times) and reduced the penalty exemption time in the case of high-speed Internet failure (48 hours → 24 hours)
Oct. 2	Disclosure of the evaluation results of telecommunication service provider protection
Oct. 8	2019 Korea Public Service Advertisement Festival
Oct. 10	Commissioner Ko Sam-seog participated in the 2019 Barrier-Free Night
Oct. 15~17	The 10th Broadcasting and Communications User Week and Chairman Han Sang-hyuk met with the three CEOs of carriers
Oct. 17	Agreement establishing standards for high-speed Internet damage relief and a seminar on the protection of users in the age of 5G
Oct. 23	Pledge to practice an active administration contest
Oct. 25	2019 Inter-Korean Broadcasting Conference
Oct. 27 ~ Nov. 1	Commissioner Pyo Chul-soo reinforced the broadcasting and communications cooperation with Thailand and Malaysia and expanded the Hallyu broadcasting contents
Oct. 28 ~ Dec. 2	Carried out the personal data protection campaign 2019 with operators
Oct. 28	Broadcast disaster response training check on EBS
Oct. 29	Distributed user behavior tips in case of communication failure

2019 Korea Public Service Advertisement Festival



❁ October 2019

The 10th Broadcasting and Communications User Week and Chairman Han Sang-hyuk met with the three CEOs of carriers



Agreement establishing standards for high-speed Internet damage relief and a seminar on the protection of users in the age of 5G



Pledge to practice an active administration contest



2019 Inter-Korean Broadcasting Conference



EBS' Broadcast disaster response training



November 2019

Date	Events
Nov. 1	Seminar on the need for the policy paradigm shift in the intelligent information society
Nov. 5	Commission and the Ministry of Science and ICT held a high-level meeting
Nov. 11	Announcement of principles for a user-oriented intelligent information society
Nov. 12	Commission-Ministry of Gender Equality and Family-Police Agency-Korea Communications Standards Commission, signed an agreement to cope with digital sexual crimes
Nov. 14	Commission-Sejong signed a business agreement for the establishment and operation of Sejong Community Media Center
Nov. 14	Members appointed to the 10th Broadcasting Evaluation Committee
Nov. 18	Policy customer representative meeting held for the second half of 2019
Nov. 19	Meeting with innovative SMEs
Nov. 20	Hosted an international forum to promote exchange and cooperation for the distribution of contents by regional and overseas broadcasters
Nov. 20	Chairman Han Sang-hyuk visited the homes and centers for the vulnerable that were provided with TVs for the visually and hearing impaired
Nov. 21	Establishment of Gyeonggi Community Media Center
Nov. 21	Submission of the proposal for an amendment to the Act on Broadcast Advertising and Sales Agencies
Nov. 22	Chairman Han Sang-hyuk presented awards at the 2019 Korea Advertising Awards
Nov. 22	Chairman Han Sang-hyuk met with Ted Osius, Vice President, Public Policy and Government Relations for the Asia Pacific region, Google
Nov. 25	Symposium on the Future of Korea-ASEAN Broadcasting Contents and Cooperation Plan
Nov. 26	Establishment of a global Experts Working Group
Nov. 27	Hosted a government innovation concert for broadcasting and communication
Nov. 27	Asia-Pacific Media Education Policy Seminar
Nov. 27	Announcement of 2018 broadcast evaluation results
Nov. 28	2019 International Conference on Media and Information Literacy
Nov. 28	Held a meeting with the heads of broadcasting and led discussions on improving broadcasting in the mid-long term
Nov. 28	2019 Media and Information Literacy Education Best Practice Award

November 2019

Commission–Ministry of Gender Equality and Family–Police Agency–Korea Communications Standards Commission, signed an agreement to cope with digital sexual crimes



Commission–Sejong signed a business agreement for the establishment and operation of Sejong Community Media Center



Policy customer representative meeting held for the second half of 2019



Meeting with innovative SMEs



Hosted an international forum to promote exchange and cooperation for the distribution of contents by regional and overseas broadcasters



Chairman Han Sang-hyuk visited the homes and centers for the vulnerable that were provided with TVs for the visually and hearing impaired



November 2019

Establishment of Gyeonggi Community Media Center



Chairman Han Sang-hyuk presented awards at the 2019 Korea Advertising Awards



Chairman Han Sang-hyuk met with Ted Osius, Vice President, Public Policy and Government Relations for the Asia Pacific region, Google



Symposium on the Future of Korea-ASEAN Broadcasting Contents and Cooperation Plan



Establishment of a global Experts Working Group, BCBB



Hosted a government innovation concert for broadcasting and communications



November 2019

Asia-Pacific Media Education Policy Seminar



2019 International Conference on Media and Information Literacy



Held a meeting with the heads of broadcasting and led discussions on improving broadcasting in the mid-long term



2019 Media and Information Literacy Education Best Practice Award



December 2019

Date	Events
Dec. 2-7	Commissioner Heo Wuk strengthened Korea-Australia broadcast communication cooperation and studied the local broadcasters operation status
Dec. 4	Held a public hearing on guidelines (proposal) regarding the fair use of the Internet network
Dec. 4	2019 Internet Ethics Competition
Dec. 5	The 1st International Conference on the Protection of Users in the Intelligent Information Society
Dec. 5	Chungcheongbuk-do signed an agreement with Cheongju to establish the Chungbuk Community Media Center
Dec. 9	Distribution of the infographic: "Why Paid Customer Service Telephone Consultation Is So Important"
Dec. 10	Announcement of an amendment to the Enforcement Decree of the Broadcasting Act to improve the public service commercial system
Dec. 11	Announcement of 2019 broadcasting content production capability evaluation results
Dec. 12	Commissioner Kim Chang-yong makes on-site visits to the three major carriers
Dec. 13	Commissioner Kim Chang-yong lectured at the Ulleung-gun Education Development Debate
Dec. 17	2020 Announcement of permit plans for personal data location business operators
Dec. 17	2019 Viewers Media Awards Ceremony
Dec. 17	Warning texts sent out to people to prevent damages such as smishing
Dec. 19	2019 Personal Data Guardian's Night Event
Dec. 19	Daejeon Internet Ethics Center opened
Dec. 19	Announcement of 2019 broadcasting industry survey results
Dec. 19	Meeting with the representatives of CATV broadcasting business entities to gather the opinions of the cable TV industry
Dec. 23	Announcement of findings on media usage behavior in 5 countries influenced by Hallyu

2019 Internet Ethics Competition



December 2019

The 1st International Conference on the Protection of Users in the Intelligent Information Society



Chungcheongbuk-do signed an agreement with Cheongju to establish the Chungbuk Community Media Center



Distribution of the infographic: "Why Paid Customer Service Telephone Consultation Is So Important"



2019 Viewers Media Awards Ceremony



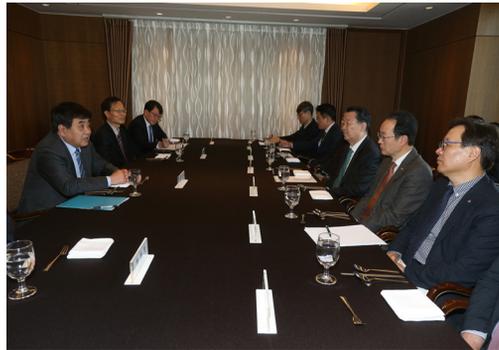
2019 Personal Data Guardian's Night Event



Daejeon Internet Ethics Center opened



Meeting with representatives of CATV broadcasting business entities to gather the opinions of the cable TV industry



4. Acronyms

Appendix Table-7 Acronyms

Acronyms	Descriptions
ABLI (Asia Business Law Institute)	Asia-Pacific Institute for Research on Laws and Policies for Personal Data Protection
ABU (Asia & Pacific Broadcasting Union)	Asia & Pacific Broadcasting Union
AI (Artificial Intelligence)	Artificial Intelligence
AIBD (Asia-Pacific Institute of Broadcasting Development)	Asia-Pacific Institute of Broadcasting Development
AMS (Asia Media Summit)	Asia Media Summit
AP (Access Point)	Mutual accessibility, which is the accessibility of the network and users in network services such as a leased line or value-added communication network (VAN)
APEC (Asia-Pacific Economic Cooperation)	Asia-Pacific Economic Cooperation
APPA (Asia Pacific Privacy Authorities)	Asia Pacific Privacy Authorities
ARPU (Average Revenue Per User)	Average Revenue Per User
ARS (Automatic Response Service)	Automatic Response Service
ASEAN (Association of South-East Asian Nations)	Association of South-East Asian Nations
ATF (Asia Television Forum)	Asia Television Forum
AVOD (Advertising Video On Demand)	Ad-based video on demand service
B2B (Business to Business)	E-commerce between companies
B2C (Business to Customer)	Business to consumer transactions
BCBB (Experts Working Group on Broadcasting Content Beyond Borders)	Experts Working Group on Broadcasting Content Beyond Borders
BCM (Busan Contents Market)	Busan Contents Market
CBPR (Cross-Border Privacy Rules)	Global Personal Data Protection Certification System
CoE (Council of Europe)	Council of Europe
CP (Contents Provider)	Contents Provider
CPND (Contents Platform Network Device)	Harmony of contents, platforms, networks, and devices, which are the core areas of mobile communication technology
CS (Customer Service)	Customer Service
DD (Doordarshan)	National broadcast, India
DESG (Digital Economy Steering Group)	Digital Economy Steering Group
DGP (Data Governance and Privacy)	Data Governance Privacy Conference

Acronyms	Descriptions
DMS (Digital Marketing Summit)	Digital Marketing Summit
DNA (Data Network AI)	Data Network AI
DNS (Domain Name System)	TCP/IP network service that resolves domain or host names to numeric IP addresses on the network
DPS (Data Privacy Subgroup)	Personal Information Protection Division
DTV (Digital Television)	TV receiver that can receive digital broadcasting
EU (European Union)	European Union, which includes Germany, France, Ireland and Belgium
FM (Frequency Modulation)	Frequency modulation method in which the amplitude of the carrier does not change according to the modulating signal, but only the frequency changes
FTA (Free Trade Agreement)	Free Trade Agreement
GDPR (General Data Protection Regulation)	Personal Data Protection Act
GZDOC (Guangzhou International Documentary Film Festival, China)	Guangzhou International Documentary Film Festival, China
HD (High Definition)	High Definition
HDTV (High Definition Television)	High Definition Television
HTTPS (Hyper Text Transfer Protocol Secure)	Enhanced version of HTTP, the World Wide Web communication protocol
IBM (International Business Machines Corporation)	US computer information equipment manufacturer
ICDPPC (International Conference of Data Protection and Privacy)	International Conference of Data Protection and Privacy
ICT (Information and Communication Technology)	Information and Communication Technology
ID (Identification)	Identifier to recognize the relevant computer users
IoT (Internet of Things)	Internet of Things (an environment where the objects in our daily life are connected by wired and wireless networks to share information)
IP (Internet Protocol)	Computer's address on the Internet

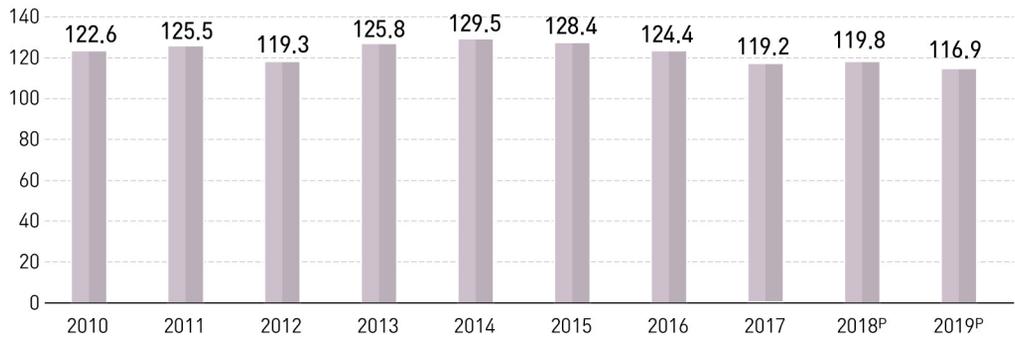
Acronyms	Descriptions
IPTV (Internet Protocol Television)	Interactive television services offered by broadband networks
ISMS (Information Security Management System)	Information Security Management System
ISP (Internet Service Provider)	Network-based traditional communications business operator
KI (Korea communications commission Index)	Viewers Assessment Index
KPI (Komisi Penyiaran Indonesia)	Indonesian Broadcasting Commission
LBSP (Location Based Service Platform)	Location Based Service Platform
LIBE (Committee on Civil Liberties, Justice and Home Affairs)	European Committee on Civil Liberties, Justice and Home Affairs
M&A (Merger and acquisition)	Merger and acquisition
MACA (Media Access Control Address)	The physical address of the Ethernet, which is a network model used in LAN which is an information communication network in a specific area
MHz (Megahertz)	Radio waves used in radio and television broadcasting
MIC (Ministry of Information and Communications)	Ministry of Information and Communications, Vietnam
MNC (Media Nusantara Citra)	Leading media groups, Indonesia
MOU (Memorandum of Understanding)	Memorandum of Understanding
MPTC (Ministry of Posts and Telecommunications,Cambodia)	Ministry of Posts and Telecommunications,Cambodia
MS (Microsoft)	Software company, US
MWC (Mobile World Congress)	Mobile Communication Industry Exhibition
NAB (National Association of Broadcasters)	National Association of Broadcasters, US
O2O (Online to Offline)	Online-based offline services
OECD (Organization for Economic Cooperation and Development)	Organization for Economic Co-operation and Development
OTT (Over the top)	A service to provide broadcasting program, film, and video via the Internet
PD (Product Director)	Product director of TV broadcasting corporation
PIMS (Personal Information Management System)	Personal Information Management System

Acronyms	Descriptions
PP(Program Provider)	Program Provider
R&D(Research and Development)	Research and Development
RTM(Radio Television Malaysia)	Broadcasters, Malaysia
RTUK(Radio and Television Supreme Council)	Radio and Television Supreme Council, Turkey
SMS(Short Message Service)	Short Message Service
SNI(Server Name Indication)	Server Name Indication
SNS(Social Network Service)	Social Network Service
SO(System Operator)	System Operator, Broadcasting business operator to transmit cable TV
SOM(Senior Officials' Meeting)	Senior Official's Meeting
SSID(Service Set Identifier)	Service set identifier
STVF(Shanghai TV Festival)	Shanghai TV Festival
SVOD(Subscription Video on Demand)	Monthly video on demand
TF(Task Force)	Task Force, Temporary organization that the organization installs separately from existing departments to achieve any business plan
TRT(Turkish Radio and Television)	Public Broadcasting, Turkey
UHD(Ultra High Definition)	Ultra High Definition
VOD(Video On Demand)	Video service business that is provided by telephone lines or cables
VOV(Voice of Vietnam)	National broadcasting station, Vietnam

5. Status of Broadcasting and Communications Industry by Sector

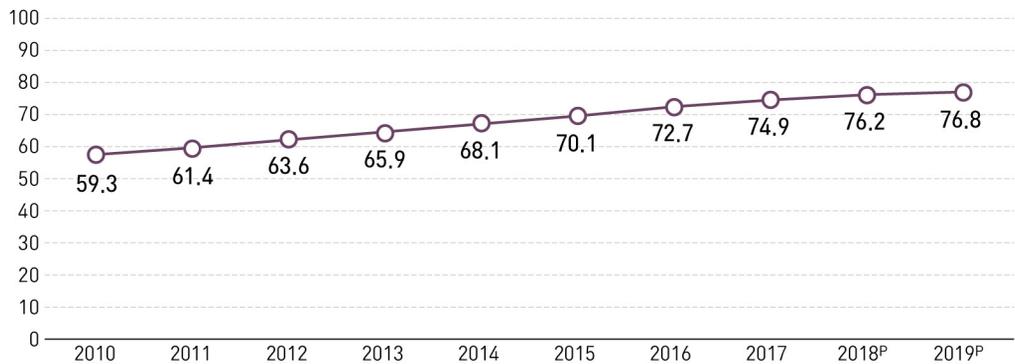
Total Sales in Broadcasting and Communications Industry

(Unit : KRW 1 trillion)



Total Sales in Broadcasting and Communications Service

(Unit : KRW 1 trillion)



Total Sales in Broadcasting and Communications Devices

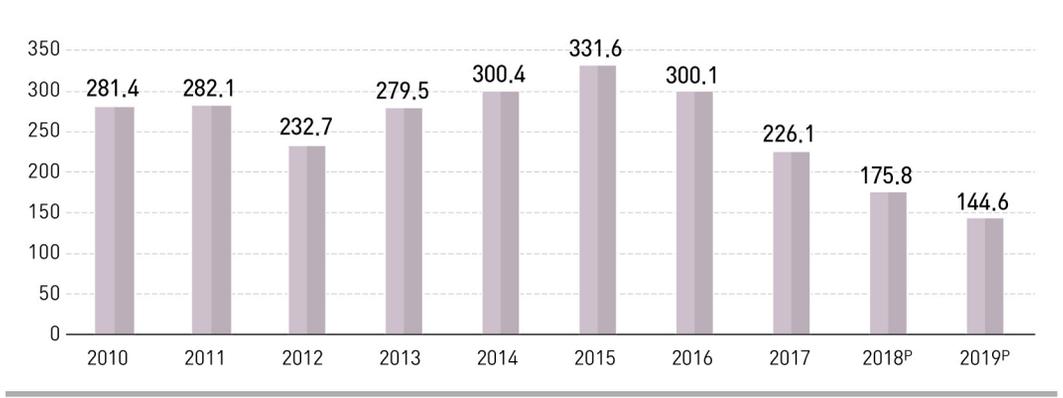
(Unit : KRW 1 trillion)



Note) P : Preliminary, Broadcasting Communications Service refers to Telecommunications, Broadcasting, and Information Service
Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2020

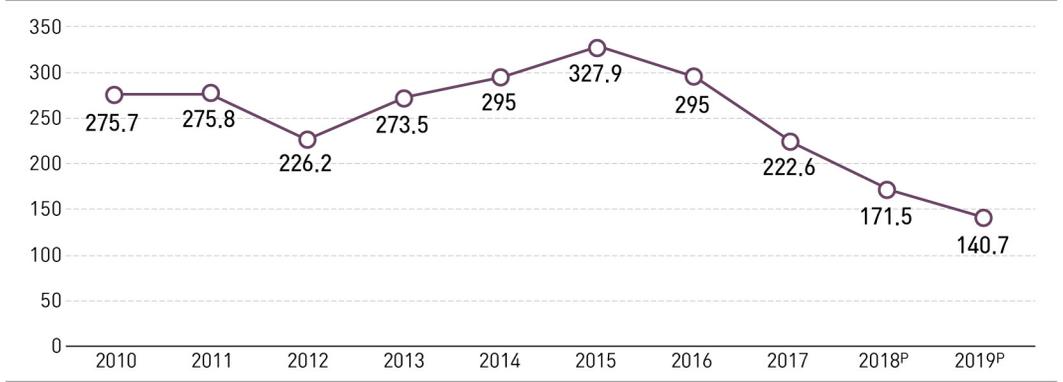
Total Broadcasting and Communications Device Exports

(Unit : USD 100 million)



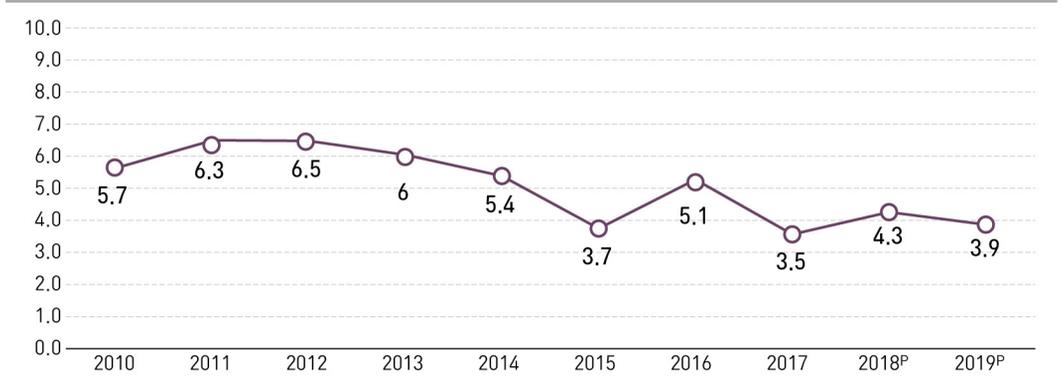
Communications Device Exports

(Unit : USD 100 million)



Broadcasting Device Exports

(Unit : USD 100 million)

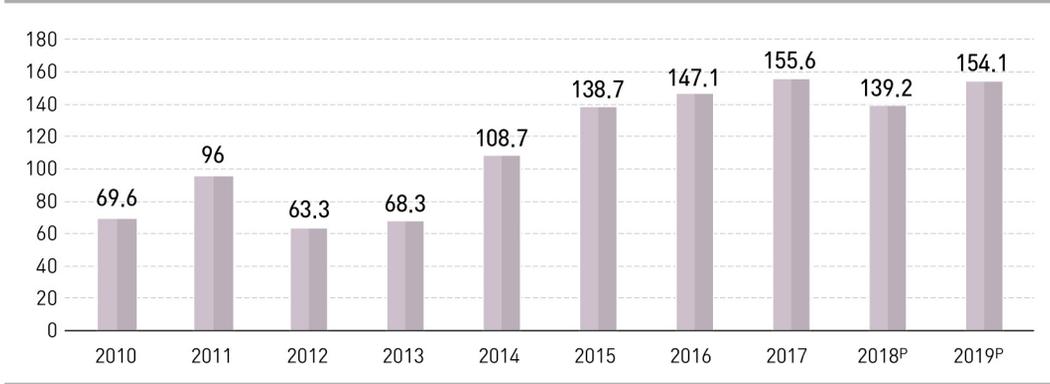


Note) P : Preliminary

Source) Trend Research on ICT Item, Ministry of Science and ICT, 2020

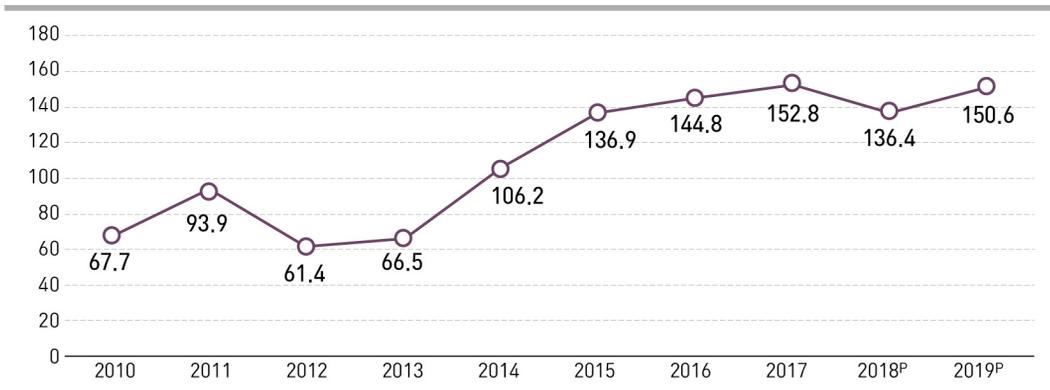
Total Broadcasting and Communications Device Imports

(Unit : USD 100 million)



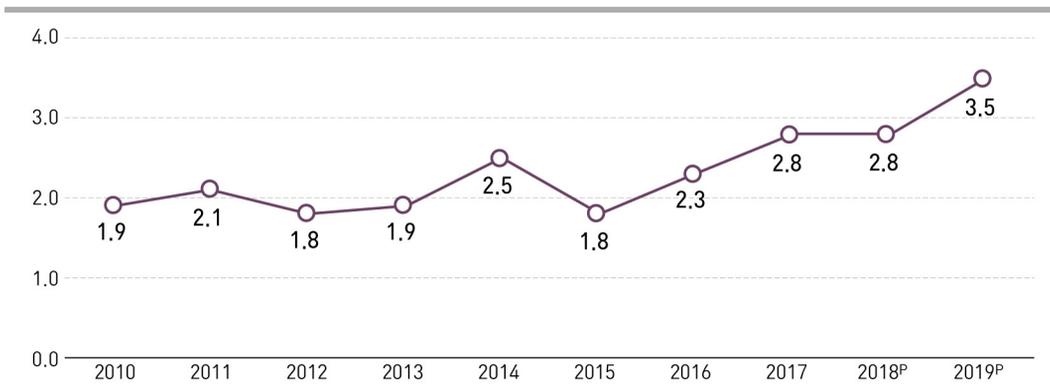
Communications Device Imports

(Unit : USD 100 million)



Broadcasting Device Imports

(Unit : USD 100 million)

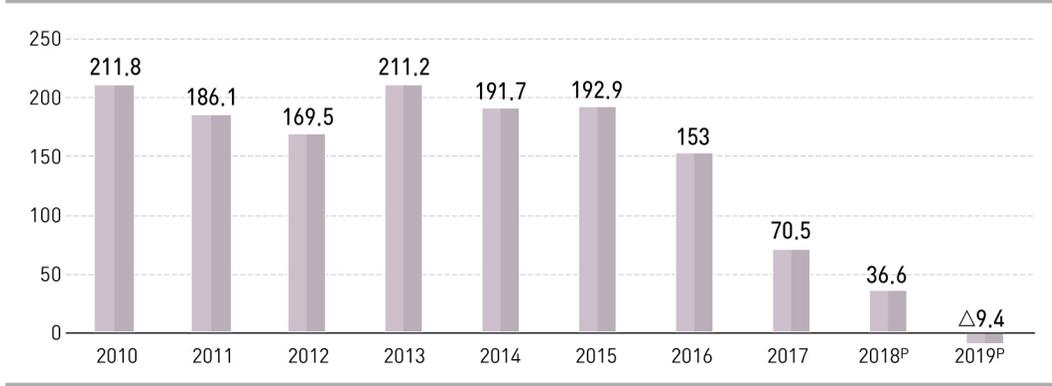


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2020

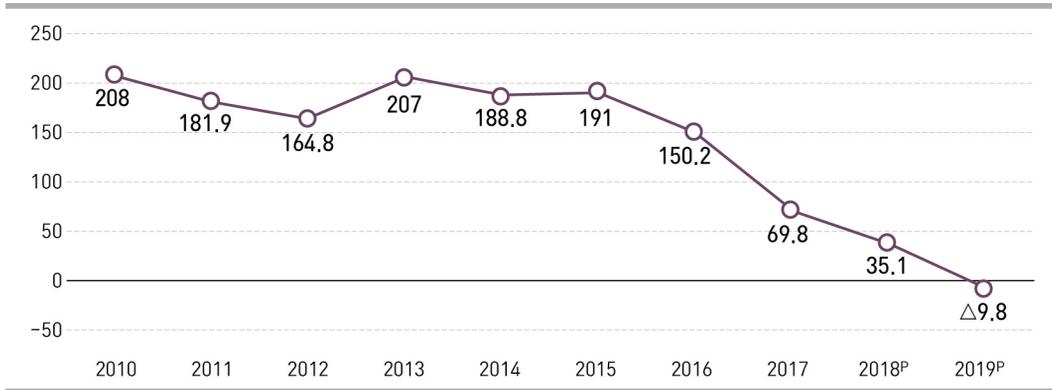
Total Broadcasting and Communications Device Trade Balance

(Unit : USD 100 million)



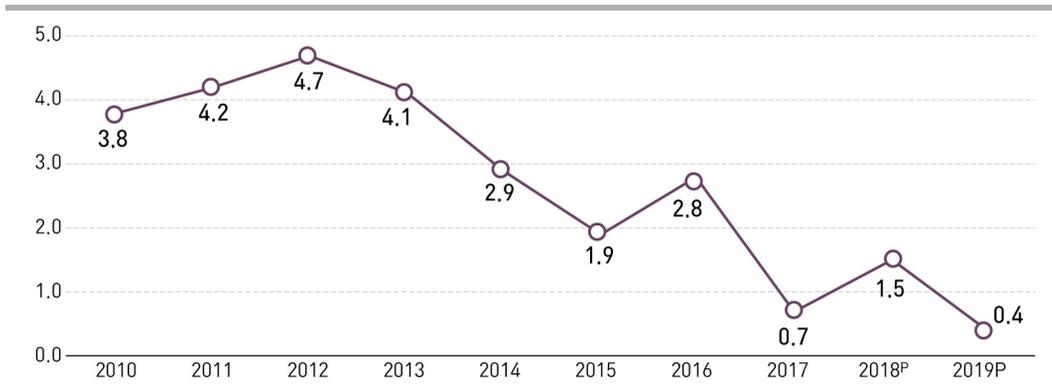
Communications Device Trade Balance

(Unit : USD 100 million)



Broadcasting Device Trade Balance

(Unit : USD 100 million)



Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2020

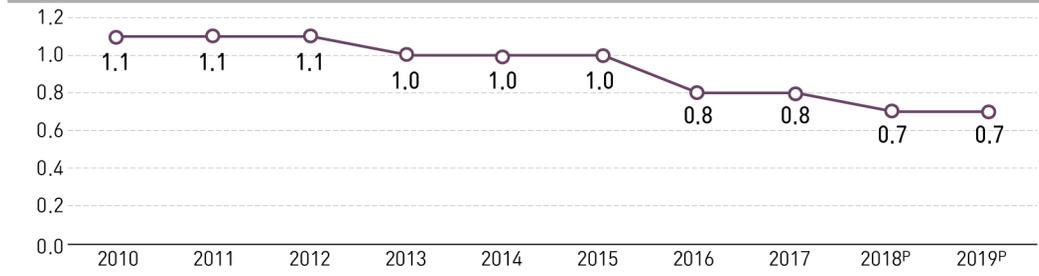
Local Telephone Service Sales

(Unit : KRW 1 trillion)



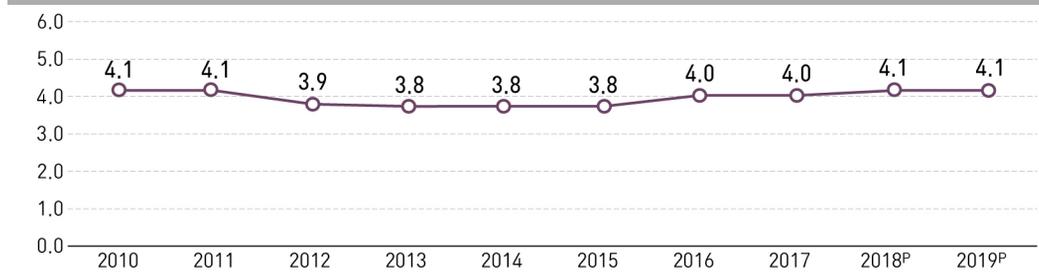
Internet Telephone Service Sales

(Unit : KRW 1 trillion)



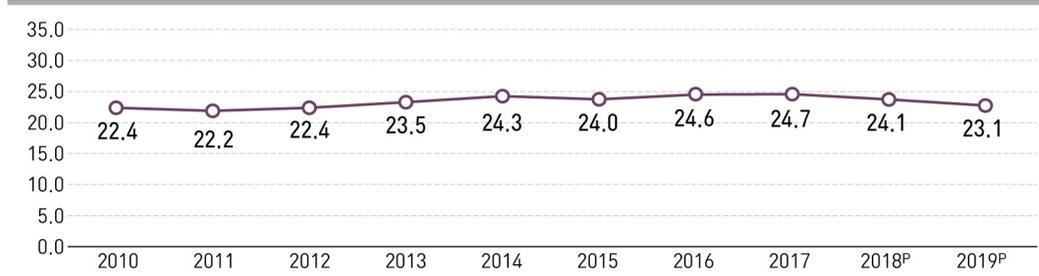
Broadband Internet Access Service Sales

(Unit : KRW 1 trillion)



Mobile Service Sales

(Unit : KRW 1 trillion)

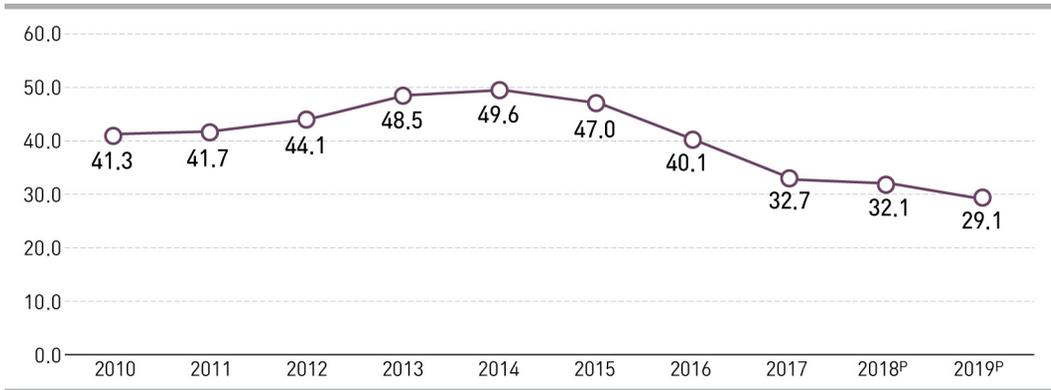


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2020

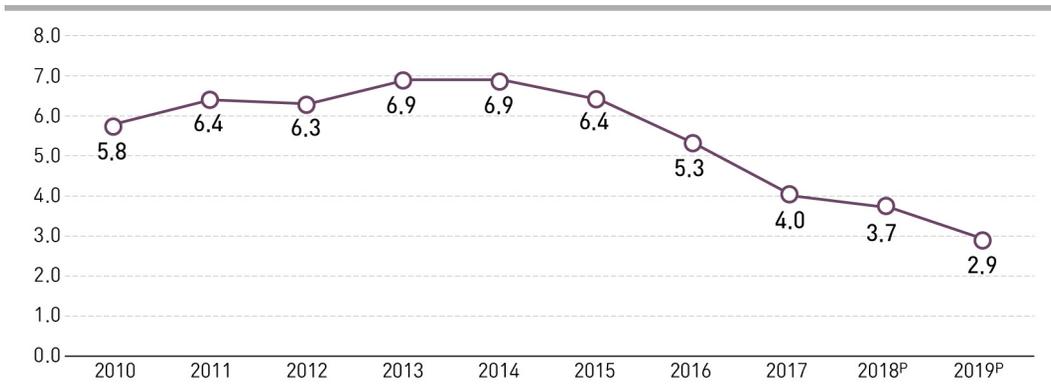
Mobile Terminal Device Sales

(Unit : KRW 1 trillion)



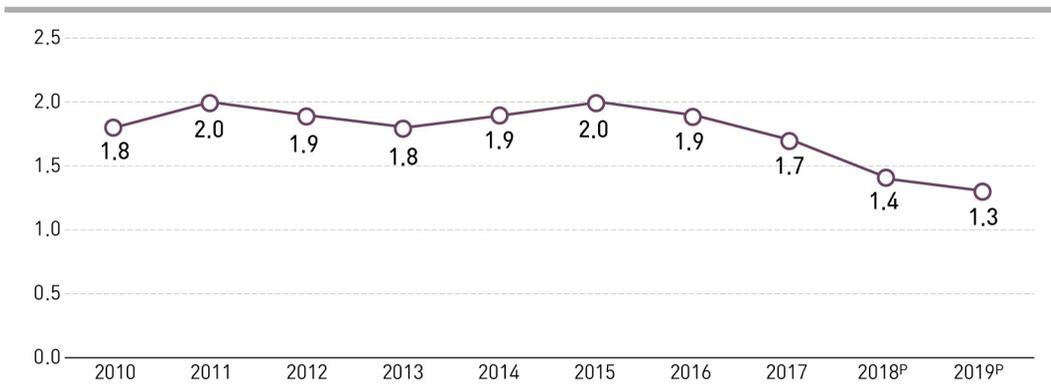
DTV sales

(Unit : KRW 1 trillion)



Total Set-top Box Sales

(Unit : KRW 1 trillion)

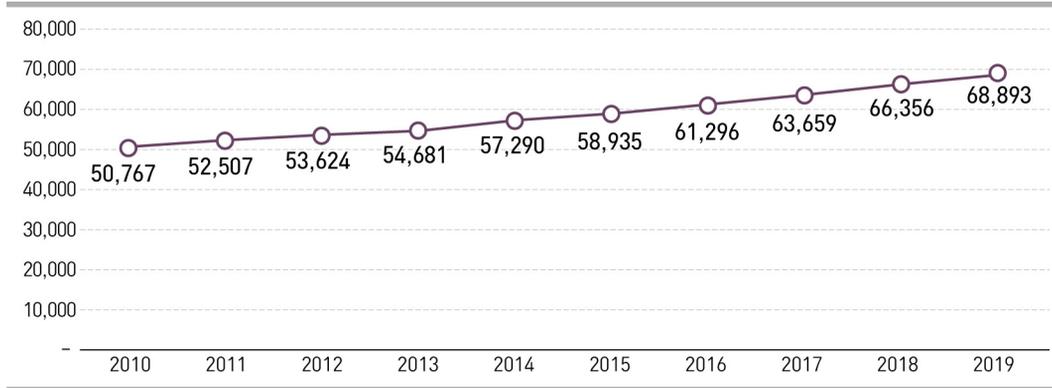


Note) P : Preliminary

Sources) Trend Research on ICT Item, Ministry of Science and ICT, 2020

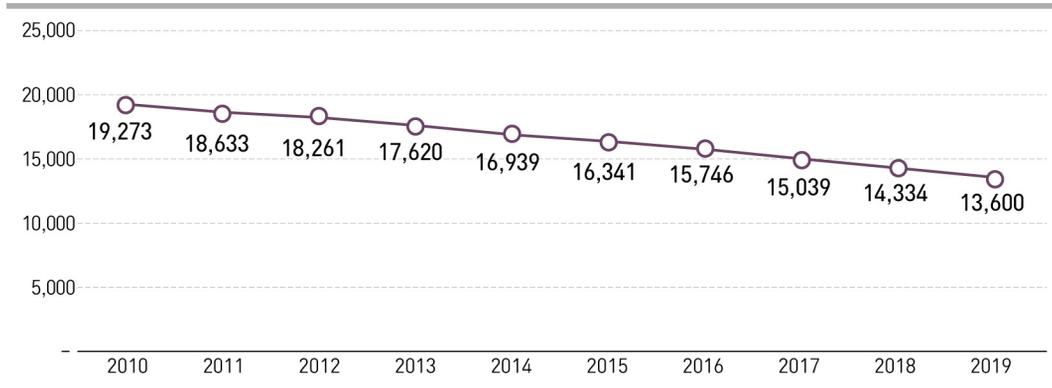
Number of Mobile Subscribers

(Unit : 1,000 subscribers)



Number of Local Telephone Subscribers

(Unit : 1,000 subscribers)



Note) As of December of each year, Mobile includes tablet PC, wireless data, M2M and etc.
 Source) Ministry of Science and ICT, 2020

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