

Best Practices in Consumer Protection in the Digital Age

– Korea Communications Commission (KCC)

Traditionally, consumer protection has been focused on the areas of subscription to broadcasting and telecommunications services, quality evaluation, advantage and disadvantage in entry into and cancellation of a contract, optimized service rates, notification obligation, consumer complaints handling, etc.

Having entered the digital age, countries are faced with new challenges in consumer protection. Like any other country in the world, Korea is also working hard on consumer-related agenda and policies, as the country's advanced technological development in the area renders related services unprecedentedly complex. The practices and experiences both good and bad the KCC likes to share are as follows:

1) Redefining consumer protection needs along the value chain, from ICT networks to apps and services:

Defining consumer protection in accordance with advancements in technology

- Need to redefine consumer protection in each area of content, platform, network and device, and by sector, i.e. network, service, apps and device
- A new concept is necessary that encompasses all of market changes, the subject to be protected and technological changes.
e.g.) individually customized service (service rate planner), bundled service, consumer protection service in terms of information transfer, after-sales service for handsets, protection against mobile app users
- Korea is implementing the following policy measures to efficiently respond to the above-mentioned trends and reflect them in our policy:
 - ✓ Conducting fact-finding inspection against online marketplaces for their data protection endeavor and imposing sanctions if necessary
 - ✓ Reinforcing safety measures before payments are made in the mobile apps market
 - ✓ Measures are in place to crack down on unlawful distribution of personal data online

2) Identifying priorities and responsibilities of ICT stakeholders (government, industry

and consumers) in a digital environment:

A forum or consultative body is necessary that can discuss consumer protection policy on a continuing basis, participated by the government, specialized agencies, academia, industry, consumers, NGOs, and so on.

- A think tank is necessary to continue substantial discussion at the fundamental level, in addition to the efforts to resolve pressing issues.
- At the moment, the KCC is pushing for the enactment of a communications consumer protection act and the establishment of a specialized body to handle consumer protection; and operating a policy customer representatives' meeting and a public-private cooperative taskforce to strengthen personal data protection on the Internet.

3) *Expanding the regulator's mandate and enforcement measures to ensure effective consumer protection in a converged digital environment (in particular in dealing with privacy, data protection, protection against fraud, misuse, etc.):*

Hacking, leak of personal data, transactions of personal information are emerging as social issues, and therefore the regulator gets to take up higher responsibilities. The following is what the KCC does or has done in response:

- ✓ Establishing laws, policies and plans to protect consumers from misuse, spam, online fraud i.e. phishing, pharming and smishing, and so forth. For example, in response to the recent leakages of personal data at card companies and a telecoms carrier, the KCC is drafting a comprehensive plan due to be finalized in June to tackle the problems as the competent authority in charge of online privacy protection.
- ✓ Put in place institutional mechanism to protect consumers such as through the guidelines on prohibited acts, dispute resolution, adjudication and good offices.
- ✓ Evaluating mobile carriers' efforts to protect consumers; providing personal information protection training for operators; and developed a guidebook on online ethics to be used at the elementary and middle schools.