The Story of Korea's Success in ICT Sector and Policy Decision

9. Oct. 2013

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I. Korean Economy Briefs

	1960		1988 -Seoul Olympics-		2012
Population	25.1 million	1.7 times	42 million	1.2 times	50 million
GDP (USD)	$3.9 billion	48.2 times	$187.4 billion	6 times	$1,129.5 billion
GDP(USD) -Per Capita-	$115	38.8 Times	$4,465	5 times	$22,590

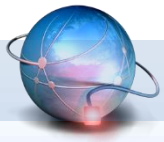
Source : The World Bank

I. Korea's ICT Status

- UN, E-Government development index : 0.9283 (**Rank No. 1**) [2010y, 2012y]
- ITU, ICT Development Index(IDI) : 8.56 (**Rank No. 1**) [2011y, 2012y]
- OECD , Rate of Wireless broadband : 103.04% (OECD average : 62.7%))

I. Korea's ICT Status

4G Mobile



LTE Deployment

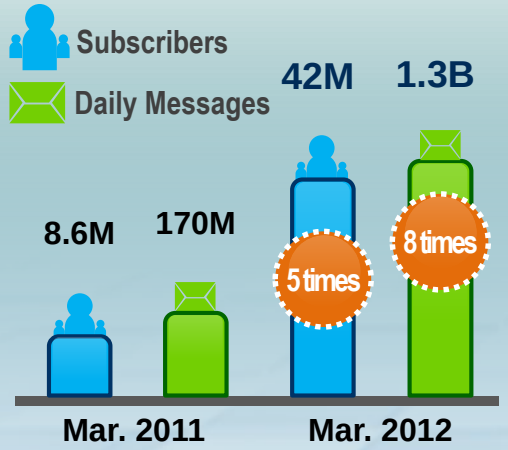
ICT Convergence

5 million IPTV Subscribers

Access Network

100Mbps Broadband Connection

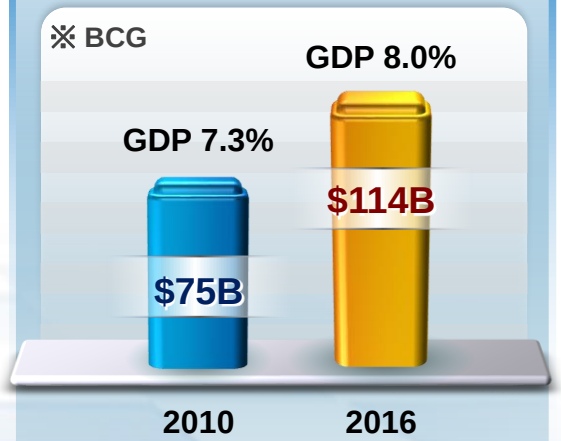
Kakao Talk



Domestic App. Market

※ KOCCA

Internet Economy



II. Key Success Factors

"We were behind in industrialization,
but be a leader in information era"

(Catch Phrase of MIC)

□ Korea's Five Policies

① A dedicated ministry for ICT in the government

② Laws to make competitive environments

③ Stable financial resources

④ Participation of private professionals at government affiliated organizations

⑤ Communication with the public

II. Key Success Factors

□ Incentive system to boost competition

① Adopting competitive market for telecommunication

② Deregulation of 'high-speed internet service'

□ Push-pull strategy

① Launched pilot projects for e-gov., e-edu., e-health

② Low flat rate pricing

③ Promotion of PC purchase for households

④ Internet access for seniors, soldiers, disabled, prisoners

II. Key Success Factors

□ New Internet industries and jobs are created

- World-class online game ventures, portals and SW companies

□ The economic transparency is increased

- Financial sector was computerized with the real name system

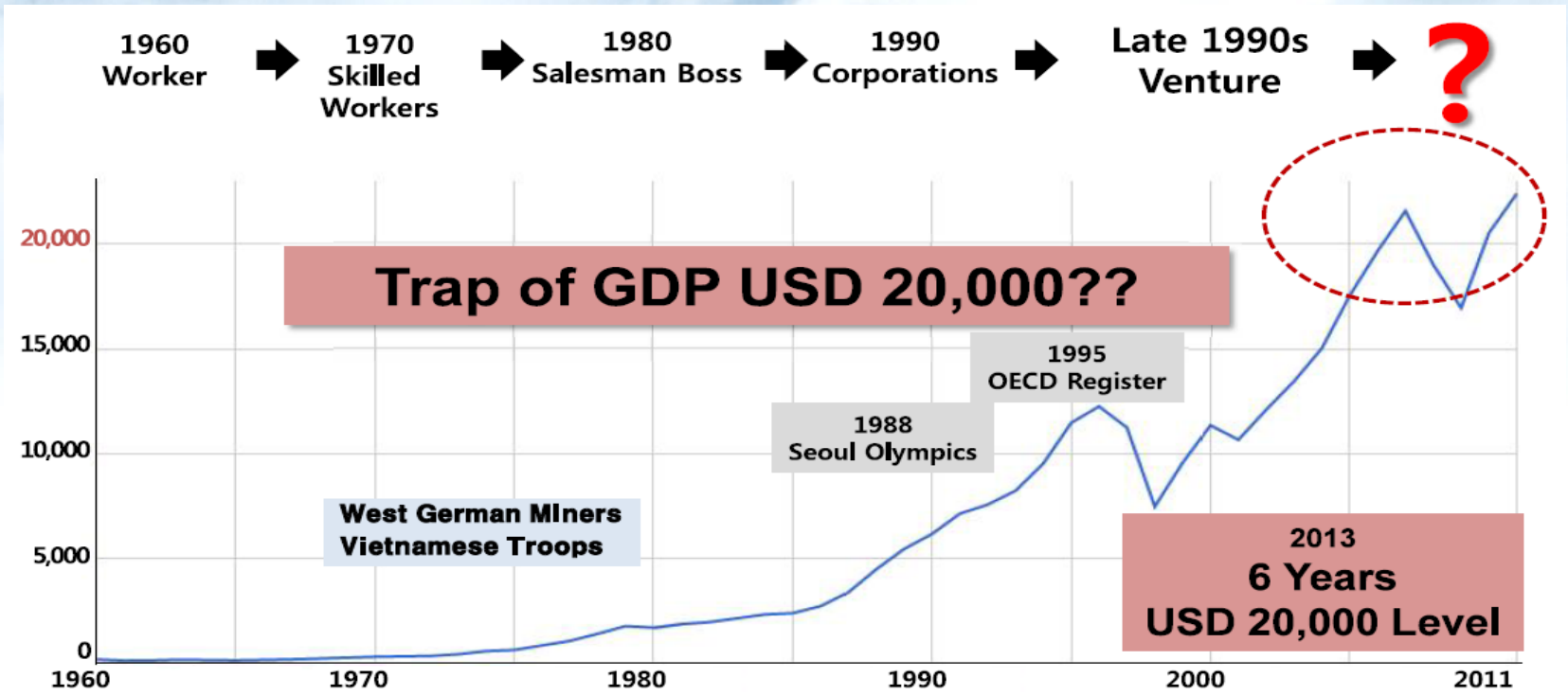
□ Productivity gains through Internet

- The Internet banking : $33 billions/day

*CD/ATM(42.4%) > **Internet Banking(32.5%)** >Telephone Banking(13.7%) > Off-line Banking(11.6%)

- Online Shopping : $25billions/year (8.4%)
- M-commerce : $ 3millions (2009) -> $600 millions (2012)

III. New Challenges



New Challenges

□ Network and H/W oriented Industry

- High-speed communication network
- Mobile radio communication network (3G, LTE)
- Smart Devices (Phone, Tablet)
- Semiconductor

□ Side-effects of Internet

- Hacking and DDoS attacks
- Personal information protection
- Infodemic etc.

III. New Challenges

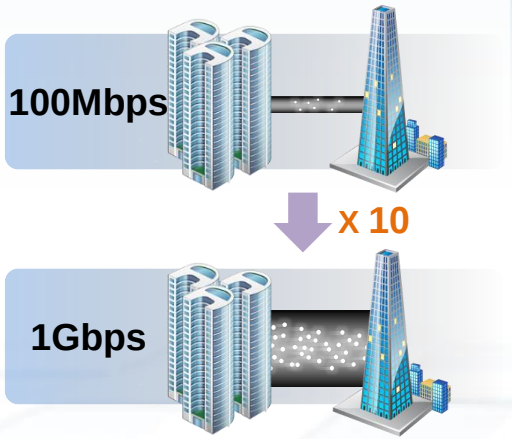
ICT Vision 2020

1980s	1990s	2000s	2010s	2020s
Informatization Era	Mobile Communications Revolution	Internet Revolution	Smart Era	Hyper-Connection Era
• TDX / Wired Communications • National Backbone Networks	• CDMA Technology • Mobile Communications Development	• Widespread Broadband	• Spread of Smart Devices	• Digital Ecosystem • Promoting Creative Knowledge Industries • Global Co-prosperity

III. New Challenges

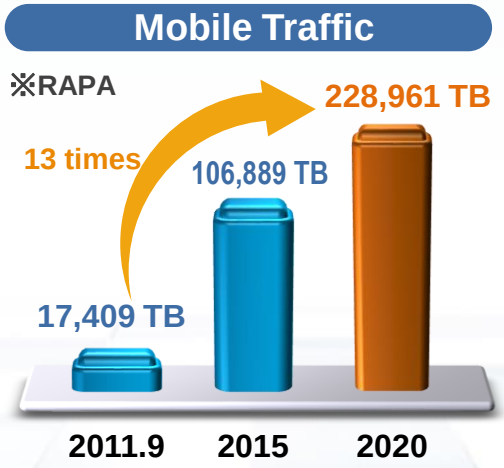
UBcN

- **1Gbps Pilot Service in 2012**
  - Distribution to 20% of households by 2015
- **Securing 10Gbps - Class Core Tech. by 2015**



4G Mobile

- **Nationwide LTE service**
- **Free Up Additional Spectrum**
  - Max. 650MHz by 2020



Digital Broadcasting

- **Digital Switchover**
  - Analog broadcasting terminates on Dec. 31, 2012
- **Promoting Convergence Services i.e. Smart TV**

III. New Challenges

Thank you