



Korea Information Strategy Development Institute (KISDI), as a government sponsored research institute, is affiliated with the Office of the Prime Minister under the Korea Council of Economic and Social Research Institutes



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KOREA INFORMATION STRATEGY DEVELOPMENT INSTITUTE

KISDI

Toward a digital world, KISDI

KISDI paves the way to the digital world by enhancing quality of life through

For the successful implementation of the national agenda for information technology, 'Best IT Nation', our research institute is involved in the analysis of various national issues, expansive theoretical and practical research, policy recommendations as well as international cooperation. In addition, as one of the foremost government sponsored research institutes, KISDI plays a critical advisory role for all IT policy issues in Korea.

Since its establishment in January 1988, KISDI has played a pivotal part in strengthening Korea's position as an IT powerhouse through national policies in informatization, IT industry, telecommunications & broadcasting convergence, fair competition, postal services and international cooperation.

In the future, KISDI aims to become the leading IT think-tank for the digital world in the 21st century. KISDI will make every effort to pave the way for Korea to become the 'Best IT Nation' in order to bring a more enjoyable and secure life through information technology.

With the world changing at an accelerated pace, we are living a global era that is racing at the speed of light, transcending time and moving beyond physical borders of East and West. The changes we are experiencing are the result of the rapid growth of the IT industry where technological advances have led to the increase in productivity and competitiveness of our nation as well as forming the building blocks towards a true welfare state.

KISDI is also involved in bridging the digital divide between nations, supporting the entry of IT companies overseas and strengthening not only cooperative relationships within Korea but also between countries. Furthermore, KISDI maintains interest in the reunification between South and North Korea through our efforts to strengthen cooperation in information technology.

We are committed to fully investing our efforts to ensure the growth and development of information technologies in Korea, contributing to the realization of the information society and forging partnerships in research and the private sector.

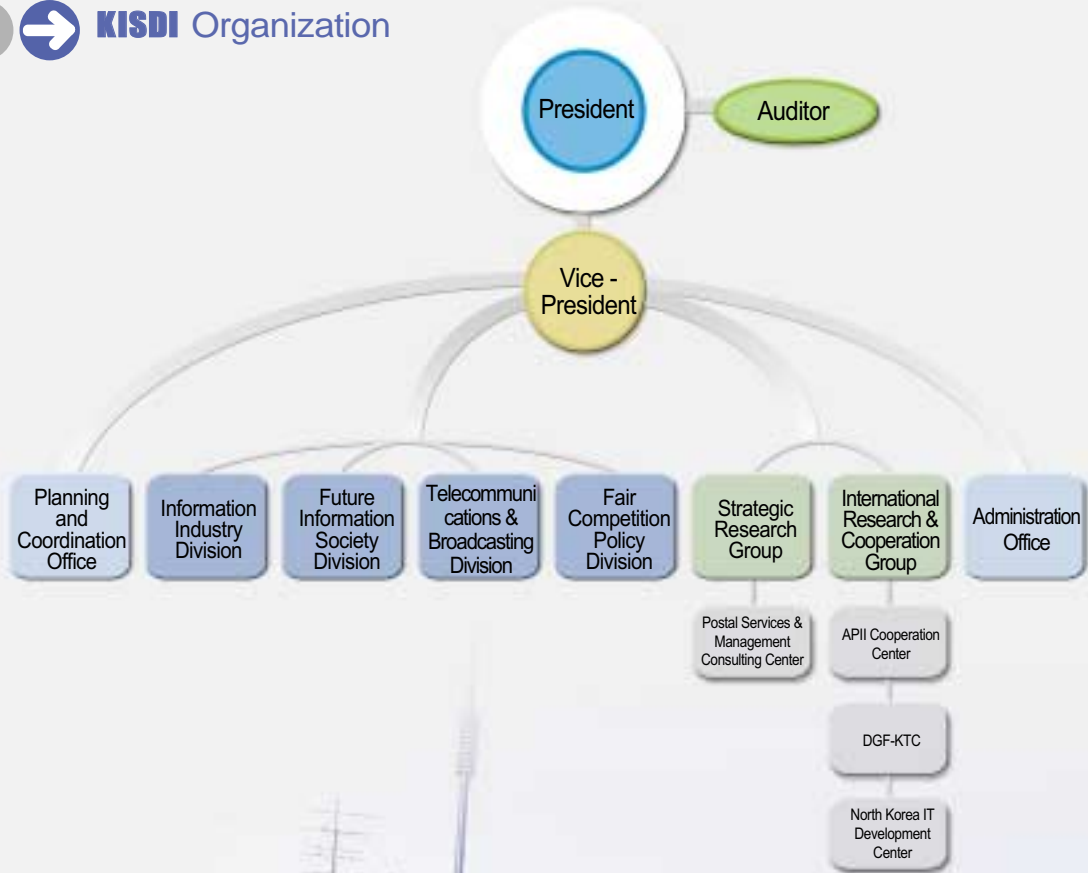
As we enter the new digital era, we ask for your continuing support and guidance to firmly establish KISDI as the leading research center in Korea and the new millenium.



A handwritten signature in black ink, which appears to read "John H. Lee". The signature is written in a cursive, flowing style.

John H. Lee, Ph.D.
President





 **KISDI Vision**

To become a leading strategic research institute
for the global information society of the 21st century

 **KISDI Goals**

- To serve an advisory role on national initiatives for the construction of an advanced information society
- To provide recommendations on the blueprints for 'e-Korea'
- To contribute to the development of IT policies for Korea
- To become an international organization of global leadership

 **KISDI history**

1972

February 1, 1972

Established the Korea Research Institute of Telecommunications (KRIT)

1985

February 4, 1985

Expanded and reorganized KRIT as the Institute for Communications Research (ICR)

November 28, 1987

IT Development Research Institute Act

January 30, 1988

Established the Korea Information Society Development Institute (KISDI) as a government sponsored research institute affiliated with the former Ministry of Communications; succeeding ICR

November 5, 1994

Relocated to the new KISDI research complex in Juam-dong, Kwachun, Kyonggi-do

October 11, 1996

Launched the APII-Cooperation Center (APII-CC)

August 30, 1997

Changed the official Korean name of the Institute

January 29, 1999

Changed affiliation to the Office of the Prime Minister under the Korea Council of Economic and Social Research Institutes

February 1, 2002

Established the Postal Services Research Center

November 13, 2002

Established Development Gateway Foundation-Korea Training Center(DGF-KTC)

May 7, 2003

Changed the official English name to 'Korea Information Strategy Development Institute'


June 11, 2003

Established the North Korea IT Development Center ; Renamed 'Postal Services Research Center' as 'Postal Services & Management Consulting Center'

2004



Formulating plans to facilitate growth of new industries / Providing development

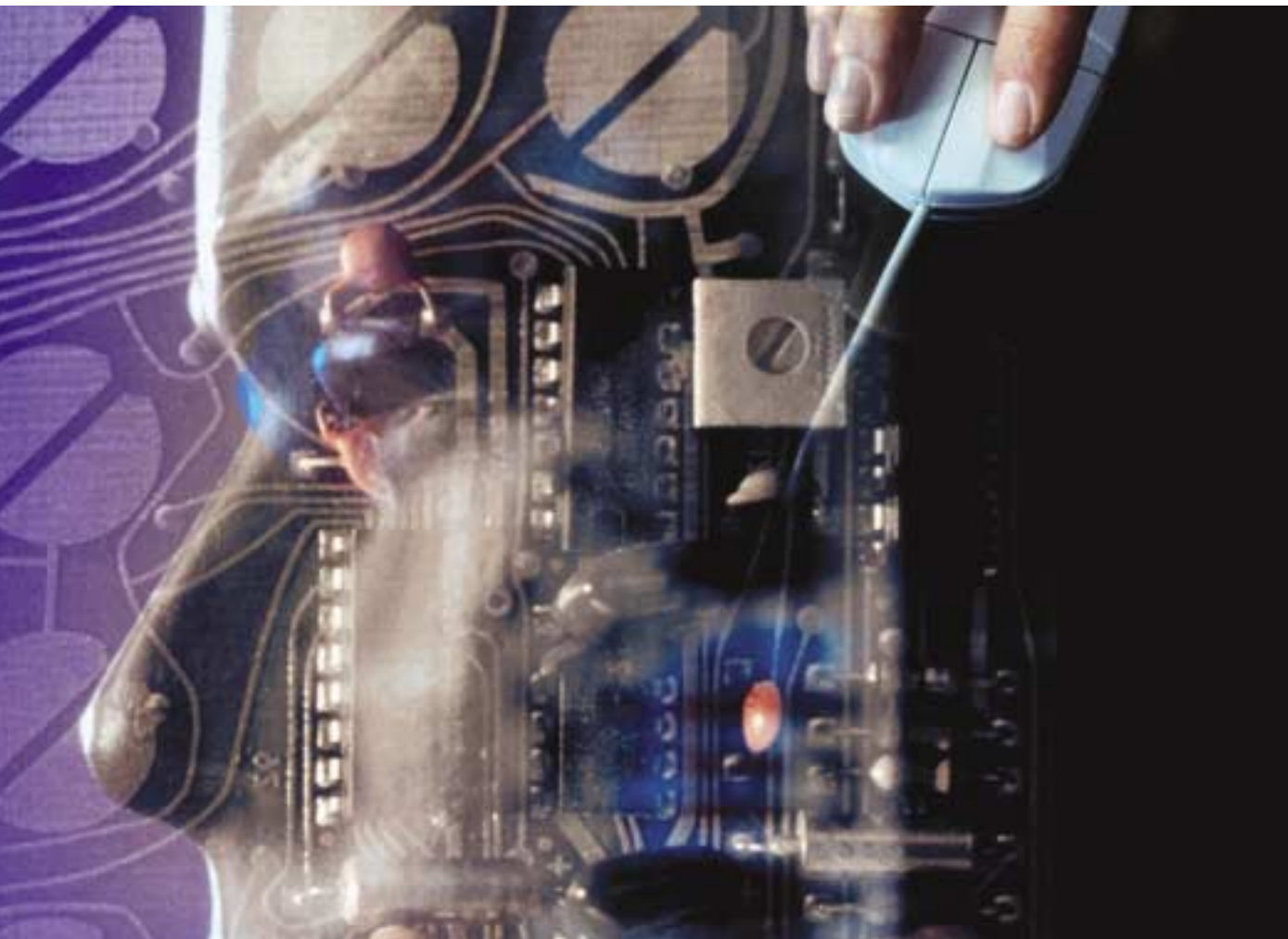
 The Information Industry Division performs strategic and policy studies of the IT industry based on emerging trends and market outlook. Through industry and market analysis, sector studies are conducted for the development of information and communications policies in basic industries, R&D, human resource development and small to mid-sized companies for decision makers in the public and private sector. Policy recommendations for the development of emerging IT sectors are provided by studying the unique characteristics of the IT industry including future market demand for services and analysis of the national competitiveness of the domestic IT industry.

Strategic studies analyzing the competitiveness of each sector are conducted focusing on telecom equipment, ICTs, major components, software, digital contents and the internet. In addition, research is also focused on the development of future industries such as internet business and multimedia services for the private sector, policies facilitating growth of small to mid-sized venture companies as well as development plans for the IT industry including policies for R&D, HRD and market entry strategies.



Research Focus

- Changes in industrial structure and international competition in the digital economy
- R&D and competitiveness of IT businesses and consumer rights
- New IT strategy for the 21st century



Promoting the advancement of the
information society /





Extensive studies on the future information society are being conducted with the research goal of examining the vision and direction of Korea, rules for a healthy society, and realization of the information society. In particular, by determining the essential impact of our changing society and its future direction, we are making concerted efforts to establish a national strategy for creating a knowledge-based society and building the future of Korea.

Up to now, the emphasis has been on the structure of the information society, but now the focus has shifted to the impact that policies will have on the growth and development of the information society with the establishment of the electronic government, everyday internet applications, digital property and user rights.

For a sound information society, studies are being conducted on the development of new rules and regulations, identification issues, as well as response measures to unexpected large-scale cyber problems including internet disturbances and privacy infringement. Furthermore, together with research on the impact of IT on society and culture, the establishment of the vision for Korea's future is being mapped out by way of a systematic examination of the role of the infrastructure in the information society and the future vision of mobile communications.

Based on the positioning of information technology as the basic infrastructure of society, there is a need to develop a national strategy with a long-term view for national development at a time when Korean society is experiencing rapid changes through the paradigm shift. For this purpose, a worldwide network of researchers and experts has been formed for long-term cooperative and systematic research endeavors to enhance understanding of the technological changes occurring in our society as well as creating a clear vision for Korea in the future.

Research Focus

- **Socio-cultural changes in Korea in the Knowledge and Information Age**
- **Legal framework to meet technological and social changes**
- **IT infrastructure policy from a economic and social point of view**

Responding swiftly to market changes /
Directing market-oriented reforms in the



Research Focus

- Advanced telecommunications infrastructure and competitiveness of the telecommunications service industry
- Broadcasting industry and deregulation under the WTO regime
- Entrance barriers, spectrum trading, and scarce resources management in major economies



There is an increasing need to establish a new regulatory framework in the telecommunications sector with rapid convergence of fixed and wireless, telecommunications and broadcasting, voice data technologies as well as the switchover to broadband networks with advancements in digital technologies.

To respond to changes in the environment, the Telecommunications and Broadcasting Policy Division performs policy studies on network advancement and development of appropriate laws and regulations for the new market environment by analyzing the impact of technological changes on market competition and structure as well as the direction of convergence. In addition, mid to long-term spectrum policies and changes in the spectrum allocation process are being investigated for greater efficiency in allocation of spectrum resources and market orientation of spectrum policies in an ubiquitous environment.

Research efforts are being expanded to address necessary improvements in the current regulatory framework in order to stimulate technology convergence in telecommunications and broadcasting. And through in-depth analysis on the prospects of digital broadcasting technologies and status of digital broadcasting overseas, research is being conducted for the development of digital broadcasting in Korea.

Research Focus

- Fair competition policy for the rapidly changing telecommunications sector
- Competition issues and regulations related to e-commerce
- Effective competition in the telecommunications market





Developing appropriate regulations and controls /



In the midst of rapid changes occurring in the telecommunications services industry with the introduction of new high-speed multimedia services, convergence in fixed and wireless technologies as well as in telecom and broadcasting, research efforts are concentrated on the study of a fair competition environment to facilitate growth of the national economy and enhance user convenience in a healthy telecom market.

The telecommunications services industry, specifically network, is in need of a fair competition system appropriate to the unique characteristics of the market environment, different from that of regular industries. Based on theories in economics, accounting and management, fair competition studies include examining such issues as regulatory structures for market dominant players, regulatory standards for anti-competitive practices and user protection. In addition, studies are conducted to provide policy recommendations to increase productivity and promote fair competition in the telecommunications services environment.

The regulatory framework for telecommunications services includes interconnection, tariff structure, universal services, network sharing, accounting practices and regulation of anti-competitive practices. Related to this, progressive studies are being performed on plans to improve the existing regulatory structure for market competition in the telecommunications services sector. In addition, by examining basic data on marginal cost and call volumes in telecommunication services together with evaluating precise market conditions in each sector, studies for determining the future policy direction are being conducted. Other research being led involves in-depth examination of policy programs that address current issues in fair competition arising from technological and economic changes in the telecommunications market.

Becoming the distribution hub of Northeast Asia / Shifting to



Policy studies for postal services are being conducted to better respond to the rapid changes in the digital environment and to increase competitiveness of postal services locally and abroad. By effectively supporting policy development and establishing business strategies for postal services, policy studies in this area contribute to a more efficient management system.

With increasing pressure on market liberalization from the WTO agreement, there is greater focus on policy development to strengthen the competitiveness of postal services with the aim of building Korea as the logistic hub of North east Asia. In addition, plans to reform and improve postal services are being examined in keeping with profitability and status as a public enterprise in order to raise the competitiveness of the overall postal business. Furthermore, other areas of study include developing strategic plans for the realization of a world-class postal services as well as plans for management reforms and operational efficiency.

In order to strengthen the competitiveness of postal services to catapult Korea into the leading country of North east Asia for logistics and delivery, policy research is being focused on development plans and mid to long-term strategies for the postal industry, reform plans for EMS and other services, international cooperation and trend analysis of the postal industry. In addition, for postal services to offer new and innovative services geared towards the customer, research in postal services also comprises of operational cost analysis of parcel services, plans for system improvements, informatisation status in postal offices, and development plans for postal banking.

Research Focus

- New postal business strategy
- Competitiveness and core competencies of postal business





Helping to bridge the digital divide /



International Cooperation involves strengthening research exchanges among countries to analyze the trends of IT technologies and market environment, active participation in major international organizations such as APEC, WTO, OECD and ASEAN as well as establishing export strategies and IT trade agreements for export of domestic technologies.

Entering the new millenium, the digital divide has become a challenging issue for international community. In keeping with the goal set by the UN and ITU to build a strong and prosperous information society, cooperative research projects and studies are being conducted with the primary aim of strengthening cooperation in the Asia-Pacific region and to establish related initiatives for the development of information and communication.

As well, construction of the Trans-Eurasian Information Network (TEIN), a research network linking Asia and Europe, is being built to strengthen cooperative ties for research between the two regions. The APII testbed project is successfully being launched for the deployment of high-speed lines that connect the economies of the Asia-Pacific. Other ongoing initiatives include preparatory studies for trade strategies of telecommunications services in accordance to the WTO agreement, a project to bridge the digital divide in developing countries through the establishment of DGF-KTC with the World Bank, programs for the World Summit on the Information Society (WSIS), research on technology applications and policy direction of information technology with the OECD.

Furthermore, at the ASEAN +3 Summit, the proposal of a special project for bridging the digital divide in Southeast Asia and an IT-HRD training program which includes APEC, ASEAN +3 and APT was approved. This has also led to various other projects focusing on Northeast Asia for establishing unified IT policies, enhancing IT cooperation between South-North Korea, strengthening cooperative relations between Korea, China and Japan, and creating a strong foundation of cooperation in the Asia-Pacific region.

Research Focus

- **International cooperation and trade in IT**
- **Foundations to improve Korea's national image as an IT leader and advance into overseas markets**
- **International projects to close the digital divide in developing countries**

Sharing prosperity between South and North Korea /

Research Focus

- Information and database on the IT industry of North Korea
- Telecommunications industry policy for the Gaeseong Industrial Park
- Closing the inter-Korean gap in the telecoms sector
- Legal framework for inter-Korean cooperation in IT

✱ Policy studies for the South-North IT cooperation are focused on facilitating the exchange and cooperation between the two Koreas in telecommunications and IT as well as developing the telecommunications and IT sector of North Korea towards reunification. As the leading think-tank for telecommunications and IT policy of North Korea, the North Korea IT Development Center examines the various short and long-term issues in telecommunications infrastructure and IT industry. Other major projects underway include database construction and statistical data analysis, and networking experts from the industry, universities, research institutes, and government in order to share knowledge and perspectives on North Korea. Moreover, together with the formulation of plans to promote South-North IT cooperation and exchange, research efforts to stimulate the telecommunications sector in North Korea plays an integral role for developing a strong foundation for telecommunication policies between the two Koreas towards reunification.



Sharing our knowledge and experience

* KISDI Publications



KISDI Research Report

KISDI Research Report provides studies on the direction of development in various sectors of the IT industry with the goal of contributing to the establishment of government policies.



Information and Communications Policy

ICP spotlights the domestic I&C related policies and industry trends, as well as analyzing and comparing I&C trends in other countries.
(23 issues per year)



KISDI Issue Report

A special 10 issue report providing recommendations on IT policies through in-depth examination of the current and emerging issues of the ICT sector.



Postal Information Review

A quarterly publication on postal savings policies and the postal industry domestically and abroad.



Trends of the Information and Communication Industries

A biannual publication focusing on the analysis of current trends in the IT industry in Korea and examining the development of the service, equipment, software and contents sectors based on market data.

Publications can be downloaded from
www.kisdi.re.kr free of charge



www.kisdi.re.kr

* Major Activities by Year

2001

- ❖ Mid to Long-term Market Prospects for the IT Industry (2002 - 2006)
- ❖ Future Demand for IT Human Resources (2002 - 2006)
- ❖ Policies for the Impact of the Internet on the Economic, Industrial and Employment Structure
- ❖ Mid to Long-term Policies for Telecommunications Services and Recommendations for Reform
- ❖ Study on Effective Spectrum Management
- ❖ Study on the Changes in Broadcasting Regulations in the Digital Era
- ❖ Survey on Mobile Number Portability and Plans for Implementation
- ❖ Study on the Costs for Supporting Postal Operations as a Universal Service
- ❖ Organized the 9th KISDI-SJE International Symposium
- ❖ Organized the KISDI-KSJS International Conference
- ❖ Organized the Digital Economy and Fair Competition Symposium

2000

- ❖ Memorandum of Understanding (MOU) for Cooperative Exchange between Korea-China Postal Administrations
- ❖ Establishing the Development Plan for the IT Industry (2001-2005)
- ❖ Report on the Mid to Long-term Market Prospects of the IT Industry (2001-2005)
- ❖ Report on the Demand Forecast for Human Resources in the IT Industry
- ❖ Study on the Preparatory Plan for Laws and Regulations of Public Information Technologies
- ❖ Organized the KISDI International Symposium 'Philosophy and Vision of the Information Society'
- ❖ Organized the KISDI International Symposium on 'The Challenges of the Digital Economy'
- ❖ Organized the KISDI Symposium on 'Strategies for the Internet Economy and Social Structure'
- ❖ Organized the KISDI Symposium on "The Impact of the Internet Culture"
- ❖ Co-Host of International Seminar on IT Human Resource Development for the Economic and Social Commission for Asia and the Pacific (ESCAP)
- ❖ Launched the Project for the Trans-Eurasia Information Network (TEIN)
- ❖ 10th KISDI International Conference 'The Challenges of the Digital Economy'
- ❖ 11th KISDI International Conference 'Regulatory Reforms in the Government and Privatization of the Telecommunications Industry'

2003

- ❖ Study on the Social-Cultural Impact of IT 'Megatrends of the 21st Century in Korea'
- ❖ Study and Analysis of the IT Industry and Market Environment
- ❖ New Policies for Strengthening the Competitiveness of e-Business and 2010 Roadmap
- ❖ Study on the Future Mobile Communications in Korea
- ❖ Study on the Integration Plan for Fixed- Wireless Numbering System
- ❖ Study on the Improvements in the Radio-Broadcasting Regulatory Framework
- ❖ Regulatory Activities for Mobile Internet Services
- ❖ Study on the Changes in the Broadcasting Industry of the WTO Regime
- ❖ Established Mid to long-term Development Strategies to Strengthen the Competitiveness of Postal Services
- ❖ Operated ICT Training Program with the World Bank, DGF, APEC and APT
- ❖ Held International Meetings and Symposiums for Special Cooperative Projects with ASEAN, Advanced Network Conference
- ❖ Entered MOU for Research Cooperation with NPTS (Vietnam)
- ❖ Organized the International Symposium II for 'Bridging the Digital Divide in East Asia: IT Co-Prosperity in Asia through the Digital Divide'
- ❖ Organized the International Conference IT Policy in the Age of Convergence'

2002

- ❖ Information Promotion Plan (e-Korea 2006)
- ❖ Basic Plan for the Development of the IT Industry (2002 - 2007)
- ❖ Reform Plan for the National Innovation System in Information Technology
- ❖ Policy Programs to Stimulate Development of Cyber Culture and Organizations
- ❖ Regulatory Reforms for Market Changes in the Telecommunications Services
- ❖ Analysis of the Impact of the Broadcasting Industry with the Introduction of Interactive Broadcasting Services
- ❖ Mid to Long-term Business Strategy for Postal Services
- ❖ Launched DGF-KTC in collaboration with the World Bank
- ❖ 12th KISDI International Consortium on 'National Strategies for the Global Information Age'
- ❖ Implementing a Special Cooperative Project for Southeast Asia and International Symposium I on 'Bridging the Digital Divide in ASEAN'
- ❖ Participated and involved in activities by international organizations including ITU, WTO, APEC and ASEAN

1999

- ❖ Development Strategies for Postal Services Utilizing Information Technologies
- ❖ Study on the Analysis of the Factors Barring the Creation of New IT Enterprises
- ❖ Study on Demand Prospects for IMT-2000 services
- ❖ Development Plan for the Broadcasting Industry for the Convergence of Broadcasting and Telecommunications
- ❖ Development Strategies for ICT applications in the Postal Industry
- ❖ Study on Management Efficiency and Support Measures for the Privatization of Korea Telecom
- ❖ Study on Strengthening the Competitiveness of Traditional Industries Utilizing Electronic Commerce
- ❖ Study on Determining Rate Structures in Korea
- ❖ Organized the International Symposium on CIO for the Information Society of the 21st Century