

2024 AVIA Regulating for Growth – Advertising Matrix for South Korea

	Pay TV	OCC TV	Foreshadowed changes
GENERAL			
<i>Overview of Regulation</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Korea’s “Regulations on Evaluation of Broadcast Advertising” regulate general matters concerning broadcast advertising. 	<ul style="list-style-type: none"> <input type="checkbox"/> Korea’s “Regulations on Evaluation of Broadcast Advertising” do not apply to OCC services yet. <input type="checkbox"/> However, OCC services are subject to the Deliberation Regulations on Information and Communications. The Korean Communications Standards Commission (KCSC) can request corrective measures for advertisements that violate international peace and order, laws, and social order. 	<ul style="list-style-type: none"> <input type="checkbox"/> Currently, there is no concrete legislation relating to OCC TV advertisement; however, under the premise that OCC service is similar to broadcasting services, discussions have continued to take place to apply the Broadcasting Act to OCC businesses, and it appears that the new establishment of an “Integrated Media Act” is being prepared as well.
<i>Regulatory Bodies</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Korea Communications Commission (KCC) remains responsible for broadcast advertising. <input type="checkbox"/> Regulations on media representatives are being restructured. In the past the Korean Broadcast Advertising Commission (KOBACO) was deputised by the KCC as the sole mediator between advertising agencies and the media. (Other sales agents for terrestrial advertising are now permitted.) 	<ul style="list-style-type: none"> <input type="checkbox"/> As a provider of information and communications services, OCC services are subject to KCSC regulations. 	
<i>Advertising per hour</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Since 1 July 2015, the following “Advertisement Cap System” applies: <ul style="list-style-type: none"> <input type="checkbox"/> maximum cap on the total duration of advertisements aired, regardless of the type of advertisement; advertisements may be aired up to 17% per 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	<ul style="list-style-type: none"> <input type="checkbox"/> The government has announced plans to relax the restriction on advertising time per programme (20%). [Development Plan, p. 15]

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	<p>programme duration on average, but no more than 20% of the programme duration;</p> <ul style="list-style-type: none"> ○ in respect of programme ads (i.e., ads aired during the programme), no more than 1 minute of ads per each airing of the programme; the number of times a programme ad may be aired may vary depending on the length of the programme. 		
<i>Revenue Restrictions</i>	<input type="checkbox"/> No restrictions	<input type="checkbox"/> Unregulated	
<i>Product Placement</i>	<input type="checkbox"/> Conditionally permitted. Relevant conditions are as follows: <ul style="list-style-type: none"> ○ Indirect advertisements are permitted in general arts and entertainment broadcasting programmes as long as a caption notifying such indirect advertisement is included. ○ The duration of the indirect advertisement should not exceed 7/100 of the time of the broadcast programme. ○ The size of the commercial caption (a logo identifiable to a product as a result of the indirect advertisement) shall not exceed 1/4 of the screen. However, if the caption is to appear on a portable multi-media medium the size of such caption shall not exceed 1/3 of the screen. 	<input type="checkbox"/> Unregulated	
<i>Foreign Commercials</i>	<input type="checkbox"/> Allowed. <input type="checkbox"/> Foreign retransmitted channels on pay TV may not include ads aimed at the Korean market specifically.	<input type="checkbox"/> Unregulated	
<i>Govt Levy</i>	<input type="checkbox"/> None, although there is a commission payable by terrestrial broadcasting companies to KOBACO (or other agent) for broadcast advertising.	<input type="checkbox"/> Unregulated	

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	<input type="checkbox"/> General Service Programme Providers (“ <i>jonghap-pyunsung</i> ” Programme Providers”) pay commission fees between 15% to 19% of the ad revenues generated by advertising sales agencies (including KOBACO) to KOBACO.		
<i>PSAs</i>	<input type="checkbox"/> Broadcasting operators must schedule non-commercial public service advertisements within 1% of their total monthly broadcast time per channel, as notified by the KCC.	<input type="checkbox"/> Unregulated	
PRODUCT-SPECIFIC			
<i>Alcohol</i>	<input type="checkbox"/> Highly regulated. <input type="checkbox"/> Alcoholic beverages containing 17% or more alcohol cannot be advertised. <input type="checkbox"/> Alcoholic beverages containing less than 17% alcohol cannot be advertised between 7:00AM-10:00PM. <input type="checkbox"/> Actors in TV ads must be 19 years or older. Also, they should not depict an adolescent or a juvenile, whether in appearance or voice.	<input type="checkbox"/> Unregulated	<input type="checkbox"/> A bill is pending to ban celebrities under the age of 24 from appearing in alcohol advertisements. The industry is already refraining from using celebrities in their early 20s.
<i>Pharmaceutical</i>	<input type="checkbox"/> No time restriction <input type="checkbox"/> Raw material pharmaceuticals (i.e., used to manufacture general pharmaceutical products) and prescription drugs (but excluding vaccines) are prohibited. <input type="checkbox"/> General pharmaceutical products may be advertised after obtaining approval from the Korea Pharmaceutical Manufacturers Association.	<input type="checkbox"/> Unregulated	
<i>Gambling</i>	<input type="checkbox"/> Prohibited.	<input type="checkbox"/> Prohibited (Deliberation Regulations on Information and Communications, Arts 9, 8(3))	
<i>Claims</i>	<input type="checkbox"/> Must be substantiated. <input type="checkbox"/> Comparative advertising generally allowed, but unsubstantiated or unfair comparative	<input type="checkbox"/> Subject to the Act on Fair Labelling and Advertising	

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	<p>ads are subject to sanctions from the Act on Fair Labelling and Advertising.</p> <ul style="list-style-type: none"> <input type="checkbox"/> The following unsubstantiated ads are also prohibited: False or exaggerated advertising; Deceptive advertising; Slanderous advertising. 		
<i>Food & Beverages – general</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Regulated. Prohibited products are manufactured powdered milk, manufactured milk and nursing bottles. 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	<ul style="list-style-type: none"> <input type="checkbox"/> There is a movement to ease restrictions on products like manufactured powdered milk, considering social changes such as reduced consumer confusion due to increased information. Consumer feedback will be collected first. [Development Plan, p. 15]
<i>Food & Beverages – sugar levels</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	
<i>Personal hygiene/ Sanitary (including condoms)</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Female hygiene products and contraceptives are permitted. <input type="checkbox"/> No regulation expressly prohibits condom advertisements but obtaining approval (which is required for condom ads) from the Korean Food and Drug Administration (KFDA) may be difficult in practice. 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	
<i>Tobacco</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Prohibited. 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	
<i>Children</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Junk food ads and ads for high-caffeine drinks should not be screened between 5:00PM and 7:00PM, or on programmes that mainly target children. <input type="checkbox"/> No advertising of free toys and other products when advertising child food products. <input type="checkbox"/> No advertising of pharmaceutical products for children, caller-paid information services, or materials designated as harmful to children by the Commission on Youth 	<ul style="list-style-type: none"> <input type="checkbox"/> No regulations under the Broadcasting Act apply. However, the Act on the Promotion of Information and Communications Network Utilisation and Information Protection prohibits such services from transmitting advertisements involving materials harmful to minors. <input type="checkbox"/> Additionally, the distribution of information classified as harmful to 	<ul style="list-style-type: none"> <input type="checkbox"/> There are plans to consider relaxing the advertising time restrictions for programmes where children are not the main audience, such as movies and sports programmes. [Development Plan, p. 15]

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	<p>Protection before, during, or after the programme.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ads featuring characters of programmes targeted for children must not be aired during the programme or before/after the programme, so as to prevent children from mistaking the ads as regular programmes. This does not apply to public service ads. 	<p>minors without fulfilling legal obligations such as age verification and display requirements is prohibited.</p>	
<i>Women</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Broadcast advertising should portray gender in a balanced and equal way, and should not make distortions such as negative, ludicrous or aversive portrayal of specific gender or encouragement of any stereotype (newly enacted). 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	
<i>Property</i>	<ul style="list-style-type: none"> <input type="checkbox"/> In case of broadcast advertising related to real estate (e.g., land, buildings etc), encouragement of speculation or use of unclear/uncertain expressions is prohibited. <input type="checkbox"/> Advertisement on parcelling out/selling land shall clearly specify the operator, constructor and seller, and provide information on the location of the land to be parcelled out/sold. <input type="checkbox"/> When advertising profits or rates of return for profitable real estate, the calculation method, etc. shall be included in the advertisement. 	<ul style="list-style-type: none"> <input type="checkbox"/> Unregulated 	
COUNTRY-SPECIFIC INFORMATION	<ul style="list-style-type: none"> <input type="checkbox"/> Broadcast advertising must not include expressions that incite discrimination, prejudice, or conflict based on nationality, race, age, occupation, religion, belief, disability, class, or region. 	<ul style="list-style-type: none"> <input type="checkbox"/> (i) Information that significantly threatens international peace and order, such as racism, genocide, and terrorism, (ii) Information that insults foreign flags, emblems, etc., thereby harming national interests or 	

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		<p>international friendship, (iii) Distribution of information that slanders, disparages, or despises foreign politics, religion, culture, or society, thereby harming international friendship are prohibited</p>	
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