

vate sector. The home network service is projected to create KRW 110 trillion in production-inducing effects and KRW 73 trillion in value-added effects to the Korean economy by 2010. This service is likely to transform our homes into a pleasant and convenient place with an enriching digital life style.

IV. Telematics Service

The Korean government supports the telematics industry by systematizing the collection and supply of raw data and information, as well as encouraging commercialization of technology.

Telematics is an in-vehicle multimedia service that offers “info-tainment” as well as traffic and emergency rescue operation information via location-based and mobile communications networks. It is a value added service and a novel concept that turns a vehicle into a third Internet space based on fixed and wireless telecommunications and broadcasting networks. Promoting telematics service will strengthen the competitiveness of relevant industries and create KRW 5.9 trillion in production-inducing effects and KRW 5.3 trillion in value added effects to the Korean economy. The government will systemize the collection and supply of key information such as traffic, road-maps, and tourist information. It will also lower terminal prices and usage rates. The telematics pilot service on Jeju Island is providing some five million visitors from home and abroad with an opportunity to experience this service. Using this program, the government is paving the way to expand this service while pushing other pilot projects to use new commercial-level technologies.

V. RFID-based Service

Radio Frequency Identification (RFID) is a sensor technology that uses an electronic tag that contains information on a product. It also gathers information on its surrounding environment. The technology is expected to be used extensively in our daily lives from management of food, livestock, wastes and environment to logistics, distribution and security services. The government will set out technical requirements, develop mobile RFIDs, and complete the development of core technologies such as RFID chips by 2007 to facilitate services in various sectors such as telematics and the home network.

The government is also promoting application services by offering detailed

information about the products through development of mobile RFID technology that combines mobile communications and RFID. The private sector will lead efforts to develop and commercialize tags, readers and middleware while research institutes will focus on developing next-generation core technologies such as ubiquitous network-related sensor nodes. RFID-based service will maximize synergistic effects, bring diversity into our daily lives and enhance consumer convenience.

VI. W-CDMA Service

The Korean government is taking measures to invigorate investment in W-CDMA service, as many Korean companies are expected to enter the global W-CDMA market.

The W-CDMA service is an IMT-2000 service that provides voice, video and high-speed data service in the 2GHz band. After launching commercial W-CDMA service in late 2003, Korea took measures to invigorate the service by encouraging W-CDMA investment, providing handset subsidies, and temporarily fixing tariffs for unlimited data use. In addition, the W-CDMA Technical Support Team, composed of telecom carriers, manufacturers and researchers, was formed to enhance competitiveness of the Korean W-CDMA industry and communication quality of the W-CDMA service. There is also the W-CDMA Working Group that exchanges views on technical and business issues in the domestic and international markets, and actively deals with challenges that arise. Full-fledged W-CDMA service is being launched and is centering around Europe and Japan. Responding to global trends, Korea confirmed its concrete investment plan for domestic W-CDMA service by setting a goal to roll out the service to cities across the nation by 2006. Along with this, many Korean companies are expected to enter the global W-CDMA market.

VII. Terrestrial DTV Service

The terrestrial digital TV service is a high-quality, multi-functional broadcasting service that provides CD-quality sound and definition five to six times higher than that of analog broadcasting. As the digital TV market is expected to have enormous economic and social spillover effects in the future, global competitiveness in this sector will enhance the people's quality of life. The coverage of terrestrial digital TV broadcasting will expand to provinces, cities and towns by