

ACT ON THE OPERATION OF DIRECT PAYMENT PROGRAM FOR PROMOTING PUBLIC FUNCTIONS OF FISHERIES AND FISHING VILLAGES

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Act No. 18755, Jan. 11, 2022

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CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to prescribe matters related to the composition, operation, etc. of the direct payment program for promoting public functions of fisheries and fishing villages in order to promote the public functions of fisheries and fishing villages and to stabilize the income of fishers, etc.

Article 2 (Definitions)

The terms used in this Act are defined as follows: *<Amended on Oct. 18, 2022>*

1. The term "fisheries" means fisheries defined in subparagraph 1 of Article 3 of the Framework Act on Fisheries and Fishing Villages Development;
2. The term "fishing village" means a fishing village defined in subparagraph 6 of Article 3 of the Framework Act on Fisheries and Fishing Villages Development;
3. The term "fisher" means a fisher defined in subparagraph 3 of Article 3 of the Framework Act on Fisheries and Fishing Villages Development (excluding those who have been employed in a fisheries partnership established pursuant to Article 16 (2) of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities or a fisheries company established pursuant to Article 19 (3) of that Act for a continuous period of at least one year to ship, distribute, process, export, or sell marine products);
4. The term "fisher, etc." means a fisher defined in subparagraph 3 and a fisheries corporation defined in subparagraph 5 of Article 2 of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities;

4-2. The term "fishing crew member" means a person employed to provide labor on a vessel under subparagraph 1 (d) of Article 2 of the Fishing Vessels Act (hereinafter referred to as "fishing vessel") for the purpose of receiving wages;

5. The term "public functions of fisheries and fishing villages" means the supply of safe marine products, the conservation of fishery resources and marine environment, the protection of maritime territory, and the maintenance of fishing village community;

6. The term "global income" means any income under Article 4 (1) 1 of the Income Tax Act.

Article 3 (Responsibilities of the State and Local Governments)

(1) The State shall formulate a comprehensive policy regarding a direct payment program to promote the public functions of fisheries and fishing villages (hereinafter referred to as "public direct payment program") in order to promote the public functions of fisheries and fishing villages and stabilize the income of fishers, etc.

(2) The State and local governments shall keep abreast of global trends and strive for international cooperation in the implementation of the direct payment program in order to promote the public functions of fisheries and fishing villages and stabilize the income of fishers, etc.

(3) The State and local governments shall annually raise financial resources necessary for the implementation of the public direct payment program.

CHAPTER II COMPOSITION OF AND ELIGIBILITY FOR DIRECT PAYMENT PROGRAMS TO PROMOTE PUBLIC FUNCTIONS OF FISHERIES AND FISHING VILLAGES

Article 4 (Composition of Public Direct Payment Program)

The public direct payment program shall be composed of the following direct payment programs:

<Amended on Oct. 18, 2022>

1. A direct payment program for residents residing in areas with unfavorable conditions under Article 40 of the Special Act on Quality Improvement of Life of Farmers and Fishers and Development Promotion of Agricultural and Fishing Villages (hereinafter referred to as "direct payment program for areas with unfavorable conditions");

2. A direct payment program for business transfer to stabilize the livelihood of elderly fishers retiring after transferring fishing business under Article 19 (1) of the Special Act on Quality Improvement of Life of Farmers and Fishers and Development Promotion of Agricultural and Fishing Villages (hereinafter referred to as "direct payment program for business transfer");

3. A direct payment program implemented to protect fishery resources pursuant to the Fisheries Act, the Fishery Resources Management Act, etc. (hereinafter referred to as "direct payment program for

protecting fishery resources");

4. A direct payment program implemented to support the dissemination of production technologies of environment-friendly marine products and the supply of materials under the Fisheries Act, the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods, etc. (hereinafter referred to as "direct payment program for supporting the production of environment-friendly marine products");

5. A direct payment program implemented to support small-scale fishing households (referring to fishing households within the range prescribed by Presidential Decree, taking into account residence, livelihood, fishing business management, etc.; hereinafter the same shall apply) (hereinafter referred to as "direct payment program for small-scale fishing households");

6. A direct payment program for income stability of fishing crew members (hereinafter referred to as "direct payment program for fishing crew members").

Article 5 (Eligibility for Public Direct Payment Program)

(1) Those eligible to apply for direct payments under the direct payment program for areas with unfavorable conditions under subparagraph 1 of Article 4, the direct payment program for business transfer under subparagraph 2 of Article 4, and the direct payment program for small-scale fishing households under subparagraph 5 of Article 4 shall be fishers who files for registration (including the registration of modification; hereinafter the same shall apply) of information, etc. on fishing business management pursuant to Article 4 (1) 2 of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities. *<Amended on Oct. 18, 2022>*

(2) Those eligible to apply for direct payments under the direct payment program for protecting fishery resources under subparagraph 3 of Article 4 and the direct payment program for supporting the production of environment-friendly marine products under subparagraph 4 of Article 4 shall be fishers, etc. who files for registration of information on fishing business management pursuant to Article 4 (1) 2 of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities, and companies under the Commercial Act that are granted a license or permission pursuant to Articles 7 and 40 of the Fisheries Act, Articles 10 and 43 of the Aquaculture Industry Development Act, and Articles 6 and 9 of the Inland Water Fisheries Act. *<Amended on Jan. 11, 2022>*

(3) Those eligible to apply for direct payments under the direct payment program for fishing crew members under subparagraph 6 of Article 4 shall be fishing crew members. *<Newly Inserted on Oct. 18, 2022>*

CHAPTER III OPERATION OF DIRECT PAYMENT PROGRAMS TO PROMOTE PUBLIC FUNCTIONS OF FISHERIES AND FISHING VILLAGES

Article 6 (Implementation of Direct Payment Program for Areas with Unfavorable Conditions)

For the purpose of stabilizing fishers' income, etc., the Minister of Oceans and Fisheries may grant direct payments for areas with unfavorable conditions to fishers who engage in fishing business in any of the following areas where fishery productivity, settlement conditions, etc. are unfavorable:

1. Island areas;
2. Areas adjacent to the Northern Limit Line on the sea.

Article 7 (Selection of Areas with Unfavorable Conditions)

(1) The Minister of Oceans and Fisheries shall select and publicly notify areas with unfavorable conditions in consideration of the level of fishing restrictions necessary for fishery productivity, settlement conditions, military training, or national defense, and notify the Special Self-Governing Province Governor or the head of a Si/Gun/autonomous Gu (hereinafter referred to as the "Special Self-Governing Province Governor, etc.") thereof.

(2) The Special Self-Governing Province Governor, etc. shall notify the head of an Eup/Myeon/Dong of an area with unfavorable conditions, and the head of the Eup/Myeon/Dong shall publicly announce it on the bulletin board of the relevant Eup/Myeon/Dong for at least ten days.

(3) Matters necessary for the details, procedures, etc. of the public announcement under paragraph (2) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 8 (Applying for Direct Payments for Areas with Unfavorable Conditions)

(1) A fisher residing in an area with unfavorable conditions under Article 7, falling under any of the following subparagraphs, may apply for a direct payment for areas with unfavorable conditions: Provided, That a fishing household or fisher that is not engaged in fishing business as a main business or is subject to the median or higher tax base under the Income Tax Act or the Comprehensive Real Estate Holding Tax Act, and that has income and property prescribed by Presidential Decree shall be excluded:

1. A person whose annual sales of fishery products through fishing business management are at least 1.2 million won;
2. A person engaged in fishing business for at least 60 days of the year.

(2) A person applying for the direct payment for areas with unfavorable conditions shall apply on a per-fishing household basis, and fishers from the same fishing household may not make duplicate applications.

Article 9 (Procedures for Selecting Fishing Villages Eligible for Direct Payments for Areas with Unfavorable Conditions)

(1) Fishers who intend to receive direct payments for areas with unfavorable conditions shall organize a steering committee for direct payments for areas with unfavorable conditions (hereinafter referred to as "steering committee") on a basis of per-fishing village fraternity established pursuant to Article 15 of the

Fisheries Cooperatives Act: Provided, That in an area without a fishing village fraternity, a steering committee may be composed on a per-village basis, as prescribed by Presidential Decree.

(2) A steering committee shall prepare an application for a direct payment program for areas with unfavorable conditions (hereinafter referred to as "program application") and a fishing village development plan, and submit them to the Special Self-Governing Province Governor, etc. through the head of the relevant Eup/Myeon/Dong.

(3) The Special Self-Governing Province Governor, etc. shall select fishing villages eligible for direct payments for areas with unfavorable conditions after examining program applications and fishing village development plans, and inform the head of the relevant Eup/Myeon/Dong and the steering committee.

(4) Matters necessary for the composition and operation of the steering committee, the preparation of program applications and fishing village development plans, the selection of fishing villages eligible for direct payments for areas with unfavorable conditions, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 10 (Submission of Applications for Agreement on Granting of Direct Payments for Areas with Unfavorable Conditions)

(1) A fisher of a fishing village selected as one eligible for a direct payment for areas with unfavorable conditions pursuant to Article 9 (3) shall submit an application for an agreement on the granting of a direct payment for areas with unfavorable conditions (hereinafter referred to as "application for agreement") to the head of the relevant Eup/Myeon/Dong through the steering committee, in order to apply for the direct payment for areas with unfavorable conditions.

(2) The head of the Eup/Myeon/Dong shall verify whether a fisher applying for a direct payment for areas with unfavorable conditions is eligible and qualified therefor and shall submit the results of the verification and the application for agreement to the Special Self-Governing Province Governor, etc.

(3) Details necessary for applications for agreement, the verification of eligibility and qualification of fishers, etc. under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 11 (Selection of Persons to Receive Direct Payments for Areas with Unfavorable Conditions)

(1) Where deeming a fisher who has applied for a direct payment for areas with unfavorable conditions pursuant to Article 10 (1) is eligible for the direct payment for areas with unfavorable conditions, the Special Self-Governing Province Governor, etc. shall select the fisher as a person to receive the direct payment for areas with unfavorable conditions and shall inform the head of the relevant Eup/Myeon/Dong and the steering committee of the result of the selection.

(2) The steering committee shall inform the fisher who has applied for the direct payment for areas with unfavorable conditions of the result of the selection of the person to receive the direct payment for areas with unfavorable conditions under paragraph (1).

Article 12 (Entering into Management Agreement)

(1) The Special Self-Governing Province Governor, etc. shall enter into an agreement on the management of areas with unfavorable conditions (hereinafter referred to as "management agreement") with the steering committee which has been informed of the result of the selection of the person to receive the direct payment for areas with unfavorable conditions pursuant to Article 11 (1).

(2) The management agreement shall include the following:

1. Persons to receive the direct payments for areas with unfavorable conditions, and the current status of fisheries;
2. Tasks of the steering committee;
3. Responsibilities and duties of the persons to receive the direct payments for areas with unfavorable conditions;
4. Methods and timing of granting direct payments for areas with unfavorable conditions;
5. Creation rate of a joint fund for fishing villages and usage thereof;
6. Other matters prescribed by the Minister of Oceans and Fisheries.

(3) Except as provided in paragraphs (1) and (2), matters necessary for the conclusion etc. of management agreements shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 13 (Granting of Direct Payments for Areas with Unfavorable Conditions)

(1) The Special Self-Governing Province Governor, etc. shall verify the fulfillment of requirements for granting direct payments for areas with unfavorable conditions, such as compliance with the management agreement, and grant direct payments for areas with unfavorable conditions to fishers who fulfill such requirements.

(2) The amount of the direct payment for areas with unfavorable conditions under paragraph (1) shall be determined and publicly notified by the Minister of Oceans and Fisheries after consultation with the Minister of Economy and Finance, taking into consideration the discrepancy of fishery income between general areas and areas with unfavorable conditions, the inflation rate, etc.

(3) The Special Self-Governing Province Governor, etc. may pay a certain amount determined by Presidential Decree out of the direct payments for areas with unfavorable conditions, as a joint fund for fishing villages to be used for revitalizing fishing villages.

(4) Where a fisher fails to satisfy the requirements for granting direct payments for areas with unfavorable conditions under paragraph (1), the Special Self-Governing Province Governor, etc. need not grant all or part of the direct payment for areas with unfavorable conditions.

(5) Matters necessary for requirements and methods for granting direct payments for areas with unfavorable conditions and the verification of fulfillment of such requirements under paragraph (1), the payment of joint funds for fishing villages under paragraph (3), and detailed standards, etc. for restriction on granting direct payments for areas with unfavorable conditions under paragraph (4) shall be prescribed

by Ordinance of the Ministry of Oceans and Fisheries.

Article 14 (Implementation of Direct Payment Program for Business Transfer)

For maintenance, revitalization, etc. of the fishing village community, the Minister of Oceans and Fisheries may grant a direct payment for business transfer to a fisher transferring his or her fishing village fraternity membership under Article 15 of the Fisheries Cooperatives Act (including inland fisheries association membership under Article 15 of the Inland Water Fisheries Act; hereinafter the same shall apply) who meets all of the following requirements: *<Amended on Oct. 18, 2022>*

1. The fisher shall have maintained the fishing village fraternity membership continuously for at least 10 years including the date of application for selection as the person to receive the direct payment for business transfer (hereinafter referred to as "date of application for selection"): Provided, That if the fisher is a member of a fishing village fraternity for which 10 years have not passed since the authorization for the fishing village fraternity, the fisher shall maintain the membership continuously since the date of the authorization;
2. The fisher shall be at least 65 years of age and less than 75 years of age as of the date of application for selection;
3. The fisher shall complete the transfer of the fishing village fraternity membership, as prescribed by Presidential Decree, by the day before the agreement on the granting of a direct payment for business transfer under Article 16 is entered into;
4. The fisher shall satisfy the requirements prescribed by Presidential Decree to ensure the efficient implementation of the direct payment program for business transfer.

Article 15 (Application for Direct Payments for Business Transfer)

(1) A fisher who intends to receive a direct payment for business transfer under Article 14 shall submit an application for selection as a person to receive the direct payment for business transfer (hereafter in this Article referred to as "application") to the head of the competent Special Self-Governing Province Governor, etc., as prescribed by Ordinance of the Ministry of Oceans and Fisheries. *<Amended on Oct. 18, 2022>*

(2) The Special Self-Governing Province Governor, etc. shall verify whether the fisher who filed the application is eligible for the payment. *<Amended on Oct. 18, 2022>*

(3) Where deeming the fisher who has filed an application pursuant to paragraph (1) is eligible for the payment, the Special Self-Governing Province Governor, etc. shall select the fisher as a person to receive the direct payment for business transfer and shall inform the fisher of the result of the selection. *<Amended on Oct. 18, 2022>*

(4) Deleted. *<Oct. 18, 2022>*

(5) Details necessary for verification of eligibility under paragraph (2), etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 16 (Granting of Direct Payments for Business Transfer)

- (1) The Special Self-Governing Province Governor, etc. shall enter into an agreement on the granting of a direct payment for business transfer with a person selected as a person to receive the direct payment for business transfer under Article 15 and shall grant the direct payment for business transfer.
- (2) The direct payment for business transfer cannot be duplicated with the direct payment for areas with unfavorable conditions.
- (3) The amount of a direct payment for business transfer shall be determined and publicly notified by the Minister of Oceans and Fisheries after consultation with the Minister of Economy and Finance, taking into consideration the fishers' income level, annual sales of marine products, etc.
- (4) Except as provided in paragraphs (1) through (3), details necessary for methods for granting direct payments for business transfer, conclusion of agreements on granting direct payments for business transfer, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 17 (Implementation of Direct Payment Program for Protecting Fishery Resources)

- (1) The Minister of Oceans and Fisheries may grant direct payments for protecting fishery resources to fishers, etc. who fulfill the reinforced obligation to protect resources, such as fishing moratorium, and to companies under the Commercial Act that are granted a license or permission pursuant to Articles 7 and 40 of the Fisheries Act and Articles 6 and 9 of the Inland Water Fisheries Act, in order to ensure the sustainable use of fishery resources. <Amended on Jan. 11, 2022>
- (2) In order to ensure the effective operation of the direct payment program for protecting fishery resources, the Minister of Oceans and Fisheries may impose compliance obligations, such as the allocation of the total allowable catch, official reduction in the number of vessels, and temporary and self-regulating suspension of fishing as specified in the fisheries-related statutes and regulations.
- (3) The amount of a direct payment for protecting fishery resources shall be determined by the Minister of Oceans and Fisheries after consultation with the Minister of Economy and Finance, taking into consideration the profit reduction, etc. incurred due to compliance with the obligations under paragraph (2).
- (4) Except as provided in paragraphs (1) through (3), details necessary for requirements and criteria for granting direct payments for protecting fishery resources, methods and procedures for payment application, obligations of recipients, payment methods and procedures, etc. shall be prescribed by Presidential Decree.

Article 18 (Implementation of Direct Payment Program for Supporting Production of Environment-Friendly Marine Products)

- (1) The Minister of Oceans and Fisheries may grant direct payments for supporting the production of environment-friendly marine products to fishers, etc. who perform environment-friendly fishing and to

companies under the Commercial Act that are granted a license or permission pursuant to Article 10 or 43 of the Aquaculture Industry Development Act, in order to promote the early establishment of environment-friendly fishing and to enhance the public functions of fisheries, such as environmental conservation.

(2) In order to ensure the effective operation of the direct payment program for supporting the production of environment-friendly marine products, the Minister of Oceans and Fisheries may impose compliance obligations, such as the prohibition of use of specific drugs and the certification of organic foods specified in the statutes and regulations governing fisheries.

(3) Marine products eligible for direct payments for supporting the production of environment-friendly marine products shall be determined and publicly notified by the Minister of Oceans and Fisheries in consideration of the effects, etc. of environmental conservation.

(4) The amount of a direct payment for supporting the production of environment-friendly marine products shall be determined by the Minister of Oceans and Fisheries after consultation with the Minister of Economy and Finance, taking into consideration the increased costs incurred when producing such products in compliance with the certification criteria under Article 19 (2) or Article 34 (2) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods.

(5) Except as provided in paragraphs (1) through (4), details necessary for requirements and criteria for granting direct payments for supporting the production of environment-friendly marine products, methods and procedures for payment application, obligations of recipients, payment methods and procedures, etc. shall be prescribed by Presidential Decree.

Article 18-2 (Implementation of Direct Payment Program for Small-Scale Fishing Households)

(1) The Minister of Oceans and Fisheries may grant direct payments for small-scale fishing households to fishers who reside in a fishing village (including areas located behind fishery harbors but not classified as fishing villages, as determined and publicly notified by the Minister of Oceans and Fisheries; hereafter in this Article the same shall apply) and meet all of the following requirements, in order to promote the public functions of fisheries and fishing villages and stabilize the income of fishers: <Amended on Oct. 22, 2024>

1. The fishing type of the fishing household or the scale of management of the entire fishing household shall meet the standard for a small-scale fishing household prescribed by Presidential Decree;
2. The annual sales of marine products in the year immediately preceding the year of application through fishing business management in the fishing household shall be at least 1.2 million won or the fishing household shall engage in fishing business for at least 60 days of the year;
3. The fisher who has applied for the direct payment for small-scale fishing households shall meet the requirements prescribed by Presidential Decree, such as continuing to engage in fishing business and residing in a fishing village from the date of application for the payment;

4. The global income of non-fishing business of the fisher who applied for the direct payment for small-scale fishing households as of the year immediately preceding the year of the application shall be less than the amount prescribed by Presidential Decree, and the sum of the global income of non-fishing business of all members of the fishing household shall be less than the amount prescribed by Presidential Decree.

(2) A person applying for the direct payment for small-scale fishing households shall apply on a per-fishing household basis, and members from the same fishing household may not make duplicate applications.

Article 18-3 (Application for and Granting of Direct Payment for Small-Scale Fishing Households)

(1) A fisher who intends to receive the direct payment for small-scale fishing households under Article 18-2 shall annually submit an application for selection as a person to receive the direct payment for small-scale fishing households (hereafter in this Article referred to as "application") to the head of the Eup/Myeon/Dong in which he or she resides, as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(2) The head of the Eup/Myeon/Dong shall verify whether a fisher applying for the direct payment for small-scale fishing households is eligible and qualified therefor, and shall submit the result of such verification and the application to the Special Self-Governing Province Governor, etc.

(3) Where deeming that a fisher who has applied for the direct payment for small-scale fishing households pursuant to paragraph (1) is eligible for the direct payment, the Special Self-Governing Province Governor, etc. shall select the fisher as a person to receive the direct payment for small-scale fishing households, and shall inform the head of the Eup/Myeon/Dong and the fisher who applied for the direct payment of the result of the selection.

(4) The Special Self-Governing Province Governor, etc. shall grant the direct payment for small-scale fishing households to the person who is selected as a person to receive the direct payment for small-scale fishing households under paragraph (3).

(5) The amount of the direct payment for small-scale fishing households under paragraph (4) shall be determined and publicly notified by the Minister of Oceans and Fisheries after consultation with the Minister of Economy and Finance, taking into consideration the income level of the fishing household, the inflation rate, etc.

(6) Matters necessary for the verification of eligibility and qualification of fishers under paragraph (2), methods and procedures for the direct payment for small-scale fishing households under paragraph (4), etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 18-4 (Implementation of Direct Payment Program for Fishing Crew Members)

(1) The Minister of Oceans and Fisheries may grant direct payments for fishing crew members to South Korean fishing crew members who meet all of the following requirements, in order to promote the public

functions of fisheries and fishing villages and stabilize the income of fishing crew members:

1. The fishing crew member shall maintain an employment relationship with the owner of a fishing vessel under Article 2 (1) 4 of the Act on Accident Compensation Insurance for Fishers and Fishing Vessels who are designated by Presidential Decree for at least six months of the year, or shall provide labor aboard a fishing vessel as a fishing crew member for at least six months of the year;
 2. The fishing crew member shall not be a family fishing crew member under Article 2 (1) 3 of the Act on Accident Compensation Insurance for Fishers and Fishing Vessels or an owner of a fishing vessel under Article 2 (1) 4 of that Act;
 3. The global income of non-fishing business of the fisher who applied for the direct payment for fishing crew members as of the year immediately preceding the year of the application shall be less than the amount prescribed by Presidential Decree, and the sum of the global income of non-fishing business of all members of the same household shall be less than the amount prescribed by Presidential Decree.
- (2) A person applying for the direct payment for fishing crew members shall apply on a per-household basis, and members from the same household may not make duplicate applications.

Article 18-5 (Application for and Granting of Direct Payment for Fishing Crew Members)

- (1) A fisher who intends to receive the direct payment for fishing crew members under Article 18-4 shall annually submit an application for selection as a person to receive the direct payment for fishing crew members (hereafter in this Article referred to as "application") to the head of the Eup/Myeon/Dong where the port of registry (referring to the port of registry under Article 13 (1) of the Fishing Vessels Act) of the fishing vessel on which the fisher provided labor is located, as prescribed by Ordinance of the Ministry of Oceans and Fisheries.
- (2) The head of the Eup/Myeon/Dong shall verify whether a fisher applying for the direct payment for fishing crew members is eligible and qualified therefor, and shall submit the result of such verification and the application to the Special Self-Governing Province Governor, etc.
- (3) Where deeming that a fisher who has applied for the direct payment for fishing crew members pursuant to paragraph (1) is eligible for the direct payment, the Special Self-Governing Province Governor, etc. shall select the fisher as a person to receive the direct payment for fishing crew members, and shall inform the head of the Eup/Myeon/Dong and the fisher who applied for the direct payment of the result of the selection.
- (4) The Special Self-Governing Province Governor, etc. shall grant the direct payment for fishing crew members to the person who is selected as a person to receive the direct payment for fishing crew members under paragraph (3).
- (5) The amount of the direct payment for fishing crew members under paragraph (4) shall be determined and publicly notified by the Minister of Oceans and Fisheries after consultation with the Minister of Economy and Finance, taking into consideration the income level of the fishing crew member, the inflation rate, etc.

(6) Matters necessary for the verification of eligibility and qualification of fishers under paragraph (2), methods and procedures for the direct payment for fishing crew members under paragraph (4), etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

CHAPTER IV FOLLOW-UP MANAGEMENT OF DIRECT PAYMENT PROGRAMS TO PROMOTE PUBLIC FUNCTIONS OF FISHERIES AND FISHING VILLAGES

Article 19 (Compliance for Receipt of Public Direct Payments)

A person who intends to receive a payment under the public direct payment program (hereinafter referred to as "public direct payment") shall fulfill the following obligations: Provided, That the same shall not apply to persons who intend to receive direct payments for business transfer:

1. The person shall complete education as prescribed by Presidential Decree to promote the public functions of fisheries and fishing villages;
2. The person shall comply with fisheries-related statutes and regulations prescribed by Presidential Decree, such as the Fisheries Act;
3. The person shall implement matters prescribed by Presidential Decree to promote the public functions of fisheries and fishing villages.

Article 20 (Investigation into Compliance for Receipt of Public Direct Payments)

- (1) The Minister of Oceans and Fisheries may have the relevant officials, etc. investigate as prescribed by Presidential Decree to verify compliance under Article 19.
- (2) If necessary for the investigation under paragraph (1), the relevant officials, etc. may enter the residence, the place of fishing business management, etc. of the person to receive the public direct payment to conduct the investigation, etc., and may inspect relevant books or documents.
- (3) The relevant public officials, etc. who conduct the investigation or inspection of books or documents pursuant to paragraphs (1) and (2) (hereinafter referred to as "investigation, etc.") shall carry identification verifying their authority and shall present it to the person to receive the public direct payment (including the person's representative, agent, employee, assistant, family member, or other relevant persons; hereinafter the same shall apply) when the person to receive the public direct payment is present on the site of the investigation, etc.
- (4) The person to receive the public direct payment shall sincerely cooperate with the investigation, etc. by relevant public officials, etc. and shall not refuse, obstruct, or evade the investigation, etc., without good cause.
- (5) When conducting an on-site investigation, etc. pursuant to paragraph (3), the Minister of Oceans and Fisheries shall notify the person to receive the public direct payment of the date and time, purpose, details,

etc. of the investigation no later than seven days prior to the date of commencement of the investigation, etc.: Provided, That the same shall not apply where it is deemed that the purpose of the investigation cannot be achieved due to the destruction of evidence, etc. if prior notification is given.

(6) The person to receive the public direct payment shall store and keep the documents related to the granting of and compliance for the public direct payment as prescribed by the Ordinance of the Ministry of Oceans and Fisheries. Matters necessary for the types of documents to be stored and kept, the period and method of storing and keeping them, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 21 (Restrictions on Granting of Public Direct Payments)

(1) The Minister of Oceans and Fisheries shall not grant all or part of the public direct payment if the person to receive the public direct payment or the recipient falls under any of the following cases:

<Amended on Oct. 18, 2022>

1. Where he or she has applied for or received the public direct payment by fraud or other improper means;
2. Where he or she has filed for registration with a fishery business entity by fraud or other improper means to receive the public direct payment;
3. Where he or she fails to meet the requirements under Article 8, 14, 18-2, or 18-4;
4. Where he or she fails to fulfill any of the compliance obligations under Article 17 (2) or 18 (2);
5. Where he or she fails to fulfill the obligations under the subparagraphs of Article 19;
6. Where he or she fails to fulfill the obligation under Article 20 (4);
7. Where he or she untruthfully applied or incorrectly received by mistake or minor negligence;
8. Where a person (including the members of the relevant household) who received any of the following direct payments has received another of the following direct payments:
 - (a) Direct payments for areas with unfavorable conditions under Article 6;
 - (b) Direct payments for small-scale fishing households under Article 18-2;
 - (c) Direct payments for fishing crew members under Article 18-4;
9. Where a person (including the members of the relevant household) who has received a direct payment for areas with unfavorable conditions under Article 6, a direct payment for small-scale fishing households under Article 18-2, or a direct payment for fishing crew members under Article 18-4 is the same person (including the members of the relevant household) who has received the following direct payments:
 - (a) Basic-type public direct payments under Article 7 of the Act on Operation of Direct Payment Program for Promoting Public Functions of Agriculture and Rural Communities;
 - (b) Direct payments for forest product manufacturing business under Article 6 of the Act on the Operation of Direct Payment Program for Promoting Public Functions of Forestry and Forests and direct payments for forestry growing business under Article 12 of that Act.

(2) If the Minister of Oceans and Fisheries decides not to pay all of the public direct payment on grounds of paragraph (1) 1 through 4, he or she may restrict the relevant person from receiving a public direct payment for up to three years.

(3) Detailed standards and time limits for payment restrictions by item under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries, taking into consideration the type, degree, etc. of the violation.

Article 22 (Unjust Gains and Additional Charges)

(1) Where all or part of the public direct payment has been already paid even though the subparagraphs of Article 21 (1) are applicable, the Minister of Oceans and Fisheries shall immediately recover the amount already paid (hereafter in this Article referred to as "unjust gains") to the relevant recipient.

(2) Notwithstanding paragraph (1), where Article 21 (1) 1 or 2 is applicable, the Minister of Oceans and Fisheries may collect an amount not exceeding five times the amount already paid (hereafter in this Article referred to as "additional monetary sanction"), in addition to the unjust gains prescribed under paragraph (1). In such cases, matters necessary for the criteria for calculating the additional monetary sanctions and the imposition, payment, etc. of the additional monetary sanctions shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(3) If the person liable for payment under paragraphs (1) and (2) fails to pay the unjust gains or the additional monetary sanctions in full by the deadline, the Minister of Oceans and Fisheries shall collect as additional charges an amount calculated by multiplying an amount in arrears for the period from the date after the deadline to the date before the payment of all of the unfair gains or additional monetary sanctions by the interest rate prescribed by Presidential Decree. In such cases, the period for which the additional charges are imposed shall not exceed 60 months.

(4) If the person liable to pay unjust gains under paragraph (1), additional monetary sanctions under paragraph (2), or additional charges under paragraph (3) fails to pay them by the deadline, the Minister of Oceans and Fisheries may demand the payment for a specified period, and if the payment is not made within the specified period, he or she may collect them in the same manner as national taxes in arrears are collected.

CHAPTER V SUPPLEMENTARY PROVISIONS

Article 23 (Informatization and Request for Provision of Data)

(1) The Minister of Oceans and Fisheries shall formulate and implement policies necessary for informatization to efficiently manage information for implementing the public direct payment programs.

(2) Where necessary to verify and investigate compliance with the requirements for receiving public direct payments, the appropriateness of the payments, etc., the Minister of Oceans and Fisheries may request data containing personal information, such as resident registration numbers or alien registration numbers,

from the head of the relevant central administrative agency, the head of a local government, the head of a public institution under Article 4 of the Act on the Management of Public Institutions, a producer organization under subparagraph 5 of Article 3 of the Framework Act on Fisheries and Fishing Villages Development, or a person who has administrative authority or to whom administrative authority has been delegated or entrusted under statutes, regulations, or municipal ordinances (hereinafter referred to as "head of the relevant central administrative agency, etc.").

(3) Upon receipt of a request for provision of data from the Minister of Oceans and Fisheries for data under paragraph (2), the head of the relevant central administrative agency, etc. shall comply therewith, unless there is good cause.

(4) The Minister of Oceans and Fisheries may use or process the data collected under paragraph (2) or (3), or provide it to the head of the relevant central administrative agency, etc.

(5) Matters necessary for the use, processing, and provision of data containing personal information under paragraphs (2) through (4) shall be prescribed by Presidential Decree.

Article 24 (Disclosure and Protection of Information on Public Direct Payment Program)

(1) In order to enhance transparency in granting public direct payments, the Minister of Oceans and Fisheries shall classify and disclose the following information on the recipients of public direct payments annually in a manner prescribed by Ordinance of the Ministry of Oceans and Fisheries:

1. Fishers: Names, whether the fisher has a fishery license or permission, and types and amounts of public direct payments;
2. Fisheries corporations and companies under the Commercial Act: Corporate names, whether they have a fishery license or permit, and types and amounts of public direct payments;
3. Other matters determined by the Minister of Oceans and Fisheries.

(2) A person who is or was engaged in the management of persons to receive public direct payments or other related work shall not provide or divulge to others any information learned in the course of his or her duties or use it for purposes other than its intended purpose, except for the information disclosed pursuant to paragraph (1) and the information used, processed, or provided pursuant to Article 23 (2) through (4).

(3) If the Minister of Oceans and Fisheries receives an objection to the information disclosed under paragraph (1), he or she shall investigate the facts and notify the objector of the result thereof. Matters necessary for the details, methods, etc. of the objection shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 25 (Obligation to Provide Guidance)

(1) To operate the public direct payment program and ensure transparency in the execution of public direct payments, the Minister of Oceans and Fisheries shall guide, supervise, and manage the entire process of implementing the public direct payment program, including application for persons to receive payments, payment, and follow-up management, as prescribed by Presidential Decree.

(2) The Minister of Oceans and Fisheries may designate and operate a management institution, as prescribed by Presidential Decree, in order to perform the duties under paragraph (1).

(3) The State, local governments, and other entities or institutions which have administrative authority or to which administrative authority is delegated or entrusted under statutes, regulations, or municipal ordinances shall cooperate with one another to achieve the objectives of the public direct payment program.

Article 26 (Delegation and Entrustment of Authority)

(1) The Minister of Oceans and Fisheries may delegate part of his or her authority under this Act to the head of an affiliated agency, the head of a related administrative agency, a Special Self-Governing City Mayor, a Special Self-Governing Province Governor, a Do Governor, the head of a Si/Gun, or the head of an autonomous Gu, as prescribed by Presidential Decree.

(2) The Minister of Oceans and Fisheries may entrust part of his or her authority to an institution or organization, as prescribed by Presidential Decree.

Article 27 (Honorary Monitors for Public Direct Payment Program)

(1) The Minister of Oceans and Fisheries or the head of a local government may commission the head of an administrative Ri under Article 7 (4) of the Local Autonomy Act or the head of a Tong that is established as a subordinate organization of an administrative Dong under paragraph (5) of that Article, or a member, employee, etc. of a consumer organization or producer organization, as an honorary monitor for the public direct payment program to monitor, guide, and promote the payment requirements, compliance, etc. for public direct payments and to report violations. *<Amended on Jan. 12, 2021>*

(2) The Minister of Oceans and Fisheries and the heads of local governments may pay expenses incurred in monitoring activities to honorary monitors for the public direct payment program within the budget.

(3) Matters necessary for qualifications for, and methods of commissioning and duties of, honorary monitors for the public direct payment program, etc. under paragraph (1) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 28 (Payment of Monetary Award)

(1) The Minister of Oceans and Fisheries may pay a monetary award within the budget to a person who reports, to a competent government agency or a relevant administrative agency, irregularities in applying for or receiving a public direct payment without meeting the requirements for granting the public direct payment.

(2) The Minister of Oceans and Fisheries may identify and award best practices to central administrative agencies, local governments, individuals, companies, or organizations that are exemplary in achieving the purpose of implementing the public direct payment program and enhancing transparency.

(3) Other details necessary for the entities subject to and methods of payment of the monetary award, the content and method of awarding, etc. under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 29 (Legal Fiction as Public Officials for Purposes of Penalty Provisions)

A person delegated or entrusted with part of the authority of the Minister of Oceans and Fisheries pursuant to Article 26 (1) and (2) shall be deemed a public official for the purposes of Articles 127 and 129 through 133 of the Criminal Act.

CHAPTER VI PENALTY PROVISIONS

Article 30 (Penalty Provisions)

Any of the following persons shall be punished by imprisonment with labor for not more than one year or by a fine not exceeding 10 million won: *<Amended on Oct. 18, 2022>*

1. A person who has applied for or received a public direct payment by fraud or other improper means;
2. A person who certifies a document submitted to apply for a public direct payment pursuant to Article 10 (1), 15 (1), 18-3 (1), or 18-5 (1) even though the person knows that the content of such document is false;
3. A person who provides or divulges information learned in the course of his or her duties to another person or uses it for purposes other than the intended purpose in violation of Article 24 (2).

Article 31 (Joint Penalty Provisions)

If the representative of a corporation or an agent or employee of, or any other person employed by, the corporation or an individual commits any violations described in Article 30 in conducting the business affairs of the corporation or individual, the corporation or individual shall be punished by a fine prescribed in that Article in addition to punishing the violators accordingly: Provided, That this shall not apply where the corporation or individual has not been negligent in giving due attention and supervision regarding the relevant business affairs to prevent such violation.

Article 32 (Administrative Fines)

- (1) Any of the following persons shall be subject to an administrative fine not exceeding 10 million won:
1. A person who refuses, obstructs, or evades an investigation, inspection, etc. in violation of Article 20 (4);
 2. A person who fails to store and keep documents relating to the granting of public direct payments and compliance therefor, in violation of Article 20 (6).
- (2) Administrative fines under paragraph (1) shall be collected by the Minister of Oceans and Fisheries or the head of a local government, as prescribed by Presidential Decree.

ADDENDA <Act No. 17331, May 26, 2020>

Article 1 (Enforcement Date)

This Act shall enter into force on March 1, 2021.

Article 2 (Preparations for Enforcement of This Act)

Where deemed necessary for the enforcement of this Act, the Minister of Oceans and Fisheries may receive an application or take necessary measures under the amended provisions of Articles 8, 15, 19, 20, and 23 before this Act enters into force.

Article 3 (General Transitional Measures)

Dispositions or measures taken, or other acts done by or in relation to administrative agencies, under the former Act on the Implementation of the Direct Payment Program for Fisheries, as at the time this Act enters into force, shall be deemed dispositions or measures taken, or acts done by or in relation to administrative agencies, under this Act.

Article 4 (Transitional Measures concerning Restitution)

Recipients subjected to such dispositions as restitution or the imposition of additional dues under Article 13 of the former Act on the Implementation of the Direct Payment Program for Fisheries, as at the time this Act enters into force, shall be governed by the former Act on the Implementation of the Direct Payment Program for Fisheries until such dispositions expire.

Article 5 (Transitional Measures concerning Penalty Provisions)

For the purpose of applying penalty provisions to offenses committed before this Act enters into force, the former Act on the Implementation of the Direct Payment Program for Fisheries shall prevail.

Article 6 Omitted.

Article 7 (Relationship to Other Statutes and Regulations)

At the time this Act enters into force, references in other statutes and regulations to the provisions of the former Act on the Implementation of the Direct Payment Program for Fisheries, if this Act includes any provisions corresponding thereto, shall be deemed references to the corresponding provisions of this Act in lieu of the former provisions.

ADDENDA <Act No. 17893, Jan. 12, 2021>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 23 Omitted.

ADDENDA <Act No. 18755, Jan. 11, 2022>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation. (Proviso Omitted.)
Articles 2 through 40 Omitted.

ADDENDA <Act No. 19010, Oct. 18, 2022>

Article 1 (Enforcement Date)

This Act shall enter into force on April 1, 2023.

Article 2 (Special Cases concerning Implementation of Direct Payment Program for Business Transfer)

Notwithstanding the amended provisions of subparagraph 1 of Article 14 and subparagraph 2 of that Article concerning the enforcement of the direct payment program for business transfer, the relevant provisions shall apply as follows until December 31, 2026:

1. The period for maintaining the qualification as a fishing village fraternity member under the main clause and the proviso of subparagraph 1 of Article 14 shall be five years;
2. The age requirement of the applicant referred to in subparagraph 2 of Article 14 shall be at least 65 years old and less than 80 years old.

Article 3 (General Transitional Measures)

Dispositions, actions, other acts of administrative agencies, and acts against administrative agencies taken under the previous provisions as at the time this Act enters into force shall be deemed to be dispositions, actions, acts of administrative organizations, and acts against administrative organizations taken under this Act.

ADDENDUM <Presidential Decree No. 20527, Oct. 22, 2024>

This Act shall enter into force on the date of its promulgation.

Last updated : - -