

# SPECIAL ACT ON THE UTILIZATION OF WATERFRONTS

Act No. 10421, Dec. 29, 2010  
Amended by Act No. 10892, Jul. 21, 2011  
Act No. 12248, Jan. 14, 2014  
Act No. 12993, Jan. 6, 2015  
Act No. 13433, Jul. 24, 2015  
Act No. 13805, Jan. 19, 2016

## **Article 1 (Purpose)**

The purpose of this Act is to prevent ill-conceived development and to promote sustainable growth by creating and using areas in the vicinity of national rivers, and to contribute to the promotion of public welfare by utilizing gains therefrom in the improvement and management of rivers.

## **Article 2 (Definitions)**

The definitions of terms used in this Act shall be as follows:

1. The term "national river" means a river designated pursuant to Article 7 (2) of the River Act;
2. The term "waterfront" means an area designated pursuant to Article 4, inclusive of an area within two kilometers of both banks from the boundaries of river basin of a national river more than the rate prescribed by Presidential Decree;
3. The term "waterfront development project" means a project for developing and managing a waterfront so that it may have residential, commercial, industrial, cultural, sightseeing, and leisure functions in harmony with a national river.

## **Article 3 (Relationship with Other Acts)**

This Act shall apply to waterfronts and waterfront development projects in preference to other Acts: Provided, That where there are provisions in other Acts more relaxed than special cases on regulation in this Act, such Act shall apply thereto.

## **Article 4 (Designation, etc. of Waterfronts)**

(1) The Minister of Land, Infrastructure and Transport may designate, as a waterfront, an area deemed necessary for developing and using as a sustainable waterfront in the adjacent areas where favorable conditions for waterfront are created by the improvement, restoration, etc. of a national river. In such cases, the area of a waterfront that he/she intends to designate shall exceed the area prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Where the Minister of Land, Infrastructure and Transport intends to designate or change a waterfront pursuant to paragraph (1), he/she shall formulate a plan concerning a waterfront development project (hereinafter referred to as "development plan"): Provided, That where he/she designates a waterfront in an area prescribed by Presidential Decree, he/she may formulate the development plan after he/she has designated a waterfront. <Amended by Act No. 11690, Mar. 23, 2013>

(3) Any person referred to in the subparagraphs of Article 12 (1) may formulate a development plan under paragraph (2) and propose designation of, change to or cancelling designation of a waterfront to the Minister of Land, Infrastructure and Transport, as prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013>

(4) Where the Minister of Land, Infrastructure and Transport intends to designate a waterfront and to formulate a development plan pursuant to paragraphs (1) and (2), he/she shall seek opinions from the relevant Special Metropolitan City Mayor, Metropolitan City Mayor or Do Governor (hereinafter referred to as "Mayor/Do Governor") and consult with the head of a related central administrative agency. In such cases, the Minister of Land, Infrastructure and Transport shall request the Mayor/Do Governor to conduct prior environmental review under Article 25 of the Framework Act on Environmental Policy and request the head of a related central administrative agency to consult about prior environmental review under Article 25-3 of the same Act. <Amended by Act No. 11690, Mar. 23, 2013>

(5) Where the Minister of Land, Infrastructure and Transport intends to designate or change a waterfront, he/she shall hold consultation pursuant to paragraph (4) and seek opinions from residents, etc. under Article 7, and submit the relevant matter to the Waterfront Development Committee under Article 37 for deliberation: Provided, That this shall not apply where he/she changes insignificant matters prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013>

(6) Where the Minister of Land, Infrastructure and Transport intends to designate or to change a waterfront, he/she shall submit the issue to the Central Urban Planning Committee under Article 106 of the National Land Planning and Utilization Act for deliberation, in which case Articles 8 and 9 of the same Act shall not apply: Provided, That this shall not apply where he/she changes insignificant matters prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013>

(7) The period for submission of opinions and consultation under paragraph (4) shall not exceed 30 days, and where the head of a related central administrative agency or the competent Mayor/Do Governor makes a request or where deemed necessary by the Minister of Land, Infrastructure and Transport, such period may be extended only once by up to ten days: Provided, That where the head of a related central administrative agency or the competent Mayor /Do Governor fails to present his/her opinion within the period for submission of opinions and consultation, he/she shall be deemed to have consulted on the details of a development plan without a dissenting opinion. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 5 (Basic Direction-Setting for Development of Waterfronts)**

Where the Minister of Land, Transport and Maritime Affairs intends to formulate a waterfront development plan, he/she shall satisfy the following:

1. Losses of lives and property damage on the waterfront shall be minimized in spite of flooding and destruction of the bank by an extraordinary flood;
2. Pollutant load shall be minimized after the waterfront development project is completed;
3. The waterfront development project shall have a minimum effect on river flow;
4. The waterfront development project shall be performed in harmony with the inherent ecological, historical, cultural and scenic value of a river;
5. Other matters prescribed by Presidential Decree.

#### **Article 6 (Details of Development Plans)**

A development plan shall include the following:

1. The name, location and the area of the waterfront;
2. The purpose of designation of the waterfront;
3. The project developer and the period of performance;
4. The method of undertaking the project;
5. A land use plan and a main infrastructure plan;
6. A plan for accommodating the population, traffic control and environment conservation;
7. A plan for raising funds;
8. Where there are land or buildings, other objects or rights to be expropriated or used, the detailed list thereof;
9. Matters concerning the receipt of an advance payment under Article 23;
10. Other matters prescribed by Presidential Decree.

#### **Article 7 (Seeking Opinions from Residents, etc.)**

(1) Where the Minister of Land, Infrastructure and Transport intends to designate a waterfront or to change important matters prescribed by Presidential Decree, he/she shall announce such designation or change and seek opinions from residents, related experts, etc.: Provided, That this shall not apply where he/she changes matters requiring confidentiality for national security. <Amended by Act No. 11690, Mar. 23, 2013>

(2) Matters necessary for seeking opinions from residents, related experts, etc. under paragraph (1) shall be prescribed by Presidential Decree.

#### **Article 8 (Announcement, etc. of Designation of Waterfronts)**

(1) Where the Minister of Land, Infrastructure and Transport designates, changes a waterfront or cancels the designation of such waterfront, or formulates or changes a development plan, he/she shall announce the details thereof in the Official Gazette, as prescribed by Presidential Decree, and notify the head of the competent Si/Gun/Gu (referring to the head of an autonomous Gu; hereinafter the same shall apply) of such details. In such cases, the Minister shall announce topographic drawings pursuant to Article 8 of the Framework Act on the Regulation of Land Use. <Amended by Act No. 11690, Mar. 23, 2013>

(2) The head of the competent Si/Gun/Gu who has received related documents pursuant to paragraph (1) shall make such documents available to the general public for inspection.

### **Article 9 (Restrictions on Acts, etc.)**

(1) A person who intends to do acts prescribed by Presidential Decree, such as constructing a building or structure, changing the form and quality of land, collecting soil and stones, partitioning or combining land, piling articles, felling or planting bamboo and trees, in an area where there is an official announcement for seeking opinions from residents, etc. concerning designation and change of a waterfront pursuant to Article 7 (1) shall obtain a permit from the head of the competent Si/Gun/Gu. The same shall also apply to cases where he/she intends to change any permitted matters.

(2) Notwithstanding the provisions of paragraph (1), a person may engage in any of the following activities without obtaining a permit:

1. An act for emergency measures necessary for disaster relief or disaster control;
2. Other acts prescribed by Presidential Decree.

(3) Regarding an act for which a person has already obtained a permit in accordance with the related statutes as at the time of an official announcement of designation of a waterfront as an act for which a person should obtain a permit pursuant to paragraph (1), or an act for which a person needs not to obtain a permit, a person who has commenced such construction works or project may perform such construction work or project continuously after he/she reports to the head of the competent Si/Gun/Gu, as prescribed by Presidential Decree.

(4) The head of a Si/Gun/Gu may order a person who violates paragraph (1) to reinstate the relevant area. In such cases, where a person who was so ordered fails to perform his/her duty, the head of the competent Si/Gun/Gu may do reinstatement works on his/her behalf in accordance with the Administrative Vicarious Execution Act.

(5) Where a person has obtained a permit under paragraph (1), he/she shall be deemed to have obtained a permit under Article 56 of the National Land Planning and Utilization Act.

(6) Except as prescribed by this Act, Articles 57 through 60 and 62 of the National Land Planning and Utilization Act shall apply mutatis mutandis to permits under paragraph (1).

### **Article 10 (Effects, etc. of Designation of Waterfronts)**

(1) Where the Minister of Land, Infrastructure and Transport has designated and announced a waterfront pursuant to Articles 4 and 8, with regard to matters on which he/she has sought prior consultation with the head of a related administrative agency concerning the following matters and which have deliberated upon by the Central Urban Planning Committee (limited to cases falling under subparagraph 1), such shall be deemed to have been designated, formulated and approved: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. The formulation or confirmation of amendment to a metropolitan city plan under Article 16 of the National Land Planning and Utilization Act;
2. The formulation or confirmation of amendment to an urban master plan and approval from the Do Governor under Articles 18, 22 and 22-2 of the National Land Planning and Utilization Act;
3. Designation of a district unit planning area under Article 51 of the National Land Planning and Utilization Act.

(2) Where the Minister of Land, Infrastructure and Transport has announced a waterfront designated or changed, the head of the competent local government shall reflect such designation or change in the plan for the control of total pollution load under Article 8 of the Act on the Improvement of Water Quality and Support for Residents of the Han River Basin, and the master plans for the control of total pollution load and the action plans for the control of total pollution load under Articles 10 and 11 of the Act on Water Management and Resident Support in the Geum River Basin, the Act on Water Management and Resident Support in the Nakdong River Basin and the Act on Water Management and Resident Support in the Yeongsan and Seomjin River Basins. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Where the Minister of Land, Infrastructure and Transport has announced a waterfront designated or changed, the head of the competent local government shall preferentially reflect such designation or change in the master plan to improve sewerage under Articles 5 and 6 of the Sewerage Act. In such cases, where the Minister of Environment intends to approve the master plan to improve sewerage pursuant to Article 6 (1) of the Sewerage Act, he/she shall approve such master plan within 40 days after receipt of a request for approval of such master plan from the head of the competent local government, unless there is a compelling reason to do otherwise. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Where the Minister of Environment has approved a master plan to improve sewerage pursuant to paragraph (3), he/she shall be deemed to have cancelled a riparian zone designated under Article 4 of the Act on the Improvement of Water Quality and Support for Residents of the Han River Basin, the Act on Water Management and Resident Support in the Geum River Basin, the Act on Water Management and Resident Support in the Nakdong River Basin and the Act on Water Management and Resident Support in the Yeongsan and Seomjin River Basins.

#### **Article 11 (Cancellation of Designation of Waterfronts)**

(1) Where a project developer fails to apply for approval of an action plan under Article 13 on all or any part of a waterfront within three years from the date it is designated and announced as a waterfront, designation of the relevant waterfront shall be deemed cancelled on the date after such period expires.

(2) Where designation of a waterfront is cancelled pursuant to paragraph (1) and there is designation, formulation or approval under any subparagraph of Article 10 (1), cancellation under paragraph (4) of the same Article, or approval or permission under Article 15, the relevant waterfront shall be deemed reinstated before designation or terminated.

(3) Where designation of a waterfront is cancelled pursuant to paragraph (1), the Minister of Land, Infrastructure and Transport shall announce such cancellation and notify the head of a related administrative Agency of such cancellation, as prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 12 (Project Developers)**

(1) An entity designated by the Minister of Land, Infrastructure and Transport from among the following entities shall perform a waterfront development project: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. The State or a local government;
2. The Korea Water Resources Corporation incorporated under the Korea Water Resources Corporation Act;
3. The Korea Land and Housing Corporation incorporated under the Korea Land and Housing Corporation;
4. A local corporation established under the Local Public Enterprises Act.

(2) The Minister of Land, Infrastructure and Transport may preferentially designate the entity referred to in paragraph (1) 2 as a project developer for a waterfront development project. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Where a project developer fails to commence a waterfront development project within three years after it has obtained approval of an action plan pursuant to Article 13 (1), or is deemed unable to complete or impossible to complete a waterfront development project within the period set in the action plan, the Minister of Land, Infrastructure and Transport may replace the project developer with another person and require such another person to perform the relevant waterfront development project. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Where the Minister of Land, Infrastructure and Transport deems it necessary for efficiently performing a waterfront development project, a project developer may partially entrust a third party with the waterfront development project or require a person scheduled to purchase the prepared site to perform the project on its behalf. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 13 (Action Plans for Waterfront Development Projects)**

(1) Where a project developer designated under Article 12 (1) intends to perform a waterfront development project, it shall prepare an action plan for the waterfront development project (hereinafter referred to as "action plan") and obtain approval from the Minister of Land, Infrastructure and Transport, as prescribed by Presidential Decree. The same shall also apply where it amends the action plan. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Where the Minister of Land, Infrastructure and Transport intends to approve an action plan pursuant to paragraph (1), he/she shall consult with the competent Mayor/Do Governor and the head of a related central administrative agency, and submit the action plan to the Waterfront Development Committee pursuant to Article 37 for deliberation: Provided, That this shall not apply where it amends insignificant matters prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Where a project developer intends to obtain approval of an action plan pursuant to paragraph (1), it shall conduct an environment impact assessment under Articles 22 and 42 of the Environmental Impact Assessment Act in advance. *<Amended by Ac No. 10892, Jul. 21, 2011>*

(4) An action plan shall include the following:

1. The name, location and size of the area intended to be designated as a waterfront;
2. The name (in cases of a corporation, the name of the corporation and the name of its representative) and domicile of the project developer;

3. The period of performance of the project;
4. A ground plan and drawings and specifications of the development plan;
5. A land use plan;
6. An environment management plan;
7. An infrastructure building plan;
8. A funding plan and an annual investment plan;
9. A plan for supply and disposition of developed land and apartment houses;
10. A plan to implement matters referred to in the subparagraphs of Article 5;
11. Other matters prescribed by Presidential Decree.

(5) Where the Minister of Land, Infrastructure and Transport has approved an action plan or any amendment thereto pursuant to paragraph (1), he/she shall announce matters prescribed by Presidential Decree in the Official Gazette and forward a copy of related documents to the competent Mayor/Do Governor and the head of the competent Si/Gun/Gu. *<Amended by Act No. 11690, Mar. 23, 2013>*

(6) The head of a Si/Gun/Gu who receives a copy of related documents pursuant to paragraph (5) shall make such related documents available for the general public for inspection.

(7) Where matters determined by an urban management plan are included in related documents, the head of the Si/Gun/Gu who receives a copy of the related documents pursuant to paragraph (5) shall take measures necessary for preparing topographic drawings pursuant to Article 32 of the National Land Planning and Utilization Act. In such cases, a project developer shall submit documents necessary for publication of topographic drawings to the head of the competent Si/Gun/Gu.

(8) With regard to matters approved and announced pursuant to paragraphs (1) and (5), notwithstanding Article 32 of the National Land Planning and Utilization Act, the head of the competent Si/Gun/Gu may publish topographic drawings regarding an urban management plan under Article 32 of the same Act during the period of performance of the project under paragraph (4) 3.

#### **Article 14 (Access, etc. to Land)**

(1) Where a person who intends to propose designation of a waterfront or a project developer intends to make an investigation or survey for the preparation of a development plan, he/she may have access to land of others or temporarily use land of others as a material yard, passage or temporary road, and change or remove bamboo and trees, soil and stones, and other obstacles.

(2) Articles 130 (2) through (9), 131, 144 (1) 2 and 3 and (3) of the National Land Planning and Utilization Act shall apply mutatis mutandis to cases under paragraph (1). In such cases, a "developer of an urban planning infrastructure project" shall be deemed a "project developer" under this Act.

#### **Article 15 (Approval, Permission, etc. Deemed Granted under other Acts)**

(1) Where the Minister of Land, Infrastructure and Transport has held prior consultation on the following permission, approval, reporting, determination, designation, licenses, consultation, consent, cancellation, deliberation, etc. (hereinafter referred to as "approval, permit, etc.") with the head of a related administrative agency pursuant to paragraph (2) in granting approval of an action plan pursuant to Article

13, he/she shall be deemed to have obtained the relevant approval, permit, etc., and where an action plan is given or made, an announcement or official announcement of approval, permit, etc. shall be deemed to have been made under the following Acts: <Amended by Act No. 11690, Mar. 23, 2013; Act No. 12248, Jan. 14, 2014; Act No. 13805, Jan. 19, 2016>

1. A building permit under Article 11 of the Building Act, a report on building under Article 14 of the same Act, a change to permitted or reported matters under Article 16 of the same Act, a permit for or report on a temporary building under Article 20 of the same Act and consultation on building under Article 29 of the same Act;
2. Formulation of a master plan for reclamation under Article 22 of the Public Waters Management and Reclamation Act, a reclamation license under Article 28 of the same Act, an announcement under Article 33 of the same Act, approval or an announcement of an action plan for reclamation under Article 38 of the same Act and consultation or approval under Article 35 of the same Act;
3. Discontinuation of use of administrative property under Article 11 of the Public Property and Commodity Management Act, and a permit to use or make a profit under Article 20 of the same Act;
4. Registration of tourism under Article 4 of the Tourism Promotion Act, approval of a development plan under Article 15 of the same Act, designation of a tourist resort and tourist complex under Article 52 of the same Act, approval of a tourist resort or tourist complex development plan under Article 54 of the same Act, and a permit to undertake a development project under Article 55 of the same Act;
5. A permit to use administrative property under Article 30 of the State Property Act and the discontinuation of use of administrative property under Article 40 of the same Act;
6. Determination of an urban management plan under Article 30 of the National Land Planning and Management Act, a permit for development activities under Article 56 of the same Act, designation of a developer of an urban planning infrastructure project under Article 86 of the same Act, approval of an action plan under Article 88 of the same Act, and a permit regarding a contract for land transaction under Article 118 of the same Act;
7. Approval to use agricultural production infrastructure for a purpose other than the intended purpose under Article 23 of the Rearrangement of Agricultural and Fishing Villages Act;
8. Change to or cancellation of an agriculture promotion area, etc. under Article 31 of the Farmland Act, and a permit or consultation to convert farmland under Article 34 of the same Act;
9. A permit to install, and report on installing, discharging facilities under Article 23 of the Clean Air Conservation Act, Article 33 of the Water Quality and Aquatic Ecosystem Conservation Act, and Article 8 of the Noise and Vibration Control Act;
10. A permit granted to a person, other than a road management agency under Article 36 of the Road Act permission, to execute roadworks, a permit to occupy and use a road under Article 61 of the aforesaid Act and consultation with or approval from a road management agency under Article 107 of the aforesaid Act;

11. Designation of a project developer under Article 11 of the Urban Development Act and approval of an action plan for an urban development project under Article 17 of the same Act;
12. Approval for undertaking a project under Article 28 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents;
13. A permit to fell, etc. under Article 14 of the Erosion Control Work Act or Collapse Act and cancellation of designation of an erosion control area under Article 20 of the same Act;
14. A permit to fell, or report on felling, standing trees, etc. under Article 36 (1) and (4) of the Creation and Management of Forest Resources Act, permit for, or report on acts in a forest reserve under Article 45 (1) and (2) of the same Act, and consultation on the cancellation of designation of a forest reserve under Article 46 (1) of the same Act;
15. Approval of an action plan for the development of a national industrial complex under Article 17 of the Industrial Sites and Development Act, approval of an action plan for the development of a general industrial complex under Article 18 of the same Act, approval of an action plan for the development of an advanced urban industrial complex under Article 18-2 of the same Act, and designation of a project developer under Article 16 of the same Act;
16. Change or cancellation of a conserved mountainous district under Article 6 of the Mountainous Districts Management Act, and a permit to convert mountainous districts under Article 14 of the same Act and a report on converting mountainous districts under Article 15 of the same Act;
17. Consent to a building permit, etc. under Article 7 of the Installation, Maintenance, and Safety Control of Fire-Fighting Systems Act;
18. Formulation and approval of a comprehensive plan to maintain small rivers under Article 6 of the Small River Maintenance Act, the formulation of a performance plan to maintain a small river under Article 8 of the same Act, a permit to undertake a small river conservation works under Article 10 of the same Act, and a permit for or report on occupation and use of a small river, etc. under Article 14 of the same Act;
19. Approval of general waterworks under Article 17 of the Water Supply and Waterworks Installation Act, approval of waterworks for industrial purposes under Articles 49 and 50 of the same Act, approval of exclusive waterworks under Article 52 of the same Act and approval of exclusive waterworks for industrial purposes under Article 54 of the same Act;
20. An amendment to an integrated coast management plan and a regional coast management plan under Article 12 of the Coast Management Act;
21. Registration of the establishment of a superstore under Article 8 of the Distribution Industry Development Act, designation of a joint collection and delivery center under Article 29 of the same Act, and designation of a joint collection and delivery center development promotion district under Article 34 of the same Act;
22. Change to and cancellation of designation of a forestry promotion area under Article 20 of the Forestry and Mountain Villages Development Promotion Act;

23. A report on reinterment of a grave under Article 8 of the Act on Funeral Services, etc. and a permit to reinter a neglected grave under Article 27 (1) of the same Act;
24. Registration of a housing construction business entity, etc. under Article 4 of the Housing Act and approval of a development plan under Article 15 of the same Act;
25. Approval of a development plan under Article 12 of the Installation and Utilization of Sports Facilities Act;
26. Designation of a developer of a housing site development project under Article 7 of the Housing Site Development Promotion Act and approval of an action plan for a housing site development project under Article 9 of the same Act;
27. Approval for or a report on the establishment of waste disposal facilities under Article 29 of the Wastes Control Act;
28. A permit to perform public sewerage works under Article 16 of the Sewerage Act and a permit to occupy and use public sewerage under Article 24 of the same Act;
29. Consultation with or approval from a river management agency under Article 6 of the River Act, amendment to a master plan of rivers under Article 25 of the same Act, a permit to perform river conservation works or approval of an action plan for river conservation works under Article 30 of the same Act, a permit to occupy and use a river under Article 33 of the same Act and a permit to use river water under Article 50 of the same Act.

(2) Where the Minister of Land, Infrastructure and Transport intends to approve an action plan which includes matters referred to in any of the subparagraphs of paragraph (1), he/she shall hold prior consultation with the head of a related administrative agency, along with related documents submitted by a project developer. In such cases, the head of a related administrative agency shall present his/her opinion within 30 days after receipt of a request for consultation, and where he/she fails to present his/her opinion within the same period, he/she shall be deemed to have no opinion. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 16 (Special Cases on Application of the Special Act on the Management of Intercity Transport in Metropolitan Areas)**

(1) Where a waterfront development project constitutes a large-scale development project under Article 7-2 (1) of the Special Act on the Management of Intercity Transport in Metropolitan Areas, notwithstanding the same paragraph, the Minister of Land, Infrastructure and Transport may devise measures to improve intercity transport. In such cases, a project developer shall prepare measures to improve intercity transport and submit the same to the Minister of Land, Infrastructure and Transport. <Amended by Act No. 11690, Mar. 23, 2013>

(2) Where the Minister of Land, Infrastructure and Transport devises measures to improve intercity transport under paragraph (1), notwithstanding Article 7-2 (3) of the Special Act on the Management of Intercity Transport in Metropolitan Areas, he/she shall seek opinions from the competent Mayor/Do Governor and notify the Mayor/Do Governor of measures to improve intercity transport after he/she has

determined the same after deliberation by the Waterfront Development Committee under Article 37.  
<Amended by Act No. 11690, Mar. 23, 2013>

(3) The Mayor/Do Governor shall present his/her opinion within 30 days after receipt of a request to present his/her opinion under paragraph (2), and where he/she fails to do so within the same period, he/she shall be deemed to have no opinion.

#### **Article 17 (Special Cases concerning Housing Supply)**

(1) Where necessary to achieve the purpose of a waterfront development project, notwithstanding Article 54 of the Housing Act, the Minister of Land, Infrastructure and Transport may separately set standards for supplying housing, as prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013; Act No. 13805, Jan. 19, 2016>

(2) The Minister of Land, Infrastructure and Transport may limit the methods of supplying housing under paragraph (1) for a speculation-prone area prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 18 (Construction of Infrastructure and Repayment of Expenses)**

Where a project developer undertakes a waterfront development project, Article 28 of the Housing Act shall apply mutatis mutandis to construction of infrastructure and repayment of expenses incurred in construction. <Amended by Act No. 13805, Jan. 19, 2016>

#### **Article 19 (Expropriation or Use of Land, etc.)**

(1) A project developer may expropriate or use land, etc. where necessary for a waterfront development project.

(2) Where the Minister of Land, Transport and Maritime Affairs designates and publicly announces a waterfront, the waterfront development project shall be deemed approved under Article 20 (1) of the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects, and approval of the project shall be deemed announced publicly under Article 22 of the same Act.

(3) Notwithstanding the provisions of Articles 23 (1) and 28 (1) of the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects, a project developer may make an application for decision on the expropriation or use of land, etc. under paragraph (1) within the period for undertaking the waterfront development project fixed in an action plan.

(4) The land expropriation committee responsible for rendering decisions on the expropriation or use of land, etc. under paragraph (1) shall be the Central Land Expropriation Committee.

(5) Except as provided for in this Act, the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects shall apply to the expropriation or use of land, etc. under paragraph (1).

#### **Article 20 (Inspection of Completion)**

(1) Where a project developer has completed all or any part of a waterfront development project, he/she shall submit a report on completion of construction works to the Minister of Land, Infrastructure and Transport without delay and undergo an inspection of completion, as prescribed by Presidential Decree.

<Amended by Act No. 11690, Mar. 23, 2013>

(2) Where the Minister of Land, Infrastructure and Transport deems that a project developer has performed construction works as approved after he/she conducts an inspection of completion under paragraph (1), he/she shall issue a certificate of completion to such a project developer, and where a project developer has failed to perform construction works in accordance with an action plan, he/she shall order such a project developer to take necessary measures, such as additional works, without delay. In such cases, he/she shall hold prior consultation on an inspection of completion on approval, permit, etc. under the subparagraphs of Article 15 (1) with the head of a related administrative agency. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Where a project developer has obtained a certificate of completion under paragraph (2), it shall be deemed to have undergone an inspection of completion or obtained approval of completion, etc. according to approval, permit, etc. under the subparagraphs of Article 15 (1).

(4) In order for a project developer to use land developed and facilities built by a waterfront development project before it obtains a certificate of completion under paragraph (2), it shall obtain a permit to use before completion.

#### **Article 21 (Announcement of Completion of Construction Works)**

When the Minister of Land, Infrastructure and Transport has issued a certificate of completion to a project developer pursuant to Article 20 (2), he/she shall announce the completion of construction works. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 22 (Supply of Developed Land, etc.)**

Where a project developer intends to supply land, a building or structure, etc. created by a waterfront development project (hereinafter referred to as "developed land, etc."), it shall obtain approval from the Minister of Land, Infrastructure and Transport, as prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 23 (Advance Payment)**

A project developer may receive all or some of the relevant consideration in advance from a person who intends to acquire or to use developed land, etc., as prescribed by Presidential Decree.

#### **Article 24 (Reversion of Public Facilities, etc.)**

(1) Where a project developer has built public facilities as defined in subparagraph 13 of Article 2 of the National Land Planning and Utilization Act or facilities replacing the existing public facilities by undertaking a waterfront development project, Article 65 of the same Act shall apply to reversion thereof. In such cases, "a person who is not an administrative agency" shall be construed as "a project developer" under this Act.

(2) In registration of public facilities and property under paragraph (1), a development plan, approval of an action plan and a certificate of completion may replace documents that prove the grounds for registration under the Registration of Real Estate Act.

(3) In applying *mutatis mutandis* the National Land Planning and Utilization Act pursuant to paragraph (1), for property a management agency of which is ambiguous, the Minister of Land, Infrastructure and

Transport shall be deemed a management agency of roads, rivers, ditches, etc., and the Minister of Strategy and Finance shall be deemed a management agency of other property. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 25 (Restrictions on Disposition, etc. of State-Owned Land and Public Land)**

(1) The State or a local government shall not dispose of waterfront land owned by the State or a local government necessary for a waterfront development project, such as sale for a purpose other than the purpose designated by a waterfront development project, etc.

(2) Notwithstanding the provisions of the State Property Act and the Public Property and Commodity Management Act, the State or a local government may sell waterfront property owned by the State or a local government necessary for a waterfront development project by private contract.

(3) Notwithstanding the provisions of other statutes, the Minister of Strategy and Finance shall manage and dispose of State property the management agency of which is unknown, out of property to be transferred to a project developer pursuant to paragraph (2).

(4) Where the State or a local government sells State property or public property on a waterfront to a project developer, it may partially relax the conditions of sale, such as long-term payment in installments, etc., in consideration of the development conditions, as prescribed by Presidential Decree.

#### **Article 26 (Application Mutatis Mutandis to Projects Outside Waterfronts)**

Where the State or a local government undertakes a project directly related to a waterfront development project, such as a road, waterworks and sewerage, electric installations, etc., in an area adjacent to the waterfront, some of the provisions of this Act shall apply mutatis mutandis to the relevant project, as prescribed by Presidential Decree.

#### **Article 27 (Cancellation of Designation, etc. of Project Developers)**

(1) Where any of the following applies to a project developer, the Minister of Land, Infrastructure and Transport may cancel designation of the project developer, approval or a permit under this Act, or order it to suspend or change other related construction works, to rebuild, change or remove facilities or objects:

<Amended by Act No. 11690, Mar. 23, 2013>

1. Where the project developer obtains designation, a permit or approval under this Act by fraudulent or other unlawful means;
  2. Where the project developer is substantially behind the scheduled progress for reasons imputable to it;
  3. Where it is impossible for the project developer to continue a waterfront development project due to a natural disaster or change in the circumstances of other necessity for the important public interest, etc.;
  4. Where a project developer violates an order to take necessary measures, such as additional works, under Article 20 (2);
  5. Where a project developer violates an order to file a report or submit materials under Article 29 (1).
- (2) Where the Minister of Land, Infrastructure and Transport has issued a disposition or order under paragraph (1), he/she shall announce such disposition or order, as prescribed by Presidential Decree.

*<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 28 (Hearings)**

Where the Minister of Land, Infrastructure and Transport intends to cancel designation or approval under this Act, he/she shall hold a hearing. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 29 (Reporting, Inspections, etc.)**

(1) Where the Minister of Land, Infrastructure and Transport deems it necessary in connection with the performance of a waterfront development project, he/she may order the project developer to file a necessary report or submit materials, and require a public official under his/her jurisdiction to inspect matters concerning the business affairs and accounting regarding the waterfront development project.

*<Amended by Act No. 11690, Mar. 23, 2013>*

(2) A public official who inspects the business affairs or accounting pursuant to paragraph (1) shall carry a certificate of identification indicating his/her authority and produce it to the persons concerned.

(3) Matters necessary in relation to certificates of identification referred to in paragraph (2) shall be prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Where a public official conducts an inspection under paragraph (1), he/she shall inform the relevant project developer of the inspection plan, such as the date and time of inspection, reasons for inspection and the details of inspection, etc., seven days prior to the inspection: Provided, That this shall not apply in an emergency or where he/she deems it impossible to achieve the purpose of inspection due to destruction of evidence, etc. if he/she informs the inspection plan in advance.

#### **Article 30 (Establishment of River Management Fund)**

The Government shall establish the River Management Fund (hereinafter referred to as the "Fund") in order to secure funds necessary for river conservation works and river maintenance and repair to secure water and prevent flood, etc. in preparation for climate change.

#### **Article 31 (Recapture, etc. of Development Gains)**

(1) The State shall recapture some of increases in the value of land in excess of normal increases in land prices due to a waterfront development project (hereinafter referred to as "waterfront development gains") in accordance with this Act. In such cases, it shall not collect development charges under the Restitution of Development Gains Act.

(2) Waterfront development gains under paragraph (1) shall be the remainder after subtracting any of the following amounts from the value of land subject to imposition at the time of completion of imposition:

1. The value of land subject to imposition at the time of commencement of imposition;
2. Normal increases in land prices during the period of imposition;
3. Development costs attendant upon the waterfront development project;
4. Optimum gains prescribed by Presidential Decree;
5. Some of the expenses incurred in river conservation works announced pursuant to subparagraph 2 of Article 33.

(3) Waterfront development gains recaptured pursuant to paragraphs (1) and (2) shall be reverted to the Fund.

(4) Articles 9 through 12, 14, 15, 17 through 26, 28 and 29 of the Restitution of Development Gains Act shall apply mutatis mutandis to the imposition and recapture of waterfront development gains under paragraph (1). In such cases, "development charges" shall be deemed "waterfront development gains."

### **Article 32 (Raising of Fund)**

The Fund shall be raised with the following financial resources:

1. Waterfront development gains under Article 31;
2. Money transferred from general accounts and other special accounts;
3. Money transferred from other Funds and deposits received;
4. Earnings from the management of the Fund;
5. Other income prescribed by Presidential Decree.

### **Article 33 (Uses of Fund)**

The Fund shall be managed for the following uses: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. River works and river maintenance and repair as defined in subparagraphs 5 and 6 of Article 2 of the River Act;
2. Compensating for expenses incurred in river works approved and announced by the Minister of Land, Infrastructure and Transport, among river works for national rivers performed at the expense of a person other than the Minister of Land, Infrastructure and Transport;
3. Disbursement of expenses incurred in the operation and management of the Fund;
4. Other matters prescribed by Presidential Decree in connection with river works and management.

### **Article 34 (Operation and Management of Fund)**

(1) The Minister of Land, Infrastructure and Transport shall operate and manage the Fund. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Matters necessary for the operation and management of the Fund shall be prescribed by Presidential Decree.

### **Article 35 (Accounting Agency of Fund)**

The Minister of Land, Infrastructure and Transport shall appoint a Fund Earnings Collection Officer, a Fund Finance Officer, a Fund Disbursement Officer and a public official in charge of receipts and disbursements of the Fund, from among public officials under his/her jurisdiction, in order to conduct business concerning receipts and expenses of the Fund. *<Amended by Act No. 11690, Mar. 23, 2013>*

### **Article 36 (Handling Profits and Losses of Fund)**

(1) Where the Fund makes a profit in the settlement of accounts, it shall reserve the total amount thereof.

(2) Where the Fund accrues a loss in the settlement of accounts, it shall make up the loss with reserves under paragraph (1).

### **Article 37 (Waterfront Development Committee)**

(1) The Waterfront Development Committee shall be established in the Ministry of Land, Infrastructure and Transport in order to review and deliberate on the following matters concerning waterfronts: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Matters concerning designation and change to waterfronts under Article 4;
2. Matters concerning the formulation and amendments to action plans under Article 13;
3. Matters necessary for undertaking waterfront development projects;
4. Matters concerning the management of the Fund under Article 30;
5. Main policies concerning the utilization of waterfronts;
6. Other matters prescribed by Presidential Decree.

(2) The Waterfront Development Committee shall be comprised of up to 25 members prescribed by Presidential Decree, including the chairperson, and the Minister of Land, Infrastructure and Transport shall be the chairperson of the Waterfront Development Committee. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Where the Waterfront Development Committee is constituted pursuant to paragraph (2), it shall include the following persons: *<Amended by Act No. 11690, Mar. 23, 2013; Act No. 13433, Jul. 24, 2015>*

1. A person recommended by the chairperson of the National Transport Committee, from among the members of the same committee established under the Special Act on the Management of Intercity Transport in Metropolitan Areas;
2. A person recommended by the chairperson of the Deliberative Committee on Traffic Impact Assessment from among the members of the said committee established under the jurisdiction of the Ministry of Land, Infrastructure and Transport under the Urban Traffic Improvement Promotion Act;
3. A person recommended by the chairperson of the Mountainous District Management Committee, from among the members of the same committee who have the authority to deliberate on a plan for use of a mountainous district belonging to the relevant waterfront in accordance with the Mountainous Districts Management Act.

(4) Where an action plan has been deliberated upon by the Waterfront Development Committee pursuant to Article 13 (2), it shall be deemed to have been reviewed and deliberated upon by the following committees: *<Amended by Act No. 13433, Jul. 24, 2015>*

1. The National Transport Committee under the Special Act on the Management of Intercity Transport in Metropolitan Areas;
2. The Deliberative Committee on Traffic Impact Assessment under the Urban Traffic Improvement Promotion Act;
3. The Mountainous District Management Committee under the Mountainous Districts Management Act.

(5) Except as otherwise expressly prescribed by this Act, the operation of the Waterfront Development Committee and other necessary matters shall be prescribed by Presidential Decree.

### **Article 38 (Establishment of Organization in Exclusive Charge)**

(1) The Minister of Land, Infrastructure and Transport shall establish an organization in exclusive charge, in the Ministry of Land, Infrastructure and Transport in order to provide working-level assistance to the Waterfront Development Committee and support designation of a waterfront, management of a waterfront development project, and the management of the Fund, etc. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Matters necessary for the establishment and operation of the organization in exclusive charge under paragraph (1) shall be prescribed by Presidential Decree.

### **Article 39 (Measures for Stabilization of Real Estate Prices and Prevention of Ill-Conceived Development)**

(1) The Minister of Land, Infrastructure and Transport, a Mayor/Do Governor, the head of a Si/Gun/Gu shall take measures necessary for stabilizing the prices of waterfront real estate and areas adjacent thereto. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) A Mayor/Do Governor or the head of a Si/Gun/Gu shall request the head of a related central administrative agency or the relevant Mayor/Do Governor to take the following measures for an area where speculation in real estate or a sudden rise of real estate prices is likely to occur due to a proposal for designation of a waterfront: *<Amended by Act No. 13805, Jan. 19, 2016>*

1. Designation of an area designated under Article 104-2 (1) of the Income Tax Act;
2. Designation of an overheated speculation district under Article 63 of the Housing Act;
3. Designation of an area subject to permission on a contract for land transaction under Article 117 of the National Land Planning and Utilization Act;
4. Other measures necessary for stabilizing real estate prices.

(3) The Minister of Land, Infrastructure and Transport, a Mayor/Do Governor, the head of a Si/Gun/Gu shall take necessary measures, such as restrictions on building permits under Article 18 of the Building Act or restrictions on permits for development activities under Article 63 of the National Land Planning and Utilization Act, in order to prevent the ill-planned development of a waterfront and areas adjacent thereto. *<Amended by Act No. 11690, Mar. 23, 2013>*

### **Article 40 (Reduction of and Exemption from Taxes and Charges)**

(1) Where necessary for effectively undertaking a waterfront development project, the State and a local government may reduce or exempt from taxes, such as a corporate tax, income tax, customs, acquisition tax, registration and license tax and property tax, etc. for a project developer, as prescribed by the Restriction of Special Taxation Act, the Customs Act and the Restriction of Special Local Taxation Act.

(2) The State and a local government shall exempt the following charges in order to support a waterfront development project:

1. Costs for creating alternative forestry resources under Article 19 of the Mountainous Districts Management Act;
2. Charges for conserving farmland under Article 38 of the Farmland Act;

3. Costs for creating alternative grassland under Article 23 of the Grassland Act;
4. Charges for creating traffic under Article 36 of the Urban Traffic Improvement Promotion Act.

#### **Article 41 (Delegation of Authority)**

The Minister of Land, Infrastructure and Transport may partly delegate his/her authority under this Act to a Mayor/Do Governor, the head of a Si/Gun/Gu or the head of an agency under his/her jurisdiction, as prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 42 (Penalty Provisions)**

- (1) A person who has obtained a permit or permit to change under Article 9 (1) by fraud or other improper means shall be punished by imprisonment with labor for not more than two years or by a fine not exceeding 20 million won. *<Newly Inserted by Act No. 12993, Jan. 6, 2015>*
- (2) A person who engages in any activity, such as constructing a building, etc., without obtaining a permit or permit for change under Article 9 (1) shall be punished by imprisonment with labor for not more than one year or by a fine not exceeding ten million won. *<Amended by Act No. 12993, Jan. 6, 2015>*
- (3) A person who violates an order to suspend or change construction works under Article 27 (1) shall be punished by a fine not exceeding five million won.

#### **Article 43 (Joint Penalty Provisions)**

If the representative of a corporation, or an agent or an employee of, or any other person employed by, a corporation or an individual commits a violation under Article 42 regarding the business affairs of the corporation or individual, not only the violator shall be punished but the corporation or individual shall also be punished by a fine under the relevant Article: Provided, That this shall not apply to cases where the corporation or individual has not been negligent in giving due attention and supervision concerning the relevant business to prevent such violation.

#### **Article 44 (Administrative Fines)**

- (1) Any of the following persons shall be subject to an administrative fine not exceeding three million won:
  1. A person who refuses or obstructs an activity of a project developer under Article 14 (1) without a justifiable ground;
  2. A person who fails to file a report or to submit materials under Article 29 (1) or files a false report;
  3. A person who refuses or obstructs an inspection under Article 29 (1).
- (2) The Minister of Land, Infrastructure and Transport shall impose and collect administrative fines under paragraph (1). *<Amended by Act No. 11690, Mar. 23, 2013>*

#### ADDENDA

- (1) (Enforcement Date) This Act shall enter into force four months after the date of its promulgation.
- (2) Omitted.

ADDENDA <Act No. 10892, Jul. 21, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 10 Omitted.**

ADDENDA <Act No. 11690, Mar. 23, 2013>

**Article 1 (Enforcement Date)**

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

(2) Omitted.

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 12248, Jan. 14, 2014>

**Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation.

**Articles 2 through 25 Omitted.**

ADDENDUM <Act No. 12993, Jan. 6, 2015>

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

ADDENDA <Act No. 13433, Jul. 24, 2015>

**Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation.

**Articles 2 through 4 Omitted.**

ADDENDA <Act No. 13805, Jan. 19, 2016>

**Article 1 (Enforcement Date)**

This Act shall enter into force on August 12, 2016.

**Articles 2 through 22 Omitted.**