

ACT ON THE PROMOTION OF THE CONVERSION INTO ENVIRONMENT- FRIENDLY INDUSTRIAL STRUCTURE

Act No. 5085, Dec.29, 1995
Amended by Act No. 5453, Dec.13, 1997
Act No. 5454, Dec.13, 1997
Act No. 5733, Jan. 29, 1999
Act No. 5772, Feb. 5, 1999
Act No. 5825, Feb. 8, 1999
Act No. 6590, Dec.31, 2001
Act No. 6600, Jan. 14, 2002
Act No. 6846, Dec.30, 2002
Act No. 7219, Sep.23, 2004
Act No. 7750, Dec.23, 2005
Act No. 8371, Apr.11, 2007
Act No. 8852, Feb.29, 2008
Act No. 9013, Mar.28, 2008
Act No. 9685, May 21, 2008
Act No. 9931, Jan. 13, 2010
Act No.11020, Aug. 4, 2011

CHAPTER I | GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to contribute to the conservation of environment and sustainable development of the national economy by positively pushing forward industrial activities to economize energy and resources and to reduce environmental pollution through the promotion of the construction of an environment-friendly industrial structure.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 2 (Definitions)

For the purposes of this Act: <Amended by Act No. 9931, Jan. 13, 2010; Act No. 11020, Aug. 4, 2011>

1. The term “clean industrial technology” means the technology to remove or reduce

- environmental pollution in the course of manufacture, such as the design of goods, manufacturing processes, etc. of goods and the technology to manufacture green products;
2. The term “environmental facility” means machinery or equipment to remove or reduce environmental pollution;
 3. The term “remanufacture” means to make recyclable resources pursuant to subparagraph 1 of Article 2 of the Act on the Promotion of Saving and Recycling of Resources into a state where they can keep their original performance after undergoing a series of processes, such as disassembly, cleansing, examination, repair, adjustment, recombination, etc. in the course of the activities to make them into a reusable and reclaimable state pursuant to subparagraph 7 of Article 2 of the Wastes Control Act;
 4. The term “product servitization” means the provision of quality, function, etc. of products in a form of service in order to reduce environmental pollution caused by using products and to enhance the utilization efficiency of products;
 5. The term “green management” means the green management under subparagraph 7 of Article 2 of the Framework Act on Low Carbon, Green Growth;
 6. The term “ecological industrial complex” means the industrial complex designated under Article 4-2 from among the industrial complexes pursuant to subparagraph 8 of Article 2 of the Industrial Sites and Development Act, in order to minimize the burden to environment and to maximize the efficiency of resources by regenerating the remnants, such as by-products, etc. generated in the course of manufacture of products, and wastes into raw materials or energy;
 7. The term “green management system” means the system built by enterprises, etc. so as to be adequate for the efficient management of environmental elements by introducing and materializing the green management;
 8. The term “authentication of green management system” means verifying that the green management systems of enterprises, etc. conform to international standards;
 9. The term “international standards” means the international standards laid down by the International Organization for Standardization with regard to the green management system.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

CHAPTER II CONVERSION INTO ENVIRONMENT-FRIENDLY INDUSTRIAL STRUCTURE

Article 3 (Comprehensive Policy)

- (1) The Minister of Knowledge Economy shall establish a comprehensive policy to promote conversion into the environment-friendly industrial structure (hereinafter referred to as “comprehensive policy”) every five years, after consulting with the head of the central administrative agency concerned. <Amended by Act No. 9013, Mar. 28, 2008>
- (2) A comprehensive policy shall include the matters prescribed in the following subparagraphs: <Amended by Act No. 9013, Mar. 28, 2008; Act No. 9931, Jan. 13, 2010>
 1. The present conditions and prospects of the industrial structure;
 2. Establishment of goals to promote conversion into environment-friendly industrial structure;
 3. Plans to construct an environment-friendly industrial structure, etc. such as the improvement of manufacturing processes and the development of clean industrial technology;
 4. Plans to foster the environmental facility industry, remanufacture industry and product servitization industry to promote conversion into environment-friendly industrial structure;
 5. Plans to promote green management;
 6. Countermeasures to cope with the international environmental regulations;
 7. Other matters necessary for the promotion of conversion into environment-friendly industrial structure and for the sustainable industrial development.
- (3) The Minister of Knowledge Economy may, in establishing goals referred to in paragraph (2) 2, present the criteria for promoting conversion into environment-friendly industrial structure, such as the level of environmental friendliness and the degree of energy-consumption, the degree of industrial water-use and the recycling rate of resources of each business or of each item, after consulting with the Minister of Environment thereabout. <Amended by Act No. 9013, Mar. 28, 2008>
- (4) Deleted. <by Act No. 6846, Dec. 30, 2002>
- (5) The Minister of Knowledge Economy may request the head of the central administrative agency concerned to take necessary measures in order to carry out a comprehensive policy. <Amended by Act No. 9013, Mar. 28, 2008>

Article 3-2 (Investigation of Actual Status, such as Statistics of Industrial Environment)

- (1) The Minister of Knowledge Economy may investigate the actual status, such as the statistics of environment-friendly industrial environment in order to efficiently establish

and implement a comprehensive policy. In such cases, the Statistics Act shall apply mutatis mutandis to the preparation of the statistics concerned.

- (2) Matters necessary for the timing, methods, etc. of investigations of the actual status under paragraph (1) shall be prescribed by Presidential Decree.

[This Article Newly Inserted by Act No. 9013, Mar. 28, 2008]

Article 4 (Tasks to Perform for Industrial Environment)

- (1) The enterprises' organization of each business or of each item prescribed by Presidential Decree (hereinafter referred to as "enterprises' organization") may identify and carry out tasks for efficiently promoting a comprehensive policy (hereinafter referred to as "tasks to perform for industrial environment").

- (2) The tasks to perform for industrial environment shall include matters prescribed in the following subparagraphs: <Amended by Act No. 9931, Jan. 13, 2010>

1. Matters concerning the reduction of negative impact on the environment at the stage of supplying raw materials and the enhancement of using recyclable resources;
2. Matters concerning the improvement of manufacturing processes, such as saving of energy and reduction of emissions of greenhouse gases, removal or reduction of environmental pollution, effective utilization of by products, and increased recycling of water at the stage of manufacturing process;
3. Matters concerning rationalization of packing and products distribution to reduce negative impact on the environment at the stage of distribution;
4. Matters concerning the development of green products;
5. Matters to be carried out in cooperation with the industries in other fields in order to promote conversion into environment-friendly industrial structure.

- (3) The enterprises' organization which finds the tasks to perform for industrial environment pursuant to paragraph (1) may, for an enterprise or for an enterprises' organization to carry out such tasks, select the tasks for support and, in turn, request the Government to provide the necessary support, if deemed necessary.

- (4) Where an enterprises' organization requests any support pursuant to paragraph (3), the Government shall prepare necessary measures concerning such support.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 4-2 (Designation, etc. of Ecological Industrial Complex)

- (1) The Minister of Knowledge Economy shall designate an ecological industrial complex by consulting with the Minister of Environment and the person who has authority to

designate an industrial complex (hereinafter referred to as “person with authority to designate an industrial complex”) under Article 8-2 (1) of the Industrial Sites and Development Act.

- (2) The Minister of Knowledge Economy may promote projects prescribed in the following subparagraphs with regard to an ecological industrial complex. In such cases, the Government may contribute the funds expended in promoting the project concerned or give other necessary support:
 1. The development and propagation of technology for the connected utilization of resources and energy among enterprises within the ecological industrial complex;
 2. The construction of comprehensive management system of resources and energy within the ecological industrial complex;
 3. The cultivation and education of specialists related with the construction of ecological industrial complexes;
 4. Cooperation with local communities for construction of ecological industrial complexes;
 5. Other projects prescribed by Presidential Decree for construction of ecological industrial complexes.
- (3) The Minister of Knowledge Economy may designate an exclusive institution prescribed by Presidential Decree to take charge of duties, such as an operation of an ecological industrial complex.
- (4) Where necessary to efficiently construct an ecological industrial complex, the Minister of Knowledge Economy may, in establishing the plans for industrial complex development under Articles 6, 7 and 7-2 of the Industrial Sites and Development Act, request a person with authority to designate an industrial complex to take into account so that main business to be induced by the industrial complex concerned, plans for land use, plans for major infrastructure, etc. may maximize the efficiency of using resources and energy between occupant enterprises.
- (5) Matters necessary for promotion of projects, methods, procedures, etc. of assistance pursuant to paragraph (2) shall be prescribed by Ordinance of the Ministry of Knowledge Economy after consultation with the Minister of Environment.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 5 (Subsidies for Equipment Fund, etc.)

- (1) The Government may provide subsidies, from the following Fund, Accounts or money, to support for the improvement of manufacturing processes and the replacement,

installation and enlargement of facilities by the enterprises to carry out a comprehensive policy or tasks to perform for industrial environment: <Amended by Act No. 9685, May 21, 2009>

1. Special Accounts for Energy and Resources-Related Projects under the Act on the Special Accounts for Energy and Resources-Related Projects;
 2. Small and Medium Enterprise Promotion and Industrial Basis Fund under the Small and Medium Enterprises Promotion Act;
 3. Special Accounts for Environmental Improvement under the Act on Special Accounts for Environment Improvement;
 4. Fund for Equipment Investment Support of the Korea Development Bank under the Korea Development Bank Act;
 5. Other Funds prescribed by Presidential Decree.
- (2) The Minister of Knowledge Economy may request the head of the agency concerned in charge of the Accounts or the Funds referred to in paragraph (1) 3 through 5 for the cooperation in the support referred to in paragraph (1).

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 6 (Support for Technological Development Projects)

- (1) In order to promote conversion into environment-friendly industrial structure, the Government shall carry out projects for developing technologies under the following subparagraphs (hereinafter referred to as “technological development projects”): <Amended by Act No. 9931, Jan. 13, 2010>
1. Clean industrial technology;
 2. Technology for which the enterprises’ organization requests support pursuant to Article 4 (3);
 3. Technology for environmental facilities;
 4. Technology for the manufacture of green products;
 5. Technology related with the construction of ecological industrial complexes;
 6. Technology related to the fostering the product servitization industry.
- (2) The Government may contribute the funds or provide other support required for the technological development projects conducted by institutions, organizations, enterprises, etc. falling under any of the following subparagraphs:
1. National and public research institutions;
 2. Specific research institutions under the Support of Specific Research Institutes Act;
 3. Industrial Technology Research Association under the Act on the Support of Industrial

- Technology Research Cooperatives;
4. Universities, junior colleges and open colleges under the Higher Education Act and other Acts;
 5. Korea Institute of Industrial Technology established under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutions and specialized industrial technology research institute under the Industrial Technology Innovation Promotion Act;
 6. The center for the support of clean industry prescribed in Article 7;
 7. Enterprises participating in technological development projects;
 8. Other juristic persons, organizations, or enterprises, which the Minister of Knowledge Economy deems necessary to promote the technological development projects.
- (3) In order to promote the manufacture of green products, the fostering, etc. of the product servitization industry, the Minister of Knowledge Economy may prepare assistance policies falling under any of the following subparagraphs and may have the agencies prescribed by Ordinance of the Ministry of Knowledge Economy provide assistance: <Amended by Act No. 9931, Jan. 13, 2010>
1. Matters regarding assistance to the commencement of an enterprise, cultivation of domestic and overseas markets, and promotion of exportation;
 2. Matters regarding the supply of information, education, training, and public relations of industry;
 3. Other matters prescribed by Ordinance of the Ministry of Knowledge Economy.
- [This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 6-2 (Fostering, etc. of Green Management Consulting Business)

- (1) In order to foster businesses (hereinafter referred to as “green management consulting business”) that provide enterprises, etc. with services, such as investigation, analysis, diagnosis, consultation, provision of information, education, etc. which are necessary for the enterprises, etc. to introduce and conduct green management, the Government may promote the projects prescribed in the following subparagraphs: <Amended by Act No. 9931, Jan. 13, 2010>
1. Education and training for the cultivation of specialized manpower;
 2. The research and propagation of consulting techniques;
 3. Other projects prescribed by Presidential Decree to foster the green management consulting business.
- (2) The Minister of Knowledge Economy may promote projects prescribed in the

subparagraphs of paragraph (1) in order to foster the business (hereinafter referred to as “clean industrial technology consulting business”) that provides enterprises, etc. with services, such as investigation, analysis, diagnosis, consultation, supply of information, education, etc. which are necessary for enterprises, etc. to apply clean industrial technology to manufacturing process. In such cases, the “green management consulting business” in paragraph (1) 3 shall be deemed “clean industrial technology consulting business.” <Amended by Act No. 9931, Jan. 13, 2010>

- (3) The procedures, methods and other matters necessary to conduct the projects in paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Knowledge Economy.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 7 (Center for Support of Clean Industry)

- (1) To promote the proliferation of clean industrial technology and the green management of enterprises, and to provide support of the clean industrial technology to small and medium enterprises, etc., the Minister of Knowledge Economy may designate a research institution prescribed by Presidential Decree as the center for the support of clean industry after consultation with the head of the central administrative agency concerned. <Amended by Act No. 9931, Jan. 13, 2010>
- (2) The center for the support of clean industry shall carry out projects prescribed in the following subparagraphs, and may entrust part of the business to the specialized institution prescribed by Presidential Decree: <Amended by Act No. 9931, Jan. 13, 2010>
1. The development and support of clean industrial technology;
 2. The exchange of clean industrial technology and collaborative projects with domestic and overseas research institutions;
 3. Education and training related to clean industrial technology;
 4. Projects for the support to the construction of green management system;
 5. Other projects prescribed by Ordinance of the Ministry of Knowledge Economy related to the support of clean industry.
- (3) The Minister of Knowledge Economy may contribute funds necessary for the center for the support of clean industry to carry out projects under paragraph (2), or provide other necessary supports.
- (4) Necessary matters concerning the operation of the center for support of clean industry shall be prescribed by Ordinance of the Ministry of Knowledge Economy.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 8 (Transfer or Proliferation of Clean Industrial Technology)

- (1) The Government shall prepare necessary policies in order to promote the transfer of clean industrial technology and the proliferation of its development results.
- (2) The Minister of Knowledge Economy may, in order to promote the transfer of clean industrial technology and the proliferation of its development results, have the institution prescribed by Ordinance of the Ministry of Knowledge Economy, such as the agencies, etc. that professionally perform the business of clean industrial technology, carry out projects for the examination or guidance of manufacturing process for the practical use of clean industrial technology and projects for the proliferation of such technology, for enterprises. In such cases, it may contribute the funds required by the relevant institution, or render other necessary supports.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 8-2 (Objects, etc. of Remanufacture)

- (1) The products to be remanufactured shall be jointly chosen and publicly announced by the Minister of Knowledge Economy and the Minister of Environment from among the automobile parts, electric and electronic products or parts thereof, etc. which meet requirements and criteria prescribed by Presidential Decree other necessary matters, such as remanufacture processes, etc. of each object product shall be prescribed and publicly announced by the Minister of Knowledge Economy.
- (2) The period of quality guarantee, methods of compensation, such as repair, exchange, refund, etc. of remanufactured products that have obtained quality authentication pursuant to Article 10, and other matters necessary for quality guarantee shall be prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 8-3 (Indication, etc. of Remanufactured Products)

- (1) Remanufacturing enterprises that have obtained quality authentication of remanufactured products pursuant to Article 10 shall indicate the matters on remanufactured products, which are prescribed by Ordinance of the Ministry of Knowledge Economy, such as an indication of quality authentication.
- (2) No person other than a remanufacturing enterprise that has obtained the quality authentication of remanufactured products pursuant to Article 10 shall indicate quality

authentication or other similar marks thereto.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 8-4 (Designation, Operation, etc. of Specialized Research Institution)

In order to support the matters prescribed in the following subparagraphs regarding the quality authentication of remanufactured products, the Minister of Knowledge Economy may designate and operate a specialized research institution prescribed by Ordinance of the Ministry of Knowledge Economy after consultation with the Minister of Environment:

1. The technological development of remanufactured products;
2. The development of methods and standards for quality evaluation of remanufactured products;
3. Other matters prescribed by Ordinance of the Ministry of Knowledge Economy related to the quality authentication of remanufactured products.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 8-5 (Assistance with Fund, etc.)

Where any remanufacturing enterprise promotes the research for remanufacture, technological development projects, etc. the State or local governments may support or lend necessary funds thereto.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 9 (Promotion of International Cooperation)

- (1) The Government shall prepare measures to promote international cooperation in the environmental facility industry and clean industrial technology between the local governments, enterprise, universities, research institutes and other institutions and organizations, and the international organizations or foreign governments, enterprise, colleges, research institutes, and other institutions and organizations.
- (2) The Minister of Knowledge Economy may carry out projects falling under any of the following subparagraphs in order to promote the international cooperation as referred to in paragraph (1):
 1. Investigation and research for international cooperation in the environmental facility industry and clean industrial technology;
 2. International exchange of personnel of and information on the environmental facility industry and clean industrial technology;
 3. Holding of exhibitions and seminars on the environmental facility industry and clean

- industrial technology or operation of the international markets of clean industrial technology;
4. Development of overseas markets of the environmental facility industry and clean industrial technology;
 5. Other projects deemed necessary for the promotion of international cooperation.
- (3) In cases where any institution, organization or enterprise provided for in Article 6 (2) carries out any project prescribed in paragraph (2), the Minister of Knowledge Economy may provide necessary support.
- [This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 9-2 (Promotion of Countermeasures against International Environmental Regulations)

In order to facilitate the conversion into an environment-friendly industrial structure and to prepare countermeasures against international environmental regulations, the Government may promote the projects prescribed in the following subparagraphs:

1. Collection, analysis and propagation of information regarding international environmental regulations;
2. Construction of a system to cope with the international environmental regulations and information network therefor;
3. Education, training, inspections, research, development and public relations to cope with international environmental regulations;
4. Other projects prescribed by Presidential Decree in order to promote the countermeasures against the international environmental regulations.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 10 (Quality Authentication, etc.)

- (1) In order to strengthen the quality and technological competitiveness of environmental facilities and remanufactured products, the Minister of Knowledge Economy may authenticate the quality of environmental facilities and remanufactured products after the evaluation of their quality and performance, and factory inspection: Provided, That where the quality standards and authentication regarding remanufactured products are prescribed by other Acts, he/she shall consult with the head of the central administrative agency concerned prescribed by such Acts about quality authentication of such products.
- (2) The Minister of Knowledge Economy may request public institutions, which purchase environmental facilities and remanufactured products pursuant to subparagraph 2 of

Article 2 of the Act on the Encouragement of Purchase of Environment-Friendly Products, to preferentially purchase environmental facilities and remanufactured products which have obtained quality authentication pursuant to paragraph (1).

- (3) The Minister of Knowledge Economy may have the relevant institution or organization prescribed by Ordinance of the Ministry of Knowledge Economy conduct the evaluation of quality and performance, and factory inspection pursuant to paragraph (1) as proxy. In such cases, he/she may support the agency or organization with necessary funds.
- (4) The Minister of Knowledge Economy may request the institution or organization pursuant to paragraph (3) to submit data on the evaluation of quality and performance, and factory inspection.
- (5) Matters necessary for the quality authentication pursuant to paragraph (1) shall be prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 11 (Mutual Aid Projects)

- (1) To reduce the possible early-stage risk which can be created as a result of practical use of the domestically developed environmental facility and to provide a guarantee against the defects of the environmental facility, the Government may have the organization determined by Presidential Decree carry out the mutual aid project.
- (2) The Government may contribute the fund to the mutual aid project carried out by the organization referred to in paragraph (1).

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 12 (Payment of Subsidies)

- (1) In case where any public institution, enterprises' organization or research institution prescribed by Presidential Decree carries out projects falling under any of the following subparagraphs, the Government may pay subsidies for expenses involved in such projects: <Amended by Act No. 9931, Jan. 13, 2010>
 1. Research to establish a comprehensive policy;
 2. Project to identify tasks to perform for industrial environment;
 3. Expenses incurred for the green management promoting headquarters prescribed in Article 13 to carry out the projects prescribed in Article 13 (2);
 4. Research to promote green management prescribed in Article 15.
- (2) The criteria for payment of subsidies referred to in paragraph (1) and other necessary matters shall be prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 13 (Green Management Promoting Headquarters)

- (1) In order to efficiently carry out the projects to promote conversion into environment-friendly industrial structure and to promote voluntary participation by civilians, the Minister of Knowledge Economy may designate an organization determined by Presidential Decree as a green management promoting headquarters (hereinafter referred to as the “promoting headquarters”). <Amended by Act No. 9931, Jan. 13, 2010>
- (2) The promoting headquarters shall carry out the following projects: <Amended by Act No. 9931, Jan. 13, 2010>
1. Campaigns for conversion into an environment-friendly industrial structure;
 2. Finding problems involved in carrying out the tasks to perform for industrial environment of each business or each item, and suggestions about them;
 3. Enhancement of capability to cope with the environmental regulations through the analysis of trends of environmental regulations, propagation to the relevant enterprises, voluntary agreements, etc.;
 4. Public advertisement of and training for improvement of an industrial environment;
 5. Projects for international exchange and cooperation with related foreign institutions in green management activities.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 14 (Local Consultation Council)

The promoting headquarters may establish a local consultation council for each district and for each industrial complex which consists of persons related to enterprises, academic areas, research institutes, institutions supporting small and medium enterprises, etc., located in the relevant district, and, in turn, may perform activities to promote the exchange of information and to efficiently improve the industrial environment, such as finding joint tasks and consultation about plans to support them.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

CHAPTER III PROMOTION OF GREEN MANAGEMENT

Article 15 (Preparation, etc. of Policies for Promotion of Green Management)

- (1) The Government shall prepare policies to promote green management and induce its

diffusion, and to support enterprises developing or utilizing techniques for green management and enterprises producing or purchasing green products. <Amended by Act No. 9931, Jan. 13, 2010>

- (2) The enterprises' organization shall prepare and maintain information and relevant data for green products, and have them available to enterprises, etc. for making a perusal thereof, in order to promote production or purchase of the environment-friendly products. <Amended by Act No. 9931, Jan. 13, 2010>

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 16 (Authentication, etc. of Green Management System)

- (1) Any person who intends to operate a business falling under any of the following subparagraphs concerning a green management system, may operate it by obtaining a business authorization from a person designated by the Minister of Knowledge Economy in consultation with the Minister of Environment (hereinafter referred to as the "domestic authorizing institution") or from an authorizing institution located in the foreign country, which is controlled by an organization for cooperation of international authorizing institutions: <Amended by Act No. 9931, Jan. 13, 2010>

1. Business of authenticating the green management system;
2. Business of certifying qualifications for authentication examiners related with the green management system;
3. Other businesses prescribed by Ordinance of the Ministry of Knowledge Economy in terms of the business for the green management system.

- (2) The Minister of Knowledge Economy shall designate as domestic authorizing institution, a person equipped with systems and professional manpower which meets the international standards for the green management system. <Amended by Act No. 9931, Jan. 13, 2010>

- (3) The domestic authorizing institution shall operate the authorizing businesses related with the subparagraphs of paragraph (1) in conformity with the international standards for the green management system, and stipulate, in advance, business regulations containing matters for the criteria, procedure, cancellation, etc. concerning authorization under paragraph (1), and make a public announcement thereof. The same shall also apply to amendments thereto. <Amended by Act No. 9931, Jan. 13, 2010>

- (4) The domestic authorizing institution may, in operating the authorizing business under paragraph (1), charge fees, as prescribed by its articles of association.

- (5) The domestic authorizing institution shall report to the Minister of Knowledge Economy

business regulations, present situation of authorizing business, etc. pursuant to paragraph (3), as prescribed by Ordinance of the Ministry of Knowledge Economy.

- (6) Those who operate the business referred to in paragraph (1) 1 (hereinafter referred to as the “authenticating institution”) shall submit data on the present situation of execution of authentication to the Minister of Knowledge Economy, as prescribed by Ordinance of the Ministry of Knowledge Economy.
- (7) The Minister of Knowledge Economy may, where the domestic authorizing institution fails to meet the international standards for a green management system in operating its business under paragraph (1), issue an corrective order. <Amended by Act No. 9931, Jan. 13, 2010> [This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 16-2 (Enhancement, etc. of Trustworthiness of Authentication of Green Management System)

- (1) In order to enhance the trustworthiness of authentication of green management system, and to encourage the use of green management, the Minister of Knowledge Economy may execute the business prescribed in the following subparagraphs: <Amended by Act No. 9931, Jan. 13, 2010>
1. Inspection into the actual state of authentication institution (including branch offices; hereafter the same shall apply in this Article) and authentication of green management system;
 2. Operation of the center for reporting of insolvency authentication;
 3. Other businesses prescribed by Ordinance of the Ministry of Knowledge Economy to secure trustworthiness of authentication of green management system.
- (2) In conducting business pursuant to paragraph (1), the Minister of Knowledge Economy may request the relevant authentication institution, enterprises, etc. to submit relevant data or opinions. In such cases, the authentication institution shall comply therewith unless particular reasons exist.
- (3) Where any authenticating institution is conducting faithless authentication which is not compatible with the international standards, etc., or is likely to conduct faithless authentication as a result of execution of businesses in paragraph (1), the Minister of Knowledge Economy may request the relevant authorizing institution to tighten the control of the authenticating institution and to correct the same.
- [This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 16-3 (Designation, etc. of Management Agent)

The Minister of Knowledge Economy may have a person designated by the Minister of

Knowledge Economy conduct as a proxy (hereinafter referred to as the “management agent”) the receipt and management of data pursuant to Article 16 (6) and the business of enhancing the trustworthiness of authentication of green management system pursuant to Article 16-2 (1). In such cases, he/she may support the management agent with necessary fund, etc. <Amended by Act No. 9931, Jan. 13, 2010>

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 17 (Creation of Information Network for Industrial Environment)

(1) The Minister of Knowledge Economy shall create and operate the information network for industrial environment containing information prescribed in the following subparagraphs, and make it available to enterprises, etc.: <Amended by Act No. 9931, Jan. 13, 2010>

1. Information on the clean industrial technology;
2. Information on green management;
3. Information on the exchange of by-products under subparagraph 3 of Article 2 of the Act on the Promotion of Saving and Recycling of Resources;
4. Information on enterprise producing environment facilities and remanufactured products and their products;
5. Information on the domestic and overseas industrial environments.

(2) The Minister of Knowledge Economy may have an institution prescribed by Ordinance of the Ministry of Knowledge Economy perform as proxy the affairs for creation and operation of the information network for industrial environment under paragraph (1). In such cases, he/she may render such support as funds, etc. required by the relevant institution.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 18 (Education, Public Relations, etc. for Green Management)

(1) The Government may promote projects of education and public relations for green management in cooperation with the enterprises' organization, colleges and universities, research institutions, etc., in order to diffuse the knowledge, information and technology concerning green management. <Amended by Act No. 9931, Jan. 13, 2010>

(2) The Government may prepare policies for such supports as finding excellent enterprises of green management and awarding them, etc., in order to promote green management. <Amended by Act No. 9931, Jan. 13, 2010>

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 19 (Examination and Guidance for Green Management)

The Minister of Knowledge Economy may, if deemed necessary for green management of small and medium enterprises, perform the examination or guidance for green management, as prescribed by Presidential Decree. <Amended by Act No. 9931, Jan. 13, 2010>

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Articles 20 through 23 Deleted. <by Act No. 6600, Jan. 14, 2002>

CHAPTER IV SUPPLEMENTARY PROVISIONS

Article 24 Deleted. <by Act No. 6600, Jan. 14, 2002>

Article 25 (Measures to Reduce Emissions of Greenhouse Gases)

Where the Minister of Knowledge Economy deems it necessary to promote conversion into an environment-friendly industrial structure and to follow the United Nations Framework Convention on Climate Change, he/she may request a person who is required to present an energy use plan to the Minister of Knowledge Economy pursuant to Article 8 of the Energy Use Rationalization Act, to take necessary measures, such as adjustments to or supplementation of such plan in order to reduce emissions of greenhouse gases, as prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 26 Deleted. <by Act No. 6600, Jan. 14, 2002>

Article 27 (Revocation, etc. of Designation of Center for Support of Clean Industry, etc.)

(1) Where the center for the support of clean industry pursuant to Article 7 (1), specialized research institutions pursuant to Article 8-4, any domestic authorizing institution or management agent falls under any of the following subparagraphs, the Minister of Knowledge Economy may revoke the designation or order the suspension of business for a fixed period within 1 year: Provided, That in cases of subparagraph 1, he/she shall revoke the designation:

1. Where it is designated by fraudulent or other unlawful means;
2. Where it fails to conduct business for 1 year or more without justifiable grounds;
3. Where the domestic authorizing institution fails to carry out the same order of

correction pursuant to Article 16 (7) twice or more.

(2) When the authentication institution that has been requested to make correction pursuant to Article 16-2 (3) is determined to remarkably lower the trustworthiness of authentication of the green management system by repeating faithless authentication twice or more, the Minister of Knowledge Economy may request the relevant authorizing institution to revoke the authorization of the authentication institution concerned.

<Amended by Act No. 9931, Jan. 13, 2010>

(3) Where the Minister of Knowledge Economy intends to revoke the designation pursuant to paragraph (1), he/she shall hold a hearing.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 28 (Delegation or Entrustment of Authorities)

(1) The authority of the Minister of Knowledge Economy prescribed by this Act may be partially delegated to the Administrator of the Small and Medium Business Administration or the heads of agencies under his/her jurisdiction, as prescribed by Presidential Decree.

(2) The Minister of Knowledge Economy may entrust the enterprises' organization prescribed by Presidential Decree with the business of examination and guidance regarding green management of small and medium enterprises pursuant to Article 19, as prescribed by Presidential Decree.

<Amended by Act No. 9931, Jan. 13, 2010>

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

CHAPTER V PENAL PROVISIONS

Article 29 (Penal Provisions)

Any person who uses a mark of quality authentication or a similar mark, in violation of Article 8-3 (2) shall be punished by imprisonment for not more than 2 years or by a fine not exceeding 10 million won.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 30 (Joint Penal Provisions)

(1) When the representative of a corporation, agent, employee or other worker of a corporation commits an act prescribed in Article 29 in connection with the affairs of the said corporation, not only shall such actor be punished accordingly, but the corporation

shall be punished by a fine under the same Article: Provided, That the same shall not apply to cases where the corporation is not negligent in paying due care or supervision to the relevant businesses in order to prevent such violation.

- (2) When an agent, employee or other worker of an individual commits such act prescribed in Article 29 in connection with the affairs of the said individual, not only shall such actor be punished accordingly, but the individual shall be punished by a fine under the same Article: Provided, That the same shall not apply to cases where the individual is not negligent in paying due care or supervision to the relevant businesses in order to prevent such a violation.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 31 (Legal Fiction as Public Officials in Application of Penal Provisions)

The executives and employees of the domestic authorizing institution, or the organization engaged in the business as a proxy pursuant to Article 10 (3) shall be regarded as public officials in application of Articles 129 through 132 of the Criminal Act.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

Article 32 (Fines for Negligence)

- (1) Any person who falls under any of the following subparagraphs shall be punished by a fine for negligence not exceeding 10 million won:
 1. A person who fails to submit data pursuant to Article 16 (6), or submits false data;
 2. The domestic authorizing institution that fails to conduct the order of correction pursuant to Article 16 (7).
- (2) Fines for negligence under paragraph (1) shall be levied and collected by the Minister of Knowledge Economy, as prescribed by Presidential Decree.
- (3) Any person who is dissatisfied with the disposition of a fine for negligence under paragraph (2) may file an objection with the Minister of Knowledge Economy within 30 days from the date of receiving notice of such disposition.
- (4) The Minister of Knowledge Economy shall, when a person subject to the disposition of a fine for negligence under paragraph (2) files an objection under paragraph (3), notify, without delay, the competent court of such fact, which, in turn, shall proceed to a trial on the fine for negligence pursuant to the Non-Contentious Case Litigation Procedure Act.
- (5) If neither an objection is raised nor a fine for negligence paid within the period prescribed in paragraph (3), it shall be collected by referring to the practices of dispositions on default of national taxes.

[This Article Wholly Amended by Act No. 9013, Mar. 28, 2008]

ADDENDA

- (1) (Enforcement Date) This Act shall enter into force on July 1, 1996.
- (2) (Preparatory Activities for Authentication Business of Environmental Management System) Even before this Act enters into force, the Administrator of the Industrial Advancement Administration may perform the preparatory activities or may have a related organization perform the preparatory activities, such as designation of the authentication institution and the training institution, training of inspectors and other preparation activities necessary for the authentication business of the environmental management system. In such cases, the preparatory activities shall be deemed to have been conducted pursuant to this Act.

ADDENDA <Act No. 5453, Dec. 13, 1997>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 1998. (Proviso Omitted.)

Article 2 Omitted.

ADDENDUM <Act No. 5454, Dec. 13, 1997>

This Act shall enter into force on January 1, 1998. (Proviso Omitted.)

ADDENDA <Act No. 5733, Jan. 29, 1999>

Article 1 (Enforcement Date)

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

Articles 2 through 11 Omitted.

ADDENDUM <Act No. 5772, Feb. 5, 1999>

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

ADDENDA <Act No. 5825, Feb. 8, 1999>

Article 1 (Enforcement Date)

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

Articles 2 through 10 Omitted.

ADDENDA <Act No. 6590, Dec. 31, 2001>

Article 1 (Enforcement Date)

This Act shall enter into force on March 1, 2002. (Proviso Omitted).

Articles 2 through 6 Omitted.

ADDENDA <Act No. 6600, Jan. 14, 2002>

- (1) (Enforcement Date) This Act shall enter into force on July 1, 2002.
- (2) (Transitional Measures for Authentication Institution and Training Institution) The authentication institution and training institution designated under the previous provisions of Articles 16 and 20 at the time this Act enters into force, shall be deemed to have obtained authentication from the authentication institution as a person operating the business under the amended provisions of Article 16 (1) 1 and 2, respectively.
- (3) (Transitional Measures for Authentication of Environmental Management System) Any person who has obtained an authentication of environmental management system from an authentication institution under the previous provisions of Article 18 at the time this Act enters into force, shall be deemed to have obtained an authentication of environmental management system from a person who has obtained authorization for authentication business under the amended provisions of Article 16 (1) 1.
- (4) (Transitional Measures for Authentication Institution) Any person operating the designation business of the authentication institution of environmental management system subject to an entrustment of the Minister of Commerce, Industry and Energy under the previous provisions of Article 28 at the time this Act enters into force, shall be deemed to have obtained designation as the authentication institution under the amended provisions of Article 16 (1) and (2).
- (5) (Transitional Measures for Application for Designation as Authentication Institution and Training Institution) The previous provisions shall govern any designation of the authentication institution and training institution with regard to an applicant for designation of authentication institution and training institution under the previous

provisions at the time this Act enters into force.

ADDENDA <Act No. 6846, Dec. 30, 2002>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDA <Act No. 7219, Sep. 23, 2004

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDA <Act No. 7750, Dec. 23, 2005>

- (1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation: Provided, That the amended part regarding remanufactured products from among the quality authentication pursuant to the provisions of Articles 8-2 (2), 8-3 and 10, and the amended provisions of Articles 29 and 30 shall enter into force 1 year after the date of its promulgation.
- (2) (Transitional Measures concerning Center for Assistance of Development of Clean Manufacturing Technology) The Center for Assistance with the Development of Clean Manufacturing Technology having been designated at the time this Act enters into force shall be deemed as the Center for Support of Clean Industry designated under this Act.

ADDENDA <Act No. 8371, Apr. 11, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 10 Omitted.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.

ADDENDA <Act No. 9013, Mar. 28, 2008>

(1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation.

(2) Omitted.

ADDENDA <Act No. 9685, May 21, 2009>

Article 1 (Enforcement Date)

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

Articles 2 through 8 Omitted.

ADDENDA <Act No. 9931, Jan. 13, 2010>

Article 1 (Enforcement Date)

This Act shall enter into force enter into force three months after the date of its promulgation: Provided, That the change of authentication of environmental management system into authentication of green management systems under Article 4 (12) and (13) of the Addenda shall enter into force one year and six months after the date of its promulgation.

Articles 2 through 4 Omitted.

ADDENDA <Act No. 11020, Aug. 4, 2011>

Article 1 (Enforcement Date)

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

Articles 2 through 11 Omitted.