

ACT ON THE NATIONAL TRUST OF CULTURAL HERITAGES AND NATIONAL ENVIRONMENT ASSETS

Act No. 7912, Mar. 24, 2006
Amended by Act No. 9037, Mar. 28, 2008
Act No. 10892, Jul. 21, 2011
Act No. 10977, Jul. 28, 2011

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to prescribe matters concerning the establishment and operation, etc. of a national trust of cultural heritage and the national trust of the national environment, and support for such matters by the State and local governments, thereby promoting the voluntary preservation and management of cultural heritage and the natural environment by the private sector.

Article 2 (Definitions)

The definitions of terms used in this Act shall be as follows: <Amended by Act No. 10977, Jul. 28, 2011>

1. The term "national trust" means the voluntary preservation and management of cultural heritage and natural environment assets in the private sector, so as to improve the quality of the life of the current generation, as well as future generations, by the acquisition of cultural heritage and natural environment assets, which are worthy of being protected, by the national trust corporation under Article 3, with property and dues, which are contributed, donated or entrusted by nationals, companies and organizations, etc., and the preservation and management of such heritages, etc.;
2. The term "cultural heritage" means any of the following subparagraphs:
 - (a) Cultural heritage under Article 2 (1) of the Cultural Heritage Protection Act;
 - (b) Protectors to preserve and protect cultural heritage under item (a) and protective zones under Article 2 (3) of the Cultural Heritage Protection Act;
 - (c) Anything which needs to be preserved, which constitutes cultural heritage under item (a) or protectors and protective zones under item (b).
3. The term "natural environment assets" means land or wetlands in any of the following regions or endangered wildlife under subparagraph 2 of Article 2 of the Wildlife Protection and Management Act, which live in such regions;
 - (a) Regions falling under any subparagraph of Article 12 (1) of the Natural Environment Conservation Act;
 - (b) Regions falling under Article 8 (1) of the Wetlands Conservation Act;
 - (c) Regions which need to be particularly preserved for the protection and breeding of endangered wildlife under Article 27 (1) of the Wildlife Protection and Management Act and regions which need to be protected, corresponding to special protective zones for wildlife under Article 33 (1) of the same Act.
4. The term "preservation property" means property falling under cultural heritage or natural environment assets, from among property of the national trust corporation;
5. The term "general property" means property of the national trust corporation, other than preservation property.

CHAPTER II ESTABLISHMENT, ETC. OF NATIONAL TRUST CORPORATION

Article 3 (Establishment of National Trust Corporation)

- (1) The national trust of cultural heritage and the national trust of natural environment shall be established to acquire, preserve and manage cultural heritage and natural environment assets, respectively.
- (2) The national trust of cultural heritage and the national trust of natural environment (hereinafter referred to as "national trust corporation") under paragraph (1) shall each be a corporation.

(3) The national trust corporation shall be established by effecting the registration of its incorporation in the place in which its main office is located.

(4) The national trust corporation may establish its local offices under the articles of incorporation.

Article 4 (Articles of Incorporation)

(1) The articles of incorporation of the national trust corporation shall include the following matters:

1. Objectives;
2. Name;
3. Matters concerning the location of the main office and local offices;
4. Types, state and appraised value of assets as at the time of establishment;
5. Matters concerning the management methods and accounting of assets;
6. Matters concerning a general meeting and the board of directors;
7. Matters concerning the kinds, qualifications and dues of members;
8. Matters concerning the fixed number and terms of directors and auditors or the appointment and dismissal thereof;
9. Matters concerning exercise of voting rights of directors and the representative authority;
10. Matters concerning amendments to the articles of incorporation;
11. Matters concerning public notification and the methods thereof;
12. Matters concerning job inspections and audits;
13. Matters concerning the management of preservation property;
14. Matters concerning requirements, details and procedures of preservation agreements under Article 19;
15. Detailed standards concerning the subject matters of preservation property;
16. Matters necessary for the honor of persons who have contributed to the preservation of cultural heritage or natural environment assets;
17. Matters concerning the establishment of an organization to deal with affairs of the national trust corporation.

(2) When the national trust corporation intends to amend the articles of incorporation, it shall obtain authorization from the heads of the relevant central administrative agencies (referring to the Administrator of the Cultural Heritage Administration, in cases of the national trust of cultural heritage, and the Minister of Environment, in cases of the national trust of natural environment; hereinafter the same shall apply).

Article 5 (Basic Plans)

(1) The national trust corporation shall establish long-term plans (hereinafter referred to as "basic plans") for the acquisition, preservation and management of cultural heritage and natural environment assets every ten years, after undergoing deliberations by the board of directors.

(2) Basic plans shall include the following matters:

1. Matters concerning the objectives and strategies for the promotion of the acquisition, preservation and management of cultural heritage and natural environment assets;
2. Matters concerning standards and classification of preservation property;
3. Matters concerning the survey of objects, which need to be acquired as preservation property, and the compilation of lists.

(3) When the national trust corporation intends to establish basic plans, it shall consult with the heads of the relevant central administrative agencies in advance.

(4) When the national trust corporation intends to establish basic plans, it shall consult with the heads of the relevant central administrative agencies in advance, on whether matters included in the relevant basic plans conflict with policies and projects for national defense, military, farmland, forest or development.

(5) Where the national trust corporation has established basic plans, it shall send such plans to the heads of the relevant central administrative agencies and related central administrative agencies.

(6) Paragraphs (3) through (5) shall apply mutatis mutandis to revisions to basic plans: Provided, That the same shall not apply to revisions to insignificant matters prescribed by Presidential Decree.

(7) Necessary matters concerning the establishment and implementation of basic plans shall be prescribed by the articles of incorporation of the national trust corporation.

Article 6 (Implementation Plans)

(1) The national trust corporation shall establish annual implementation plans (hereinafter referred to as "implementation plans"), in accordance with basic plans established under Article 5 each year.

(2) Article 5 (3) through (7) shall apply mutatis mutandis to the establishment and revision of implementation plans.

Article 7 (Preservation and Management Plans)

- (1) The national trust corporation shall establish preservation and management plans of items of cultural heritage and natural environment asset, which comprise the whole preservation property, in accordance with basic plans and implementation plans, after undergoing deliberations by the board of directors: Provided, That it may establish preservation and management plans by integrating items of cultural heritage and natural environment asset, when it is deemed necessary for the efficient preservation and management thereof.
- (2) Necessary matters concerning the establishment and implementation of preservation and management plans under paragraph (1) shall be prescribed by the articles of association.

Article 8 (Compiling Lists of Cultural Heritage and Natural Environment Assets and Public Notification thereof)

- (1) The national trust foundation shall conduct an investigation into cultural heritage and natural environment assets worthy of being preserved, each year in consultation with the owners or possessors of cultural heritage and natural environment assets or the agents thereof, as prescribed by Presidential Decree.
- (2) The national trust corporation shall publicly notify the outcomes of its survey under paragraph (1) by compiling a list.

CHAPTER III PROPERTY, ETC. OF NATIONAL TRUST CORPORATION

Article 9 (Disclosing Status of Property)

- (1) The national trust corporation shall compile the lists of preservation property and keep such lists, as prescribed by Presidential Decree.
- (2) The national trust corporation shall prepare the details of the current status of preservation property and general property by fiscal year and disclose it, as prescribed by Presidential Decree.

Article 10 (Preservation and Management of Property)

- (1) The national trust corporation shall sincerely preserve and manage preservation property and general property in good faith.
- (2) No one shall sell, exchange, transfer, or pledge preservation property, leave them in trust or provide them for investments, and any activity violating this provision shall be invalid.
- (3) General property may be used to cover expenses incurred in purchasing preserving and managing cultural heritage and natural environment assets or operating the national trust corporation.

Article 11 (Designated Deposit Property)

- (1) No one shall change the use of any property (hereinafter referred to as "designated deposit property"), such as cash, securities or real estate, deposited under its specific use, including the purchase, preservation or management of cultural heritage and natural environment assets, except in cases where he/she has agreed with a depositor on the use of such property: Provided, That the same shall not apply where it is impossible to agree with a depositor due to the death of a depositor or other grounds, after undergoing resolutions by the board of directors and a general meeting.
- (2) Accounts of designated deposit property shall be kept separately from other general property, depending on their designated uses.

Article 12 (Purchase of Cultural Heritage and Natural Environment Assets)

When the national trust corporation intends to purchase cultural heritage and natural environment assets, it shall undergo the resolutions of the board of directors.

Article 13 (Fees and Admission Fees)

The national trust corporation may collect fees or admission fees from users of preservation property or impose such fees on them, as prescribed by Presidential Decree.

Article 14 (Accounting)

- (1) The fiscal year of the national trust corporation shall coincide with that of the Government.
- (2) The national trust corporation shall submit business plans and budget bills of the next fiscal year to the heads of the relevant central administrative agencies and receive approval from them by the close of each fiscal year.
- (3) Paragraph (2) shall apply mutatis mutandis to revisions to business plans or budget bills: Provided, That the same shall not apply to revisions to insignificant matters prescribed by Presidential Decree.
- (4) The national trust corporation shall compile a statement of accounts each fiscal year, after undergoing accounting audits by certified public accountants or accounting firms.
- (5) The national trust corporation shall submit business performances and the settlement of accounts prepared under paragraph (4) to the heads of the relevant central administrative agencies within 90 days after the close of a fiscal year.

(6) The national trust corporation shall disclose budget bills and the settlement of accounts under paragraphs (2) through (5).

Article 15 (Tax Reduction or Exemption)

The State or local governments may reduce or exempt taxes for the national trust corporation and property invested or donated to the national trust corporation, in accordance with Acts related to taxes, so as to facilitate the preservation of cultural heritage and natural environment assets.

Article 16 (Financial Support)

The State and local governments may subsidize some of expenses incurred in preserving or managing preservation property for the national trust corporation or corporations and organizations which have concluded preservation agreements with the national trust corporation under Article 19, within the budgetary limit.

CHAPTER IV AGENCIES, ETC. OF NATIONAL TRUST CORPORATION

Article 17 (General Meetings and Board of Directors)

(1) The national trust corporation shall hold general meetings comprised of members.

(2) The following matters shall win the votes of the general meeting:

1. Matters concerning the appointment of executives;
2. Budgeting and the settlement of accounts;
3. Basic plans and implementation plans;
4. Matters concerning amendments to the articles of incorporation.
5. Other matters prescribed by the articles of incorporation.

(2) The national trust corporation shall have a board of directors, comprised up of directors, and the board of directors shall deliberate and decide on the following matters:

1. Establishment of basic plans;
2. Establishment of implementation plans;
3. Establishment of plans to preserve and manage preservation property;
4. Lists of cultural heritage and natural environment assets which the national trust corporation intends to acquire as preservation property;
5. Matters concerning the acquisition, preservation and management of preservation property;
6. Plans to manage preservation property and general property;
7. Other matters prescribed by the articles of incorporation.

Article 18 (Application Mutatis Mutandis)

The provisions of the Civil Act concerning corporations shall apply mutatis mutandis to the national trust corporation, except as otherwise provided for by this Act.

CHAPTER V PRESERVATION AGREEMENTS

Article 19 (Preservation Agreements)

(1) The national trust corporation may conclude agreements with owners or possessors of cultural heritage and natural environment assets or the agents thereof, provide necessary support to them to help them faithfully preserve and manage the relevant cultural heritage and natural environments assets and be directly engaged in activities to preserve them by borrowing the relevant cultural heritage and environment assets, for the efficient preservation and management of cultural heritage and natural environment assets.

(2) Necessary matters concerning the provisions of preservation agreements or methods and procedures of concluding such agreements shall be prescribed by the articles of incorporation.

Article 20 (Notification of Alteration of Rights)

Where the rights in the relevant property have changed or are likely to change, owners or possessors of cultural heritage and natural environment assets or the agents thereof, who have concluded a preservation agreement with the national trust corporation, shall notify the national trust corporation of such fact, without delay.

CHAPTER VI SUPPLEMENTARY PROVISIONS

Article 21 (Consultations on Administrative Plans)

(1) When the heads of related central administrative agencies, related Mayors/Do Governors, or the heads of related Sis/Guns/Gus (hereinafter referred to as "heads of related administrative agencies") intend to establish or finalize administrative plans directly affecting the preservation property of the national trust corporation or to permit, authorize, approve, license, decide on or designate (hereinafter referred to as "permission, etc") development projects, they shall consider the effects thereof in advance and request the heads of the relevant central administrative agencies to hold consultations thereon: Provided, That where the relevant administrative plans or development projects are target plans for strategic environmental impact

assessment under Article 9 of the Environmental Impact Assessment Act, target projects for environmental impact assessment under Article 22 of the same Act, or target projects for small-scale environmental impact assessment under Article 43 of the same Act, they may omit consultations with the Minister of Environment. <Amended by Act No. 9037, Mar. 28, 2008; Act No. 10892, Jul. 21, 2011>

- (2) Consultations under the main sentence of paragraph (1) shall be held during the following periods:
 1. Administrative plans: Before the relevant plans are established or finalized;
 2. Development projects: Before permission, etc. is granted to the relevant projects.
- (3) When the heads of the related administrative agencies request consultations to the heads of the relevant central administrative agencies under the main sentence of paragraph (1), they shall check the opinions of the national trust corporation on the relevant administrative plans or development projects in advance, and attach the outcomes therefrom (referring to the outcome from checking the opinions of the national trust corporation by project implementers, in cases of development projects).
- (4) The heads of related administrative agencies shall examine the opinions of the national trust corporation, which they have checked under paragraph (3), and, when such opinions are deemed to be reasonable, they shall take necessary measures to reflect such opinions in the relevant administrative plans or development projects.
- (5) Necessary matters concerning procedures for consultations under paragraph (1) shall be prescribed by Presidential Decree.

Article 22 (Fund-Raising)

- (1) The national trust corporation may raise funds by obtaining approval from the heads of the relevant central administrative agencies, when it is deemed necessary to purchase, preserve or manage cultural heritage and natural environment assets.
- (2) The national trust corporation is not allowed to use contributions for purposes, other than the purposes of collecting contributions. When it ceases to or completes collecting contributions, it shall disclose the results thereof.
- (3) Where the national trust corporation requests for approval under paragraph (1), necessary matters concerning necessary documents and procedures, etc., shall be prescribed by Presidential Decree.

CHAPTER VII PENAL PROVISIONS

Article 23 (Fines for Negligence)

- (1) Any national trust corporation falling under any of the following subparagraphs shall be punished by a fine for negligence not exceeding 20 million won:
 1. When it sells, exchanges, transfers, or pledges preservation property, left to them in trust or provided to them for investments, in violation of Article 10 (2);
 2. When it changes the use of any designated deposit property, in violation of Article 11 (1);
 3. When it uses contributions for purposes, other than the purposes of collecting contributions, or it fails to disclose results, after it ceases to or completes collecting contributions, in violation of Article 22 (2).
- (2) A fine for negligence under paragraph (1) shall be imposed and collected by the head of the relevant central administrative agency, as prescribed by Presidential Decree.
- (3) Any person who is dissatisfied with the disposition of a fine for negligence under paragraph (2) may raise an objection to the head of the relevant central administrative agency within 30 days after he/she is publicly notified of the aforementioned disposition.
- (4) If a person subject to the disposition of a fine for negligence under paragraph (2) raises an objection under paragraph (3), the head of the relevant central administrative agency shall, without delay, notify the competent courts, which, in turn, shall proceed to a trial on fines 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 a period under paragraph (3), the aforementioned fine for negligence shall be collected in the same manner as default of national taxes are disposed of.

ADDENDA

Article 1 (Enforcement Date)

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

Article 2 (Preparations for Establishment of National Trust Corporation)

- (1) The head of the relevant central administrative agency shall appoint no more than 15 civilian members, on the recommendation of related organizations engaged in the preservation of cultural heritage and natural environment assets, within two months after this Act is promulgated, and organize the

Establishment Committee for National Trust of Cultural Heritage and the Establishment Committee for National Trust of Natural Environment (hereinafter referred to as the "Establishment Committee").

(2) The Chairperson of the Establishment Committee shall be elected from among its members.

(3) The Establishment Committee shall prepare the articles of incorporation of the national trust corporation and obtain authorization from the head of the relevant central administrative agency.

(4) When the Establishment Committee obtains authorization under paragraph (3), it shall register the establishment of the national trust corporation with the joint signatures of members.

(5) When the Establishment Committee completes the establishment registration of the national trust corporation under paragraph (4), it shall be deemed that its duties are transferred to the board of directors of the national trust corporation and incorporations are released from office, when a transfer is completed.

ADDENDA<Act No. 9037, Mar. 28, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2009.

Articles 2 through 19 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. 10977, Jul. 28, 2011>

Article 1 (Enforcement Date)

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

Articles 2 through 11 Omitted.