

ACT ON FOSTERING AND SUPPORTING RURAL CONVERGENCE INDUSTRY

Act No. 12730, jun. 3, 2014

Amended by Act No. 13383, jun. 22, 2015

Act No. 14480, Dec. 27, 2016

Act No. 14649, Mar. 21, 2017

Act No. 14839, Jul. 26, 2017

Act No. 15389, Feb. 21, 2018

Act No. 16074, Dec. 24, 2018

Act No. 16954, Feb. 4, 2020

Act No. 16976, Feb. 11, 2020

Act No. 17799, Dec. 29, 2020

Act No. 19111, Dec. 27, 2022

Act No. 19117, Dec. 27, 2022

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to contribute to increasing the income of farmers and residents in rural communities, as well as, developing the national economy through the establishment of a foundation for turning agriculture into a higher value-added industry and the promotion of the development of the agricultural business, rural community, and rural economy by prescribing matters necessary to foster and support the rural convergence industry.

Article 2 (Definitions)

The terms used in this Act are defined as follows: <Amended on Jun. 22, 2015; Mar. 21, 2017; Feb. 4, 2020>

1. The term “rural community” means a community in rural areas as defined in subparagraph 5 of Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry;
2. The term “farmer, etc.” means any of the following persons:
 - (a) Farmers under subparagraph 2 of Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry;

- (b) Agricultural corporations prescribed by Presidential Decree among the agricultural corporations under subparagraph 2 of Article 2 of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities;
 - (c) Producers' organizations under subparagraph 4 of Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry;
 - (d) Agriculture-related micro enterprises prescribed by Presidential Decree among micro enterprises under Article 2 of the Framework Act on Micro Enterprises;
 - (e) Agriculture-related social enterprises prescribed by Presidential Decree among the social enterprises under subparagraph 1 of Article 2 of the Social Enterprise Promotion Act;
 - (f) Agriculture-related cooperatives or agriculture-related social cooperatives prescribed by Presidential Decree among the cooperatives or social cooperatives under subparagraph 1 or 3 of Article 2 of the Framework Act on Cooperatives;
 - (g) Small and medium enterprises related to agriculture prescribed by Presidential Decree among the small and medium entrepreneurs under Article 2 of the Framework Act on Small and Medium Enterprises;
 - (h) Self-employed creative enterprises prescribed by Presidential Decree among the self-employed creative enterprises under Article 2 of the Act on the Fostering of Self-Employed Creative Enterprises;
3. The term "rural convergence industry" means the industry where a farmer or a person who resides in a rural community combines tangible or intangible resources of rural areas, including agricultural products, nature, culture, etc. of rural areas, with the manufacturing industry such as food processing, etc., the service industry such as distribution, tourism, etc., or goods and services related to such industries in order to create or increase added value of products or services, which shall be prescribed by Presidential Decree;
4. The term "business entity of the rural convergence industry" means a person who acquires certification for operating a business in the rural convergence industry under Article 8;
- 4-2. The term "rural convergence facilities" means single or multiple facilities prescribed by Presidential Decree which are operated to manage the rural convergence industry;
5. The term "rural convergence industry district" means an area where resources or products related to agricultural food of a particular region are collected or an area where it is deemed necessary to develop a specialized rural convergence industry by creating collaborative networks among business entities of the rural convergence industry, which shall be designated and publicly notified pursuant to Article 31.

Article 3 (Basic Ideas)

The basic ideas of the Act shall be as follows:

1. Improving income for farmers through the fostering of the rural convergence industry;

2. Promoting the rural economy through the fostering of the rural convergence industry;
3. Creating an ecosystem for the mutual cooperation between rural areas and non-rural areas and the healthy development of the rural convergence industry;
4. Advancing the rural convergence industry through the convergence and integration between the agricultural industry and other industries;
5. Maintaining and reinforcing communities within rural areas.

Article 4 (Responsibilities of the State and Local Governments)

- (1) The State and local governments shall establish and implement policies necessary for the sustainable development of the rural convergence industry.
- (2) In establishing policies under paragraph (1), the State and local governments shall devise measures for providing necessary administrative and financial support to business entities of the rural convergence industry for stabilization of management.

Article 5 (Relationship to Other Statutes)

With respect to support, special cases, etc. applicable in promoting the rural convergence industry, this Act shall prevail over other Acts: Provided, That when other Acts include less restrictive provisions than this Act regarding special cases concerning regulations, the provisions of such Acts shall be applied.

CHAPTER II DEVELOPMENT AND IMPLEMENTATION OF PLANS FOR PROMOTING AND SUPPORTING RURAL CONVERGENCE INDUSTRY

Article 6 (Development of Basic Plans)

- (1) In order to promote and support the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs shall develop and implement a basic plan for promoting and supporting the rural convergence industry (hereinafter referred to as “basic plan”) every five years.
- (2) A basic plan shall include each of the following: <Amended on Dec. 27, 2022>
 1. Basic objectives and directions of the implementation of policies for promoting and supporting the rural convergence industry;
 2. Establishment of a comprehensive system of, and a foundation for, the rural convergence industry;
 3. Matters related to research, development, and dissemination of technologies related to the rural convergence industry;
 4. Matters related to the development and education of human resources specializing in the rural convergence industry and the improvement of understanding;
 5. Matters related to the distribution of products of the rural convergence industry and the development of the market for such products;

6. Matters related to furthering collaboration between the rural convergence industry and other industries;
 7. Matters related to the support for the rural convergence industry districts;
 8. Matters related to the informatization of the rural convergence industry;
 9. Matters related to the promotion of and support for small, female, or youth business entities of the rural convergence industry;
 10. Matters related to the support for the quality and safety control of products of the rural convergence industry;
 11. Other matters recognized as necessary by the Minister of Agriculture, Food and Rural Affairs for the promotion of the rural convergence industry.
- (3) Where the Minister of Agriculture, Food and Rural Affairs intends to establish or revise a basic plan, a fact-finding survey prescribed in Article 15 shall be conducted, and prior consultation with the heads of relevant central administrative agencies shall be undertaken: Provided, That this shall not apply to the revision of minor matters prescribed by Presidential Decree.
- (4) The Minister of Agriculture, Food and Rural Affairs shall publish the basic plan established pursuant to paragraph (1) as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs and shall notify such plan to the heads of relevant central administrative agencies, a Metropolitan City Mayor, a Special Self-Governing City Mayor, a Do Governor, and a Special Self-Governing Province Governor (hereinafter referred to as the “Mayor/Do Governor”). *<Amended on Dec. 24, 2018>*
- (5) Where it is necessary to establish a basic plan, the Minister of Agriculture, Food and Rural Affairs may request the heads of relevant central administrative agencies, the heads of local governments, and the heads of institutions, or organizations related to agriculture to submit necessary materials. In such cases, the heads of relevant central administrative agencies, etc. in receipt of such request shall comply with the request unless any extenuating circumstance exists.
- (6) The establishment or revision of the basic plan shall be subject to the deliberation by the Central Council for Deliberation on Policies for Agriculture, Rural Communities, and Food Industry prescribed in Article 15 of the Framework Act on Agriculture, Rural Community and Food Industry: Provided, That this shall not apply to the revision of minor matters prescribed by Presidential Decree. *<Amended on Jun. 22, 2015>*
- (7) When the basic plan is established, the Minister of Agriculture, Food and Rural Affairs shall report it to the National Assembly without delay.
- (8) Other necessary matters concerning the establishment and execution of the basic plan shall be prescribed by Presidential Decree.

Article 7 (Formulation and Execution of Implementation Plans)

- (1) The Mayor/Do Governor shall formulate and execute an implementation plan to promote the rural convergence industry of the Metropolitan City, Special Self-Governing City, Do, and Special Self-

Governing Province (hereinafter referred to as “Si/Do plan”) on an annual basis based on the basic plan.

(2) A Si/Do plan shall include each of the following:

1. Current conditions of rural resources in the relevant area;
2. Current conditions and future prospects of the rural convergence industry in the relevant area;
3. Matters related to the cultivation objectives, basic directions, and promotion policies for the rural convergence industry in the relevant area;
4. Matters related to the plan for developing a representative rural convergence industry in the relevant area;
5. Matters related to the securing and distribution of resources necessary to promote the rural convergence industry in the relevant area;
6. Matters related to the sharing of roles among institutions related to the rural convergence industry in the relevant area;
7. Other matters recognized as necessary by the Mayor/Do Governor to develop the rural convergence industry in the relevant area.

(3) The Mayor/Do Governor shall submit the performance results of the Si/Do plan for the previous year to the Minister of Agriculture, Food and Rural Affairs together with a Si/Do plan for the relevant year, and the Minister of Agriculture, Food and Rural Affairs shall evaluate the performance results according to the submitted Si/Do plan, on an annual basis, as prescribed by Presidential Decree.

(4) The head of a Si/Gun/Autonomous Gu (hereinafter referred to as the “head of a Si/ Gun”) shall develop a Si/Gun/Gu implementation plan for developing the rural convergence industry (hereinafter referred to as “Si/Gun plan”) based on a Si/Do plan, and submit it to the Mayor/Do Governor annually. In such cases, the head of a Si/Gun shall comprehensively review plans or projects being conducted for the development of agriculture and rural communities, the promotion of the rural economy, etc. under other statutes.

(5) Paragraph (3) shall apply mutatis mutandis to the submission of the performance reports of the Si/Gun plan for the previous year and a Si/Gun plan for the relevant year. In such cases, the "Mayor/Do Governor" shall be construed as the "head of a Si/Gun," "the Si/Do plan" as "Si/Gun plan," and the "Minister of Agriculture, Food and Rural Affairs" as the "Mayor/Do Governor."

(6) When the Mayor/Do Governor and the head of a Si/Gun establish a Si/Do plan and a Si/Gun plan, respectively, the establishment of such plan shall be subject to the deliberation by the council for deliberation on policies for Si/Do agriculture, rural communities, and the food industry and the council for deliberation on policies for Si/Gun/Gu agriculture, rural communities, and the food industry prescribed, respectively, which are referred to in Article 15 of the Framework Act on Agriculture, Rural Community and Food Industry: Provided, That this shall not apply to the revision of minor matters prescribed by Presidential Decree. <Amended on Jun. 22, 2015>

(7) Necessary matters concerning the establishment, implementation, submission procedures, etc. for a Si/Do plan and a Si/Gun plan shall be prescribed by Presidential Decree.

Article 8 (Certification of Business Entities of Rural Convergence Industry)

(1) The Minister of Agriculture, Food and Rural Affairs in receipt of an application from a farmer, etc., may certify a qualified applicant as a business entity of the rural convergence industry: Provided, That where it is deemed necessary by Presidential Decree to promote a representative rural convergence industry for a certain area, etc., joint application by farmers, etc. may be made.

(2) Any person who wishes to acquire certification under paragraph (1) shall prepare a business plan, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, and submit it to the Minister of Agriculture, Food and Rural Affairs.

(3) A business plan referred to in paragraph (2) shall include each of the following:

1. Name of the project to be pursued;
2. Name and address of project business entity;
3. Basic direction and system of project business;
4. Outline of and detailed plans for project business;
5. Location of project area where a business is to be based and its surface area;
6. Timing for the commencement of, and the period for the conduct of, the project;
7. Financing plan and annual investment plan;
8. Other matters determined as necessary for the promotion of the rural convergence industry by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(4) The Minister of Agriculture, Food and Rural Affairs shall review and evaluate the business plan submitted pursuant to paragraph (2), as prescribed by Presidential Decree, notify the decision on the certification as a business entity of the rural convergence industry, and issue a certificate for the business entity of the rural convergence industry, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 8-2 (Establishment of Rural Convergence Facilities)

(1) Rural convergence facilities may be established by a person who is prescribed by Presidential Decree from among business entities of the rural convergence industry.

(2) A person who establishes rural convergence facilities shall obtain approval from the head of a Si/Gun after preparing a business plan as prescribed by Presidential Decree. The same shall also apply where the important matters prescribed by Presidential Decree are changed in the business plan approved.

Article 8-3 (Special Cases concerning the National Land Planning and Utilization Act)

(1) The construction of the following facilities among rural convergence facilities may be allowed in a production control area designated by the National Land Planning and Utilization Act, as prescribed by ordinance of the relevant local government, notwithstanding Article 76 (1) of the same Act:

1. Class 1 neighborhood community facilities under subparagraph 3 of attached table 1 of the Enforcement Decree of the Building Act and Class 2 neighborhood community facilities under subparagraph 4 of the same table (limited to resting restaurants, bakeries, and general restaurants for the providing food services under Article 36 (1) 3 of the Food Sanitation Act);
 2. Exhibition halls under subparagraph 5 (d) of attached table 1 of the Enforcement Decree of the Building Act (limited to museums, art galleries, and facilities for experience);
 3. General lodging facilities and serviced residences under subparagraph 15 (a) of attached table 1 of the Enforcement Decree of the Building Act.
- (2) Standards for the area and establishment of the facilities referred to in paragraph (1) shall be prescribed by Presidential Decree.

Article 8-4 (Recovery)

(1) In any of the following cases, the head of a Si/Gun may issue an order of recovery to a person who has obtained approval of a business plan pursuant to Article 8-2 (2), within a prescribed period: *<Amended on Feb. 11, 2020>*

1. Where the person fails to start his or her business even after one year has passed from the date on which approval of the business plan was obtained, or has suspended his or her business for at least one year after starting the business;
 2. Where the person has obtained approval by fraud or other improper means;
 3. Where the person establishes facilities other than those in his or her business plan;
 4. Other cases prescribed by Presidential Decree.
- (2) Where a person who receives an order of recovery under paragraph (1), fails to comply with such order within the period, the order may be vicariously executed under the Administrative Vicarious Execution Act.

Article 9 (Constructive Permission under Other Acts)

(1) When certification of a business entity of the rural convergence industry under Article 8 (1) or approval of a business plan on rural convergence facilities under Article 8-2 (2) is obtained, the following permission, authorization, license, approval, designation, decision, reporting, cancellation, etc. (hereafter in this Article referred to as "permission, etc.") shall be deemed granted, made, or completed with regard to the matters on which prior consultations with the heads of relevant central administrative agencies and the heads of local governments are completed pursuant to paragraph (2): *<Amended on Dec. 27, 2016; Mar. 21, 2017; Dec. 27, 2022>*

1. Permission for the occupancy or use of public waters under Article 8 of the Public Waters Management and Reclamation Act, the authorization or reporting on an implementation plan for occupancy or use under Article 17 of the same Act, the reclamation license of public waters under Article 28 of the same Act, and the approval of an implementation plan for the reclamation of public

- waters under Article 38 of the same Act;
2. Permission for the use of agricultural infrastructure under the main sentence of Article 23 (1) of the Rearrangement of Agricultural and Fishing Villages Act;
 3. Permission for conversion of farmland prescribed in Article 34 (1) of the Farmland Act, reporting on conversion of farmland prescribed in Article 35 (1) of the same Act, or approval for change of purposes of use prescribed in Article 40 (1) of the same Act;
 4. Permission to occupy and use a road under Article 61 of the Road Act;
 5. Permission for construction of a private road under Article 4 of the Private Road Act;
 6. Permission for felling, etc. prescribed in Article 14 of the Erosion Control Work Act and the cancellation of designation of an area for erosion control prescribed in Article 20 of the same Act;
 7. Approval for the establishment of plants, etc. under Article 13 (1) of the Industrial Cluster Development and Factory Establishment Act;
 8. Permission for the conversion of mountainous districts and the reporting on the conversion of mountainous districts under Articles 14 and 15 of the Mountainous Districts Management Act, the permission for and reporting on the temporary use of mountainous districts under Article 15-2 of the same Act, and the approval for the change of use of land which has undergone conversion of a mountainous district under Article 21 of the same Act;
 9. Permission for and reporting on felling standing timber, etc. under Article 36 (1) and (5) of the Creation and Management of Forest Resources Act;
 10. Permission to open a grave set on land of others prescribed in Article 27 (1) of the Act on Funeral Services;
 11. Permission or a report of the conversion of grassland prescribed in Article 23 of the Grassland Act;
 12. Permission for river construction works prescribed in Article 30 of the River Act or permission for occupancy prescribed in Article 33;
 13. Permission for or reporting on business under Article 37 of the Food Sanitation Act;
 14. Reporting on accommodation business under Article 3 of the Public Health Control Act;
 15. Report on sports facilities business under Article 20 of the Installation and Utilization of Sports Facilities Act;
 16. Registration of campground business under Article 4 of the Tourism Promotion Act;
 17. Registration of a performance hall under Article 9 of the Public Performance Act;
 18. Registration of a museum or art gallery under Article 16 of the Museum and Art Gallery Support Act;
 19. Designation of tourist convenience facility business related to agricultural or rural experience under Article 6 of the Tourism Promotion Act.
- (2) The certification of a business entity or approval of a business plan falling under paragraph (1) shall undergo prior consultation with the heads of relevant central administrative agencies and the heads of competent local governments. In such cases, no heads of related administrative agencies shall accept a

request for consultations in violation of the standards for permission, etc. provided in the relevant Acts, and they shall submit their opinions within the period prescribed by Presidential Decree from the date of receiving the request for consultations; and where the opinions fail to be submitted within such period, it shall be deemed that the heads of related administrative agencies have no opinions. <Amended on Mar. 21, 2017>

(3) Where a permission, etc. under the subparagraphs of paragraph (1) is deemed granted, the Minister of Agriculture, Food and Rural Affairs and the head of a Si/Gun shall, without delay, notify the heads of competent administrative agencies of the details thereof, and the heads of competent administrative agencies in receipt of such notice shall take necessary actions such as disposition, management, supervision, etc. in accordance with the related statutes, and consider the permission, etc. deemed granted as the permission, etc. granted by the heads of competent administrative agencies themselves. <Amended on Mar. 21, 2017>

(4) Any person who intends to obtain a constructive permission, etc. under paragraph (1) shall submit documents prescribed by the relevant Acts, when applying for certification as a business entity of the rural convergence industry or approval of a business plan of the rural convergence facilities. <Amended on Mar. 21, 2017>

Article 10 (Use of Certification Marks)

(1) A person certified as a business entity of the rural convergence industry under Article 8 (1) may place a certification mark on the business site, the products produced or processed by the business, the packages, containers, promotion materials of such products, etc., as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(2) No person certified as a business entity of the rural convergence industry shall allow any other person to use his or her trade name or personal name to operate a business in the rural convergence industry or lend his or her certificate to any third person.

(3) A person not certified as a business entity of the rural convergence industry shall not use a certification mark, or any other mark similar thereto.

Article 11 (Term of Validity of Certification and Renewal of Certification)

(1) The term of validity of certification obtained under Article 8 (1) shall be three years from the date certification is acquired.

(2) Where a person who has obtained certification intends to alter the business plan within the term of validity of the certification or intends to maintain the effects of the certification after the expiration of its term of validity, such person shall undergo an examination by the Minister of Agriculture, Food and Rural Affairs prior to the expiration of the term of validity so as to renew the certification: Provided, That such person shall apply for a new certification where he or she intends to alter essential matters of the business plan.

(3) Detailed matters necessary for the renewal of certification shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 12 (Grounds for Disqualification)

None of the following persons shall apply to become a business entity of the rural convergence industry:

<Amended on Dec. 24, 2018; Feb. 11, 2020>

1. A person who is under adult guardianship;
2. A person who was declared bankrupt and has not yet been reinstated;
3. A person in whose case two years have not passed since his or her imprisonment without labor or greater punishment declared by a court for violating this Act was completely executed (including where the execution of the punishment is deemed complete) or exempted;
4. A person in whose case three years have not passed since his or her certification as a business entity of the rural convergence industry was revoked under Article 14 (excluding where certification was revoked as such person falls under subparagraph 1 or 2 of Article 12);
5. A corporation whose representative corresponds to any of subparagraphs 1 through 4.

Article 13 (Succession of Certification)

(1) Where a person certified as a business entity of the rural convergence industry under Article 8 (1) transfers the business or becomes deceased, or the corporation is merged with another corporation, and where the transferee, his or her heir, or a corporation newly established as a result of the merger corresponds to any item of subparagraph 2 of Article 2, such transferee, heir, or corporation shall inherit the status of the business entity of the rural convergence industry.

(2) Any person who inherits the status of the former business entity of the rural convergence industry under paragraph (1) shall report such fact to the Minister of Agriculture, Food and Rural Affairs within one month from the date on which the reason for the succession occurs, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. In such cases, a person who has inherited the status of a business entity who obtained approval of a business plan for rural convergence facilities under Article 8-2 (2), shall also apply for renewal of certification under Article 11 (2). *<Amended on Mar. 21, 2017>*

(3) The Minister of Agriculture, Food and Rural Affairs shall notify the reporter of whether the report is accepted within 30 days from the date of receipt of the report under the former part of paragraph (2). *<Newly Inserted on Feb. 21, 2018>*

(4) Where the Minister of Agriculture, Food and Rural Affairs fails to notify the reporter of whether the report is accepted or the extension of the processing period under the statutes related to treatment of civil petitions within the period prescribed under paragraph (3), the report shall be deemed to have been accepted on the following day after the period (referring to the relevant processing period where the processing period is extended or re-extended pursuant to statutes related to treatment of civil petitions) is expired. *<Newly Inserted on Feb. 21, 2018>*

Article 14 (Revocation of Certification)

(1) Where a person certified as a business entity of the rural convergence industry pursuant to Article 8 falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may revoke the certification: Provided, That certification shall be revoked where such person falls under subparagraph 1 or 2: <Amended on Dec. 24, 2018; Feb. 11, 2020>

1. Where the person obtains certification by fraud or other improper means;
 2. Where the person falls under any subparagraph of Article 12: Provided, That the same shall not apply where a corporation is subject to disqualification on the ground under subparagraph 5 of Article 12 but such ground ceases to exist within three months from the date it occurs;
 3. Where the person fails to conduct business for at least one year without good cause, or engages in a business different from what is described in the business plan submitted pursuant to Article 8 (2);
 4. Where it is deemed impracticable for the person to achieve the objectives stated in a business plan submitted pursuant to Article 8 (2) for reasons such as the bankruptcy, closure, poor management, etc. of the business.
- (2) Where the Minister of Agriculture, Food and Rural Affairs revokes certification under paragraph (1), he or she shall, without delay, notify the relevant business entity of the rural convergence industry, of such fact. <Amended on Mar. 21, 2017>

CHAPTER III CREATION OF FOUNDATION FOR PROMOTING RURAL CONVERGENCE INDUSTRY AND PROVISION OF SUPPORT

Article 15 (Fact-Finding Surveys, and Preparation and Management of Statistics)

(1) In order to efficiently develop and implement a basic plan and to promote the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs shall survey the actual status of the rural convergence industry, and prepare and manage statistics on the rural convergence industry. In such cases, except as provided in this Act, the Statistics Act shall apply mutatis mutandis to the preparation and management of statistics.

(2) Where it is necessary to conduct a fact-finding survey or to prepare statistics under paragraph (1), the Minister of Agriculture, Food and Rural Affairs may require the submission of necessary materials from the heads of relevant central administrative agencies, the heads of local governments, the heads of public institutions under Article 4 of the Act on the Management of Public Institutions, related corporations, research institutions or organizations, or business entities of the rural convergence industry. In such cases, the heads of relevant central administrative agencies, etc. in receipt of such request shall comply therewith, unless an extenuating circumstance exists.

(3) The Minister of Agriculture, Food and Rural Affairs may require related specialized institutions to conduct the duties related to the preparation of statistics and the conduct of a fact-finding survey on the rural convergence industry on his or her behalf, as prescribed by Presidential Decree.

(4) Necessary matters concerning the contents, scope, methods, etc. of a fact-finding survey referred to in paragraph (1) shall be prescribed by Presidential Decree.

Article 16 (Establishment and Operation of Comprehensive Information Management System for Rural Convergence Industry)

(1) The Minister of Agriculture, Food and Rural Affairs may establish and operate a comprehensive information management system for the rural convergence industry based on the results of a fact-finding survey prescribed in Article 15 with the aim of providing necessary information such as technology and industry trends, etc. to business entities of the rural convergence industry and systematically managing the conditions of the rural convergence industry.

(2) The scope of the establishment of the comprehensive information management system for the rural convergence industry under paragraph (1), the operational procedures therefor, and other necessary matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(3) The Minister of Agriculture, Food and Rural Affairs may require related specialized institutions to conduct the duties related to the establishment and operation of the comprehensive information management system prescribed in paragraph (1) on his or her behalf, as prescribed by Presidential Decree.

Article 17 (Specialized Institutions for Supporting Rural Convergence Industry)

(1) In order to systematically implement the basic plan and to professionally promote and support the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs may designate an institution which meets the predetermined standards prescribed by Presidential Decree, such as dedicated human resources, organizations, etc., as a specialized institution to support the rural convergence industry (hereinafter referred to as “support institution”).

(2) The duties of a support institution shall be as follows:

1. Investigation and analysis of rural resources and the rural convergence industry, and the provision of collected information;
2. Support of business start-ups, childcare, management, and consulting in relation to the rural convergence industry;
3. Establishment of a cooperation system among organizations which provide support for the rural convergence industry, and the management of experts;
4. Support for research and development of technologies related to the rural convergence industry;
5. Support for the collaboration of business entities of the rural convergence industry and research institutions, universities or colleges, and corporations domestically and internationally;

6. Support for the sale, distribution, and promotion of products of the rural convergence industry;
7. Education and training of business entities of the rural convergence industry;
8. Management of the business conduct conditions and management conditions of business entities of the rural convergence industry;
9. Other duties entrusted by the Minister of Agriculture, Food and Rural Affairs to promote and support the rural convergence industry.

(3) In order to systematically implement a Si/Do plan and to support the duties specified in paragraph (2), the Mayor/Do Governor may designate an institution which meets the predetermined standards prescribed by Presidential Decree, such as dedicated human resources, organizations, etc., as a support center for the rural convergence industry (hereinafter referred to as “support center”).

(4) The Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor may subsidize expenses incurred in conducting duties by a support institution or a support center designated pursuant to paragraph (1) or (3).

(5) Where a support institution or a support center designated falls under any of the following, the Minister of Agriculture, Food and Rural Affairs and the Mayor/Do Governor may cancel designation or suspend business affairs wholly or partially for a fixed period not exceeding six months, as prescribed by Presidential Decree: Provided, That where it falls under subparagraph 1, designation shall be canceled:

1. Where it is designated by fraud or other improper means;
2. Where it fails to conduct its duties of promoting and supporting the rural convergence industry for at least one year without good cause;
3. Where it comes to fail to meet the standards for designation prescribed in paragraphs (1) and (3);
4. With respect to the report and inspection prescribed in Article 38 (1), where it makes a false report or obstructs reporting or inspection.

(6) The designation of a support institution or a support center, the procedures for the cancellation of designation, and other necessary matters related to its operation, etc. shall be prescribed by Presidential Decree.

Article 18 (Research and Development for Rural Convergence Industry)

(1) In order to implement policies for the research and development of technologies related to the promotion of the rural convergence industry developed on the basis of the basic plan, the Minister of Agriculture, Food and Rural Affairs may conduct a research and development project for the development of the rural convergence industry jointly with public institutions, universities and colleges, private organizations, and corporations.

(2) In order to enhance the performance of research and development activities for the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs may require public institutions, universities and colleges, private organizations, corporations, etc. to conduct joint research, and provide them with support necessary for the conduct of such joint research.

(3) Where it is deemed necessary for the use and dissemination of the achievements from research and development pursuant to paragraph (1) and for collaboration with related industries, the Minister of Agriculture, Food and Rural Affairs may conduct a pilot project aimed at the promotion of the rural convergence industry, as prescribed by Presidential Decree.

Article 19 (Development of Professional Workforce)

(1) The Minister of Agriculture, Food and Rural Affairs shall develop professional and creative human resources to promote the rural convergence industry.

(2) In order to develop a professional workforce pursuant to paragraph (1), the Minister of Agriculture, Food and Rural Affairs may designate high schools or technical high schools referred to in subparagraph 3 of Article 2 of the Elementary and Secondary Education Act, schools referred to in Article 2 of the Higher Education Act, local agencies for promoting agricultural community development referred to in Article 3 of the Agricultural Community Development Promotion Act, etc. as an institution for developing specialized human resources in the rural convergence industry, and subsidize part of the expenses incurred by these institutions in conducting education and training.

(3) Where an institution for developing specialized human resources designated under paragraph (2) falls under any of the following, its designation may be canceled: Provided, That designation shall be canceled where it falls under subparagraph 1:

1. Where it is designated by fraud or other improper means;
2. Where it fails to conduct education and training for at least one year without good cause;
3. Where the quality or content of its education and training programs is extremely poor;
4. Where it comes to fail to meet the standards for designation.

(4) The standards and methods for designation of an institution for developing specialized human resources pursuant to paragraph (2), the procedures for cancellation of designation pursuant to paragraph (3), and other necessary matters shall be prescribed by Presidential Decree.

Article 20 (Support for Business Start-Up)

In order to promote the business start-up in the fields related to the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs or the heads of local governments may provide the following support to a business entity of the rural convergence industry who intends to start a business:

1. Support or financing of funds for business start-up;
2. Provision of achievements of research and development activities for the rural convergence industry;
3. Consultations on matters related to law, tax, accounting, etc. necessary for the establishment of a business, and provision of management and consulting support;
4. Support for the commercialization of excellent ideas of business entities of the rural convergence industry;

5. Component analysis, quality inspection, and commercialization support for produced products;
6. Leasing or provision of space, including facilities for the establishment of a business, etc. including the production of test products, etc.;
7. Other matters determined by the Minister of Agriculture, Food and Rural Affairs, related to the support for the establishment of a business start-up.

Article 21 (Promotion of Cooperation with Related Industries)

The Minister of Agriculture, Food and Rural Affairs or the heads of local governments may promote the cooperation between business entities of the rural convergence industry and small and medium enterprises provided for by Presidential Decree for the development of new products or demand, and provide necessary support to a person who conducts a cooperation project accordingly.

Article 22 (Application for Business Coordination)

Where a company belonging to an enterprise group subject to the limitations on mutual investment prescribed in Article 31 (1) of the Monopoly Regulation and Fair Trade Act acquires, commences, or expands a technology, product, or service developed by a business entity of the rural convergence industry for the first time, and if as a result of that, a large number of business entities in the same category of business of the rural convergence industry in the relevant area suffer, or are feared to suffer, negative impacts to management stability, a business entity of the rural convergence industry may file an application with the Minister of SMEs and Startups for business coordination in accordance with the Act on the Promotion of Collaborative Cooperation between Large Enterprises and Small-Medium Enterprises by obtaining consent from at least a specific ratio of the business entities in the same category of businesses of the rural convergence industry in the relevant area: Provided, That, notwithstanding Article 32 of the Act on the Promotion of Collaborative Cooperation between Large Enterprises and Small-Medium Enterprises, a ratio at which a business entity of the rural convergence industry is required to gain consent may be set otherwise by Presidential Decree. <Amended on Jul. 26, 2017; Dec. 29, 2020>

Article 23 (Support Projects for Development of Markets)

(1) The Minister of Agriculture, Food and Rural Affairs or the heads of local governments may perform the following projects, to assist business entities of the rural convergence industry in developing domestic and overseas markets and securing a client base:

1. Projects for creating domestic distribution networks for products of the rural convergence industry, and for supporting the publicity, sale or post management of the same;
2. Projects for supporting business entities of the rural convergence industry when they hold exhibitions and expositions in Korea and internationally, or when they participate in the same;
3. Projects for building and operating information networks for arranging transactions in Korea and abroad and for the publicity of products;

4. Projects for supporting business entities of the rural convergence industry for the improvement of marketing capabilities in Korea and internationally;
 5. Other projects recognized as necessary by the Minister of Agriculture, Food and Rural Affairs or the heads of local governments for the development of the market for the rural convergence industry.
- (2) Where the Minister of Agriculture, Food and Rural Affairs or the heads of local governments acknowledge it necessary to support the sale and distribution of business entities of the rural convergence industry, he or she may entrust duties related thereto to institutions or organizations prescribed by Presidential Decree, including the National Agricultural Cooperative Federation established under the Agricultural Cooperatives Act, district associations, etc.
- (3) Where the Minister of Agriculture, Food and Rural Affairs or the heads of local governments entrust their duties pursuant to paragraph (2), he or she may fully or partially subsidize expenses incurred in conducting such duties by the entrusted institutions.

Article 24 (Establishment of Association)

- (1) In order to promote the development and competitive enhancement of the rural convergence industry and the common interests of business entities of the rural convergence industry, a business entity of the rural convergence industry may establish organizations by item or by area or establish an association at the national level (hereinafter referred to as “association, etc.”).
- (2) An association shall be incorporated as a corporation.
- (3) An association, etc. shall conduct the following duties:
1. Research on institutions for promoting the rural convergence industry and suggestions for improvement;
 2. Support for activities for protecting the copyrights, trademark rights, etc. of business entities of the rural convergence industry;
 3. Joint activities of business entities of the rural convergence industry for publicity, marketing, and quality control;
 4. Other projects necessary to achieve the establishment goals of an association, etc.
- (4) The Minister of Agriculture, Food and Rural Affairs or the heads of local governments may subsidize part of the expenses necessary for the conduct of duties to an association, etc.
- (5) With respect to matters related to an association, etc. not prescribed in this Act, the provisions of the Civil Act concerning incorporated associations shall apply *mutatis mutandis*.

Article 25 (Financial Support)

- (1) The Minister of Agriculture, Food and Rural Affairs may loan or invest necessary funds to or in business entities of the rural convergence industry or provide other necessary support.
- (2) In order to facilitate the financing for the business promotion in the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs may require a credit guarantee fund for farmers and

fishermen referred to in Article 4 of the Act on the Credit Guarantee for Farmers and Fishers or a fund of funds for agriculture and food investments established under Article 7 of the Act on Formation and Operation of Agricultural, Fisheries, and Food Investment Funds to establish and operate a guarantee or investment system intended for business entities of the rural convergence industry.

Article 26 (Promotion and Education)

(1) In order to promote the knowledge or information on the rural convergence industry, the consumption of products produced by the rural convergence industry, etc., the Minister of Agriculture, Food and Rural Affairs or the heads of local governments may conduct a promotion and education project for the rural convergence industry through the cooperation with business entities of the rural convergence industry, universities or colleges, research institutions, etc.

(2) In order to invigorate the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs or the heads of local governments may develop support measures such as the identification and reward of distinguished business entities of the rural convergence industry, etc.

Article 27 (Operation of Shops in Processing Facilities)

In order to sell products they produce, business entities of the rural convergence industry may establish and operate a shop within agricultural product processing or treatment facilities established on farmland under the Farmland Act, in accordance with the relevant statute.

Article 28 (Preparation of Standards for Operation Facilities)

(1) With respect to operation facilities established and operated by business entities of the rural convergence industry to process and treat agricultural products or to distribute and sell processed agricultural products, the Minister of Agriculture, Food and Rural Affairs may prescribe guidelines on the standards for such facilities by Presidential Decree in consultation with the heads of administrative agencies concerned, and the heads of local governments may determine detailed criteria in accordance with such guidelines by municipal ordinance.

(2) For the preparation of standards for appropriate disposal of wastes generated at agricultural product processing or treatment facilities of business entities of the rural convergence industry, the Minister of Agriculture, Food and Rural Affairs shall form a consultation body to be participated by business entities of the rural convergence industry, related experts, etc. to collect their opinions, and make a request therefor to the heads of administrative agencies concerned when it is necessary.

Article 29 (Promotion of Leasing of Idle Processing Facilities)

The State or local governments may promote the leasing of facilities by owners of idle processing facilities or companies by implementing policies such as the provision of information on idle processing facilities to business entities of the rural convergence industry, the arrangement for the leasing of idle

processing facilities, etc.

Article 29-2 (Preferential Treatment for Small Business Entities of Rural Convergence Industry)

Where the Minister of Agriculture, Food and Rural Affairs or the head of a local government implements a supporting project or a promotion or education project, etc. under this Act, he or she may give preferential treatment to any of the following persons: *<Amended on Dec. 27, 2022>*

1. Small business entities of the rural convergence industry;
2. Female or youth business entities of the rural convergence industry.

CHAPTER IV DESIGNATION AND NURTURING OF RURAL CONVERGENCE INDUSTRY DISTRICTS

Article 30 (Application for Designation of Rural Convergence Industry Districts)

(1) In order to develop a representative rural convergence industry in an area under his or her jurisdiction, the Mayor/Do Governor may file an application with the Minister of Agriculture, Food and Rural Affairs for the designation of a rural convergence industry district (hereinafter referred to as “district”): Provided, That where a relevant district consists of two or more Cities/Dos, the application shall be made jointly by the relevant Mayors/Do Governors. The same shall apply to the change of a district.

(2) Where the Mayor/Do Governor intends to apply for the designation or change of a district, he or she shall file an application with the Minister of Agriculture, Food and Rural Affairs by establishing or revising the district development plan (hereinafter referred to as “development plan”), as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs: Provided, That this shall not apply where minor matters prescribed by Presidential Decree are altered.

(3) A development plan shall include each of the following:

1. Name, location, and area of a district;
2. Current conditions of resources and facilities within a district;
3. Measures for developing a district and a detailed project plan;
4. Plans for creating collaboration among business entities of the rural convergence industry (including those who run a business in the rural convergence industry within a district without obtaining certification) within a district;
5. Detailed contents of a project for the development of a district, and a plan for financing;
6. Other matters recognized as necessary by the Minister of Agriculture, Food and Rural Affairs for the designation of a district.

Article 31 (Designation of Districts)

(1) Upon receiving an application for the designation of a district under Article 30, the Minister of Agriculture, Food and Rural Affairs shall designate a district after having consultation with the heads of

administrative agencies concerned and collecting the opinions of residents, related experts, etc., as prescribed by Presidential Decree.

(2) The Minister of Agriculture, Food and Rural Affairs shall consider each of the following when he or she designates a district pursuant to paragraph (1):

1. The characteristics and conditions of the area and its association with the rural convergence industry;
2. The impact the designation of a district is expected to have on the promotion of the rural convergence industry and the local economy in the area;
3. The financial and institutional conditions of the local government which applies for the designation of a district;
4. The feasibility and effectiveness of the development plan;
5. Other matters to be taken into consideration at the time of the designation of a district as prescribed by Presidential Decree.

(3) Upon the designation of a district pursuant to paragraph (1), the Minister of Agriculture, Food and Rural Affairs shall publicly notify such fact in an official gazette and inform the relevant Mayor/Do Governor of the details of the designation of the district, as prescribed by Presidential Decree.

(4) Necessary matters concerning the designation of a district other than those prescribed in paragraphs (1) through (3) shall be determined by Presidential Decree.

Article 32 (Effects of Designation of Districts)

(1) Where the designation of a district is designated and publicly notified under Article 31, it shall be deemed that the following designation, establishment, or alteration has been completed in accordance with the relevant development plan:

1. Designation of an urban development zone under Article 3 of the Urban Development Act, and the establishment of a plan for an urban development project under Article 4 of the same Act;
2. Designation of an agricultural and industrial complex under Article 8 of the Industrial Sites and Development Act;
3. Designation of a tourist destination or a tourism complex under Article 52 of the Tourism Promotion Act;
4. Designation of a logistics complex under Article 22 of the Act on the Development and Management of Logistics Facilities;
5. Designation of a special economic zone for specialized regional development under Article 9 of the Act on Special Cases concerning the Regulation of the Special Economic Zones for Specialized Regional Development;
6. Modification of a basic plan for reclamation under Articles 23 and 27 of the Public Waters Management and Reclamation Act.

(2) Where the Minister of Agriculture, Food and Rural Affairs intends to designate a district under Article 31, he or she shall have prior consultations with the heads of related administrative agencies if any of the

subparagraphs of paragraph (1) is relevant. In such cases, no heads of related administrative agencies shall accept a request for consultations in violation of the standards provided in the relevant Acts, and they shall submit opinions within a period prescribed by Presidential Decree, from the date of receiving the request for consultations; and where the opinions fail to be submitted accordingly, it shall be deemed that the heads of related administrative agencies have no opinions to present.

(3) For the legal fiction of designation, etc. pursuant to paragraph (1), necessary documents prescribed by the relevant Acts shall be submitted when an application for the designation of a district is made.

Article 33 (Revocation of Designation of Districts)

(1) Where any district designated pursuant to Article 31 meets any of the following, the Minister of Agriculture, Food and Rural Affairs may revoke designation: <Amended on Feb. 11, 2020>

1. When the formation of a district does not begin within one year from its designation;
2. When the formation of a district will not be possible for a considerable period of time due to restrictions on development activities, etc. under other Acts;
3. When the realization of the designation purposes of a district is impossible, or when likely to be impossible;
4. When there are other reasons prescribed by Presidential Decree which correspond to subparagraph 1 or 2.

(2) When the Minister of Agriculture, Food and Rural Affairs revokes the designation of a district under paragraph (1), he or she shall permit the heads of competent local government to submit opinions.

Article 34 (Support for Districts)

(1) The Minister of Agriculture, Food and Rural Affairs and the Mayor/Do Governor may provide the following support to invigorate a district:

1. Establishment and operation of common use facilities such as those for joint manufacturing, sale, experiences, etc.;
2. Joint research and development, and quality control;
3. Joint marketing, publicity, and market development;
4. Other matters recognized as necessary by the Minister of Agriculture, Food and Rural Affairs for the cultivation and development of a district.

(2) Except as provided in paragraph (1), detailed matters necessary for the support for a district shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 35 (Designation and Operation of District Cultivation Centers)

(1) In order to support business entities of the rural convergence industry in a district, the Mayor/Do Governor may designate and operate an institution which meets the predetermined standards prescribed by Presidential Decree, such as necessary human resources, organizations, etc., as a center for cultivating a

district (hereinafter referred to as “cultivation center”).

(2) A cultivation center shall conduct the following duties, and the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor may subsidize part of the expenses incurred by a cultivation center in conducting its duties:

1. Joint marketing and publicity among business entities of the rural convergence industry in a district;
2. Consultation on matters related to law, tax, etc., and management and consulting services;
3. Provision of purchaser information, and the intermediation and arrangement of sales;
4. Provision of opportunities for information sharing and mutual cooperation among business entities of the rural convergence industry in a district;
5. Provision of information necessary for the development and enhancement of technology and quality, and publicity of technologies;
6. Provision of information on domestic and foreign markets;
7. Other matters necessary to support business entities of the rural convergence industry in a district.

(3) In order to examine whether a cultivation center is properly conducting its duties specified in paragraph (2), the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor may evaluate the project performance of a cultivation center on an annual basis.

(4) The Mayor/Do Governor may revoke designation where a cultivation center fails to meet the designation standards prescribed in paragraph (1) or where a cultivation center is deemed incapable of conducting its support duties as a result of the evaluation referred to in paragraph (3). Other necessary matters concerning the revocation of designation shall be prescribed by Presidential Decree.

(5) Necessary matters concerning the requirements and procedures for the designation of a cultivation center, its operation, evaluation methods, etc. shall be prescribed by Presidential Decree.

Article 36 (Reduction of, or Exemption from, Taxes or Charges)

(1) In order to develop a district, the State or local governments may reduce or exempt taxes, such as corporate tax, income tax, acquisition tax, property tax, registration or license tax, etc., for business entities of the rural convergence industry in a district, as prescribed by the Restriction of Special Taxation Act or the Restriction of Special Local Taxation Act.

(2) Where it is necessary to develop a district, the State or local governments may reduce or exempt charges, as prescribed by the Farmland Act, the Grassland Act, and the Mountainous Districts Management Act.

CHAPTER V SUPPLEMENTARY PROVISIONS

Article 37 (Support for Women in Rural Communities in Connection with Rural Convergence Industry)

The State and local governments may provide preferential support to women in rural communities in relation to the rural convergence industry, such as funds, human resources, technologies, education, etc., in order to encourage participation in the rural convergence industry and to promote economic rights and interests.

Article 38 (Reporting and Examination)

(1) Where the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor deems it necessary for supervision, he or she may require a support institution for promoting the rural convergence industry, a support center, a cultivation center, or an institution for nurturing human resources specialized in the rural convergence industry to provide a report or submit materials on its business affairs, or take other necessary measures, such as requiring a public official under his or her jurisdiction to access the actual site or examine documents, etc.

(2) The head of a Si/Gu may provide direction and supervision concerning rural convergence facilities, and he or she may order the improvement of rural convergence facilities and their maintenance, if deemed necessary, to a person who has established such facilities. *<Newly Inserted on Mar. 21, 2017>*

(3) A person who has access or conducts an examination pursuant to paragraph (1), shall carry an identification card showing his or her authority and present it to the interested persons. *<Amended on Mar. 21, 2017>*

Article 38-2 (Closure of Places of Business)

(1) Where a business entity who operates rural convergence facilities falls under any of the following, the head of a Si/Gun may order the person to close the relevant place of business or to fully or partially suspend the business within a prescribed period not exceeding six months: Provided, That in the case of subparagraph 5, an order to close the place of business shall be issued:

1. Where the person conducts business other than that in the business plan approved under Article 8-2 (2);
2. Where the person fails to meet the standards such as scale under Article 8-3 (2);
3. Where the person conducts business without obtaining renewal under Article 11 (2) and (3);
4. Where the person fails to comply with an order to improve facilities and operation under Article 38 (2);
5. Where the person conducts business during the period of business suspension.

(2) The detailed standards for order to close the place of business and suspension of business under paragraph (1) shall be determined by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in consideration of the reasons for disposition, the severity of violations, etc.

(3) Where a person who is ordered to close the place of business under paragraph (1) continues to operate such place, the head of a Si/Gun may require the relevant public official to take the following measures to close such place of business:

1. Removal of the signboard of the relevant place of business or other marks of the business;
 2. Attachment of notice, etc. informing that the relevant place of business is illegal;
 3. Sealing to make unavailable equipment or facilities that are indispensable to operate the place of business.
- (4) Where it is deemed that the continuous sealing is unnecessary or it is requested to break the sealing with good cause after sealing equipment or facilities under paragraph (3) 3, the head of a Si/Gun may break the seal. The same shall also apply where the removal of notice, etc. under paragraph (3) 2 is requested.

Article 38-3 (Succession to Effects of Administrative Sanctions)

- (1) The effects of administrative sanctions imposed on a former business entity for violating the subparagraphs of Article 38-2 (1) shall be succeeded to a person who inherits the status of the business entity (limited to a business entity who operates rural convergence facilities) under Article 13 (1).
- (2) Where the status of a business entity is succeeded under paragraph (1), the procedure of administrative sanctions taken against a former business entity for violating the subparagraphs of Article 38-2 (1) may be continued.
- (3) Notwithstanding paragraphs (1) and (2), the foregoing shall not apply where a person who inherits the status of a business entity under paragraph (1) proves that he or she is unaware of such sanctions and violations when he or she inherits the business.

Article 39 (Hearings)

The Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor shall hold a hearing, when he or she intends to take any of the following dispositions: *<Amended on Mar. 21, 2017>*

1. Cancellation of the certification of a business entity of the rural convergence industry under Article 14;
2. Cancellation of the designation of a support institution or a support center under Article 17 (5) or the suspension of its business operation;
3. Cancellation of the designation of an institution for developing specialized human resources under Article 19 (3);
4. Cancellation of the designation of a cultivation center under Article 35 (4);
5. Order to close the place of business or suspension of business under Article 38-2.

Article 40 (Delegation and Entrustment of Authority)

(1) The Minister of Agriculture, Food and Rural Affairs may delegate part of his or her authority under this Act to the Administrator of the Rural Development Administration, the Minister of the Korea Forest Service, the Mayor/Do Governor, or the head of a Si/Gun, and the Mayor/Do Governor to the head of a Si/Gun, as prescribed by Presidential Decree.

(2) The Minister of Agriculture, Food and Rural Affairs, or the Mayor/Do Governor or the head of a Si/Gun may entrust part of his or her duties to a related institution or organization, as prescribed by Presidential Decree.

CHAPTER VI? PENALTY PROVISIONS

Article 41 (Penalty Provisions)

(1) Any person who acquires the certification as a business entity of the rural convergence industry under Article 8 (1) by fraud or other improper means shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding 30 million won.

(2) Any of the following persons shall be punished by imprisonment with labor for not more than one year or by a fine not exceeding 10 million won:

1. A person who permits any other person to use his or her trade name as a business entity of the rural convergence industry or his or her personal name or who lends his or her certificate to any third person, in violation of Article 10 (2);
2. A person who uses a certification mark, or any other mark similar thereto, in violation of Article 10 (3).

Article 42 (Joint Penalty Provisions)

Where a representative of a corporation or an agent of, or employee of or others employed by of a corporation or individual commits an offence under Article 41, in connection with business of the corporation or the individual, not only shall such offender be punished accordingly, but the corporation or the individual also shall be punished by a fine under each relevant Article: Provided, That this shall not apply where such corporation or individual has not been negligent in giving due attention to and supervision over the relevant duties to prevent such violation.

Article 43 (Administrative Fines)

(1) Any person who inherits the status of a business entity of the rural convergence industry but fails to report such fact as required under Article 13 shall be subject to an administrative fine not exceeding five million won.

(2) With respect to Article 38 (1), any person who fails to make a report or submit materials, who makes a false report or submits false materials, or who obstructs the examination of documents, etc. without good cause shall be subject to an administrative fine not exceeding three million won.

(3) An administrative fine pursuant to paragraphs (1) and (2) shall be imposed and collected by the Minister of Agriculture, Food and Rural Affairs or the heads of local government, as prescribed by Presidential Decree.

ADDENDUM <Act No. 12730, Jun. 3, 2014>

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

ADDENDA <Act No. 13383, Jun. 22, 2015>

Article 1 (Enforcement Date)

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

Articles 2 through 4 Omitted.

ADDENDA <Act No. 14480, Dec. 27, 2016>

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 14649, Mar. 21, 2017>

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of Articles 14 and 29-2 shall enter into force on the date of its promulgation.

ADDENDA <Act No. 14839, Dec. 26, 2017>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: Provided, That the amendments to the Acts to be amended pursuant to Article 5 of this Addenda which were promulgated before this Act enters into force but the enforcement dates of which have yet to arrive, shall enter into force on the date the relevant Act enters into force.

Articles 2 through 6 Omitted.

ADDENDA <Act No. 15389, Feb. 21, 2018>

Article 1 (Enforcement Date)

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

Article 2 (Applicability to Reporting of Succession to Status of Business Entities of Rural Convergence Industry)

The amended provisions of Articles 13 (3) and (4) shall apply, beginning from the first reporting after this Act enters into force.

ADDENDA <Act No. 16074, Dec. 24, 2018>

Article 1 (Enforcement Date)

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

Article 2 (Applicability to Revocation of Certification as Business Entity of Rural Convergence Industry)

The amended provisions of the proviso of Article 14 (1) 2 shall also apply to a corporation that falls under subparagraph 5 of Article 12 before this Act enters into force.

ADDENDA <Act No. 16954, Feb. 4, 2020>

Article 1 (Enforcement Date)

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

Articles 2 through 8 Omitted.

ADDENDUM <Act No. 16976, Feb. 11, 2020>

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

ADDENDA <Act No. 17799, Dec. 29, 2020>

Article 1 (Enforcement Date)

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

Articles 2 through 26 Omitted.

ADDENDUM <Act No. 19111, Dec. 27, 2022>

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

ADDENDA <Act No. 19117, Dec. 27, 2022>

Article 1 (Enforcement Date)

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

Articles 2 and 3 Omitted.

Last updated : 2023-10-10

