

# ACT ON PROMOTION OF KOREAN TRADITIONAL LIQUOR INDUSTRIES

Act No. 10020, Feb. 4, 2010  
Amended by Act No. 10885, Jul. 21, 2011  
Act No. 11459, Jun. 1, 2012  
Act No. 11690, Mar. 23, 2013  
Act No. 11739, Apr. 5, 2013  
Act No. 13248, Mar. 27, 2015  
Act No. 13383, Jun. 22, 2015  
Act No. 14770, Apr. 18, 2017  
Act No. 16125, Dec. 31, 2018  
Act No. 16788, Dec. 10, 2019  
Act No. 16987, Feb. 11, 2020  
Act No. 17761, Dec. 29, 2020

## CHAPTER I GENERAL PROVISIONS

### Article 1 (Purpose)

The purpose of this Act is to provide for matters necessary for the improvement of the quality of Korean traditional liquor, etc., and the promotion of the industries, in order to enhance the competitiveness of the industry of Korean traditional liquor, etc. and increase the added value of agriculture, thereby contributing to the increase of farmers' income and the development of the national economy.

### Article 2 (Definitions)

The terms used in this Act are defined as follows: <Amended on Jul. 21, 2011; Jun. 1, 2012; Mar. 23, 2013; Apr. 5, 2013; Mar. 27, 2015; Jun. 22, 2015; Dec. 31, 2018; Dec. 29, 2020>

1. The term "alcoholic beverage" means a beverage containing not less than one percent alcohol content by volume as prescribed in subparagraph 1 of Article 3 of the Liquor Tax Act (including products in powdered form that can be changed to a beverage by dissolving, but excluding medicines under the Pharmaceutical Affairs Act that contain less than six percent alcoholic content by volume);

2. The term "traditional liquor" means any of the following alcoholic beverages:
  - (a) An alcoholic beverage made by a holder of an outstanding intangible cultural heritage or by a holder of a City/Do-designated cultural heritage in the liquor sector under the Act on the Safeguarding and Promotion of Intangible Cultural Heritage by obtaining a license under Article 3 of the Liquor License Act;
  - (b) An alcoholic beverage made by a food master of the Republic of Korea in the liquor sector designated under the Food Industry Promotion Act by obtaining a license under Article 3 of the Liquor License Act;
  - (c) An alcoholic beverage made with agricultural products directly produced by an agricultural business entity or a producers' organization under Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry or a fishery business entity or a producers' organization under Article 3 of the Framework Act on Fisheries and Fishing Villages Development, or with agricultural products produced in a Special Self-Governing City, Special Self-Governing Province, Si, Gun, or Gu (a Gu refers to an autonomous Gu; hereinafter the same shall apply) having jurisdiction over the place of production or a neighboring Special Self-Governing City, Si, Gun, or Gu as main ingredients, after obtaining a license under the Liquor License Act (hereinafter referred to as "local specialty liquor") with a recommendation of the relevant Special City Mayor, Metropolitan City Mayor, Special Self-Governing City, Do Governor, or Special Self-Governing Province Governor (hereinafter referred to as "Mayor/Do Governor") for a production license under Article 8;
3. The term "traditional liquor, etc." means each of the following liquors:
  - (a) Traditional liquor;
  - (b) Alcoholic beverages deemed necessary to promote by way of inheriting and developing the knowhow handed down from old times and designated by the Minister of Agriculture, Food and Rural Affairs;
4. The term "main ingredients" means raw materials that can exhibit the characteristics of an alcoholic beverage (not more than top three raw materials in the weight ratio of the final product, if many kinds of raw materials are used): Provided, That water for brewing or distilling and added spirits shall be excluded herefrom;
5. The term "traditional liquor industries" means the following industries:
  - (a) The industry of producing the traditional liquors licensed under Article 3 of the Liquor License Act;
  - (b) The industry of producing the alcoholic beverages referred to in subparagraph 3 (b);
6. The term "labeling of the origin" means the labeling of the origin under Article 5 of the Act on Origin Labeling of Agricultural and Fishery Products;
7. The term "geographical indication" means the geographical indication under Article 2 (1) 8 of the Agricultural and Fishery Products Quality Control Act;

8. The term "certification of processed organic food" means the certification of organic food, etc. under Article 19 of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods, Etc.

### **Article 3 (Relationship to Other Statutes)**

Except as otherwise provided in any other Act, the promotion of the industry of traditional liquor, etc. shall be governed by this Act.

## **CHAPTER II DEVELOPMENT OF INFRASTRUCTURE FOR PROMOTION OF INDUSTRY OF TRADITIONAL LIQUOR, ETC.**

### **Article 4 (Formulation of Master Plans)**

(1) The Minister of Agriculture, Food and Rural Affairs shall establish and implement a master plan for the development of the industry of traditional liquor, etc. (hereinafter referred to as "master plan") in consultation with the heads of relevant central administrative agencies every five years in order to promote the industry of traditional liquor, etc. and create a wholesome drinking culture. *<Amended on Mar. 23, 2013; Dec. 10, 2019>*

(2) The master plan shall include the following matters: *<Amended on Apr. 18, 2017>*

1. Basic direction-setting for the promotion of the industry of traditional liquor, etc.;
2. Matters regarding the development and diffusion of technology pertaining to traditional liquor, etc.;
3. Matters regarding the quality improvement of traditional liquor, etc.;
4. Matters regarding the training of professional resources for traditional liquor, etc.;
5. Matters regarding the creation of a wholesome drinking culture;
6. Matters regarding the promotion of consumption and export of traditional liquor, etc.
7. Other matters specified by Presidential Decree.

(3) The Minister of Agriculture, Food and Rural Affairs shall formulate and implement an annual implementation plan based on a master plan (hereinafter referred to as "implementation plan") through consultation with the heads of relevant central administrative agencies, and endeavor to secure financial resources necessary therefor. *<Newly Inserted on Dec. 10, 2019>*

-(4) Where the Minister of Oceans and Fisheries formulates a harbor master plan or an implementation plan, he/she shall notify it to the heads of relevant central administrative agencies and Mayors/Do Governors, and submit the relevant plan to the competent standing committee of the National Assembly. *<Newly Inserted on Jan. 10, 2019>*

(5) Where the Minister of Agriculture, Food and Rural Affairs has formulated a master plan and an implementation plan, he/she shall publicly announce them as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Newly Inserted on Dec. 10, 2019>*

(6) Where it is necessary for formulating a master plan or an implementation plan, the Minister of Agriculture, Food and Rural Affairs may request the heads of relevant central administrative agencies or a Mayor/Do Governor to submit relevant data. In such cases, the heads of relevant central administrative agencies or the Mayor/Do Governor requested to submit data shall comply therewith, unless there is good cause for not doing so. <Newly Inserted on Dec. 10, 2019>

#### **Article 5 (Assistance in Improvement of Business Management)**

(1) The Minister of Agriculture, Food and Rural Affairs may take measures to support producers engaged in business with a liquor production license pursuant to Article 8 for the improvement of their business management, such as the procurement of raw materials, the improvement of facilities, the development of markets, and consulting services. <Amended on Mar. 23, 2013>

(2) Matters necessary for eligibility for the support under paragraph (1) and the details of such support and other relevant matters shall be prescribed by Presidential Decree.

#### **Article 6 (Strengthening of Link with Local Agriculture)**

(1) The Minister of Agriculture, Food and Rural Affairs may establish and implement a supply and demand plan for stable supply of locally produced agricultural products used as raw materials for traditional liquor, etc., and promotion of consumption of traditional liquor, etc. <Amended on Mar. 23, 2013>

(2) When a producers' organization under Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry (hereinafter referred to as a "producers' organization") or Article 3 of the Framework Act on Fisheries and Fishing Villages Development or an organization established under Article 17 promotes a project for strengthening the link with local agriculture by joint purchase or contract-based cultivation for the purpose of stably securing main ingredients necessary for producing traditional liquor, etc., the Minister of Agriculture, Food and Rural Affairs may render support as may be necessary. <Amended on Mar. 23, 2013; Jun. 22, 2015>

#### **Article 7 (Research and Development of Production Technology)**

(1) The Minister of Agriculture, Food and Rural Affairs may request a specialized institute, etc. to research and develop for the quality improvement, packing, storage, producing technology, producing machines, etc. (hereinafter referred to as "production technology, etc.") and may take measures necessary for promoting the industrialization of production technology, etc. to the industries. <Amended on Mar. 23, 2013>

(2) The Minister of Agriculture, Food and Rural Affairs may render necessary support to persons who research and develop production technology, etc. and persons who intend to industrialize production technology so researched and developed, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

### **Article 8 (Recommendation for Production Licenses)**

(1) A Mayor/Do Governor may recommend the Commissioner of the National Tax Service to grant a liquor production license to a person who intends to produce traditional liquor, etc.: Provided, That the foregoing shall not apply to the liquor referred to in Article 4 (1) 1 of the Liquor Tax Act. <Amended on Mar. 23, 2013; Apr. 5, 2013>

(2) When the head of a competent tax office grants a liquor production license under paragraph (1), he/she shall notify it to the Mayor/Do Governor. <Amended on Mar. 23, 2013; Apr. 5, 2013>

(3) When a Mayor/Do Governor finds that a person who has obtained a liquor production license pursuant to paragraph (2) violates any requirement for recommendation, he/she shall notify it to the Commissioner of the National Tax Service. In such cases, upon receipt of a notice of a violation, the Commissioner of the National Tax Service shall conduct an investigation to find whether the Liquor Tax Act or the Liquor License Act has been violated and take necessary measures. <Amended on Mar. 23, 2013; Apr. 5, 2013; Dec. 29, 20>

(4) A Mayor/Do Governor shall file a report to the Minister of Agriculture, Food and Rural Affairs once a year on the result of recommendation for a liquor production license. <Newly Inserted on Apr. 5, 2013>

(5) Matters necessary for eligible persons and requirements for recommendation, method and management of recommendation, and reporting on the result of recommendation, and other relevant matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013; Apr. 5, 2013>

### **Article 9 (Statistical Surveys)**

(1) The Minister of Agriculture, Food and Rural Affairs may conduct statistical surveys on the production, distribution, consumption, etc. of alcoholic beverages in order to efficiently establish policies necessary for promoting the industry of traditional liquor, etc. In such cases, the Statistics Act shall apply mutatis mutandis to the preparation of relevant statistics. <Amended on Mar. 23, 2013>

(2) If the Minister of Agriculture, Food and Rural Affairs deems it necessary for statistical surveys, he/she may request the head of a relevant central administrative agency, the head of a local government, the head of a public institution, a person engaged in an related industry, or the head of an organization established pursuant to Article 17 to provide him/her with necessary data and information. <Amended on Mar. 23, 2013>

(3) A person requested to provide data and information pursuant to paragraph (2) shall cooperate therein, except in extenuating circumstances.

(4) Matters necessary for conducting the statistical surveys under paragraph (1) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

## **CHAPTER III FACILITATION OF REVITALIZATION OF INDUSTRY OF TRADITIONAL LIQUOR**

## **Article 10 (Implementation of Research and Experiment Projects)**

The Minister of Agriculture, Food and Rural Affairs may take measures for promoting the industry of traditional liquor, etc., such as research and testing for the development of crop varieties and the improvement of quality of raw materials of traditional liquor, etc., the restoration of traditional liquor, the provision of education and training for farmers producing raw materials and persons engaged in production, and consulting services for business management. *<Amended on Mar. 23, 2013>*

## **Article 11 (Education and Training)**

(1) In order to diffuse and transfer production technology, etc. and create a wholesome drinking culture for promoting the industry of traditional liquor, etc., the Minister of Agriculture, Food and Rural Affairs, a Mayor/Do Governor, or the head of a Si/Gun/Gu may provide education and training programs for consumers or persons engaged in related business directly or on an entrustment basis. *<Amended on Apr. 5, 2013>*

(2) The Minister of Agriculture, Food and Rural Affairs, the Mayor/Do Governor, or the head of a Si/Gun/Gu may designate an institution or organization, equipped with facilities and human resources appropriate for the education and training under paragraph (1), as an educational or training institute. *<Amended on Apr. 5, 2013>*

(3) Where an institution or organization provides the education and training under paragraph (1) on an entrustment basis, the Minister of Agriculture, Food and Rural Affairs, the Mayor/Do Governor, or the head of a Si/Gun/Gu may subsidize such institution or organization within budgetary limits as may be necessary. *<Amended on Apr. 5, 2013>*

(4) Where an educational or training institute designated pursuant to paragraph (2) falls under any of the following subparagraphs, the Minister of Agriculture, Food and Rural Affairs, the Mayor/Do Governor, or the head of a Si/Gun/Gu may revoke the designation or order the suspension of all or part of their business operations for a specified period not exceeding six months: Provided, That he/she shall revoke such designation in cases falling under subparagraph 1: *<Newly Inserted on Apr. 5, 2013>*

1. Where it has been designated by fraud or other improper means;
2. Where it fails to provide the education and training for at least one year without good cause;
3. Where the education and training courses or the contents thereof are of extremely low quality.

(5) Matters necessary for the designation, operation, and revocation of designation of an educational or training institute and other relevant matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended on Mar. 23, 2013; Apr. 5, 2013>*

## **Article 12 (Training of Professional Human Resources)**

(1) The Minister of Agriculture, Food and Rural Affairs may train professional human resources necessary for production technology, etc. for revitalizing the industry of traditional liquor, etc. and for diffusing food

culture harmonious with alcoholic beverages. <Amended on Mar. 23, 2013>

(2) In order to train professional human resources under paragraph (1), a university, research institute, or any other institution equipped with appropriate facilities and human resources may be designated as an institute for training professional human resources.

(3) An institute for training professional human resources designated pursuant to paragraph (2) may be subsidized for expenses incurred in training within budgetary limits, as prescribed by Presidential Decree.

(4) If an institute for training professional human resources designated pursuant to paragraph (2) falls under any of the following subparagraphs, the Minister of Agriculture, Food and Rural Affairs may revoke its designation or order it to fully or partially suspend its business operations for a specified period not exceeding six months: Provided, That the designation shall be revoked if the institution falls under subparagraph 1: <Newly Inserted on Apr. 5, 2013>

1. If an institution has obtained designation by fraud or other improper means;
2. If an institution fails to provide the education and training for at least one year continuously without good cause;
3. If the education and training courses or the content thereof are of extremely low quality.
4. Where it fails to continue to satisfy the standards for designation.

(5) Matters necessary for the standards, method, revocation or suspension, etc. of the designation of institutes for training professional human resources shall be prescribed by Presidential Decree. <Amended on Apr. 5, 2013>

### **Article 13 (Establishment of Centers for Promotion and Exhibition, or Education)**

In order to promote traditional liquor, etc., revitalize the industry, and promote traditional production methods, the State or a local government may subsidize a person who establishes and operates a center for promotion and exhibition or a center for education, as may be necessary within budgetary limits, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

### **Article 14 (Subsidization for Distribution Centers)**

In order to facilitate the packing, standardized delivery, advertisement, sales, etc. of traditional liquor, etc., the State or a local government may subsidize a person who establishes and operates a distribution center or a specialty store as may be necessary within budgetary limits, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

### **Article 15 (Holding of Fairs)**

(1) In order to improve the quality of alcoholic beverages designated under subparagraph 1 of Article 2, enhance the competitiveness of such alcoholic beverages, and select and foster representative brands, the Minister of Agriculture, Food and Rural Affairs may hold fairs of alcoholic beverages. <Amended on Mar.

23, 2013; Feb. 11, 2020>

(2) Matters necessary for holding and operating the fairs under paragraph (1) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

#### **Article 16 (Advertisement and Promotion of Globalization)**

In order to develop the liquor industry and promote the consumption of local agricultural products, the State or a local government may render necessary assistance to a person or an organization that advertises alcoholic beverages selected pursuant to Article 15 or that pioneers overseas markets.

#### **Article 17 (Establishment of Organizations)**

(1) A person involved in activities for promoting the industry of traditional liquor, etc. may establish an organization with authorization by the Minister of Agriculture, Food and Rural Affairs in order to harmonize alcoholic beverages with food culture, diffuse a wholesome drinking culture, inherit and develop traditional liquor, improve the quality of traditional liquor, and revitalize the industries by linking the industries with local agriculture. <Amended on Mar. 23, 2013>

(2) An organization referred to in paragraph (1) shall be a legal entity, and necessary matters concerning the articles of incorporation of such organization, or the guidance and supervision over, and support for such organization shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

(3) Except as provided in this Act, the provisions of the Civil Act regarding incorporated associations shall apply mutatis mutandis to the organizations established under paragraph (1).

#### **Article 17-2 (Support for Accumulation of Self-Help Funds)**

(1) Where an organization established pursuant to Article 17 (1) creates and operates a self-help fund to expand the market for traditional liquor, etc., take control of balancing supply and demand, and improve the quality of traditional liquor, etc., the Minister of Agriculture, Food and Rural Affairs may subsidize such organization within the budget.

(2) Necessary matters regarding methods of creating self-help funds under paragraph (1), standards for subsidization thereof, and other necessary matters shall be prescribed by Presidential Decree.

#### **Article 18 (Development of Wholesome Drinking Culture, etc.)**

(1) The State, each local government, and each organization established pursuant to Article 17 shall endeavor to develop a wholesome and decent drinking culture.

(2) The State or a local government may render necessary assistance to an organization that performs activities for developing a wholesome drinking culture pursuant to paragraph (1) within budgetary limits.

## CHAPTER IV QUALITY CONTROL

### **Article 19 (Labeling of Origin)**

- (1) In order to establish a fair order in trading alcoholic beverages and protect consumers, and for other relevant matters, the Minister of Agriculture, Food and Rural Affairs shall require persons who produce and sell alcoholic beverages to label the origin of the main ingredients used. *<Amended on Mar. 23, 2013>*
- (2) The Act on Origin Labeling of Agricultural and Fishery Products shall apply mutatis mutandis to detailed methods and standards for the labeling of the origin prescribed in paragraph (1).

### **Article 20 (Registration of Geographical Indication)**

- (1) In order to ensure continued improvement of the quality of excellent liquor with geographical characteristics, develop such liquor as the specialized local industry, and protect consumers, the Minister of Agriculture, Food and Rural Affairs may implement the registration system of geographical indications. *<Amended on Mar. 23, 2013>*
- (2) The Agricultural and Fishery Products Quality Control Act shall apply mutatis mutandis to the registration system of geographical indications under paragraph (1). *<Amended on Jul. 21, 2011>*

### **Article 21 (Certification of Processed Organic Food)**

- (1) The Minister of Agriculture, Food and Rural Affairs may implement the certification system of processed organic food for the kinds of liquor produced with organic agricultural products as raw materials, to improve the quality of alcoholic beverages and protect consumers. *<Amended on Mar. 23, 2013>*
- (2) The Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods shall apply mutatis mutandis to the certification system of processed organic food prescribed in paragraph (1). *<Amended on Jun. 1, 2012>*

### **Article 22 (Quality Certification)**

- (1) The Minister of Agriculture, Food and Rural Affairs may implement a quality certification system to improve the quality of alcoholic beverages, encourage the production of high-quality alcoholic beverages, and protect consumers. *<Amended on Mar. 23, 2013>*
- (2) A person who intends to obtain quality certification under paragraph (1) shall file an application for quality certification with the Minister of Agriculture, Food and Rural Affairs: Provided, That any of the following persons may not apply for such quality certification: *<Newly Inserted on Feb. 11, 2020>*
1. A person whose quality certification was revoked under Article 29 and one year has not elapsed since the revocation;
  2. A person who was sentenced to a fine or heavier punishment under Article 36 and five years have not elapsed since the sentence was finalized.

(3) The valid term of the quality certification under paragraph (1) shall be three years from the date on which the quality certification is obtained. <Newly Inserted on Apr. 5, 2013; Feb. 11, 2020>

(4) A person who intends to extend the valid term of a quality certification shall file an application for extension with the Minister of Agriculture, Food and Rural Affairs prior to the expiration of the valid term, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Newly Inserted on Apr. 5, 2013; Feb. 11, 2020>

(5) Where the Minister of Agriculture, Food and Rural Affairs finds, upon receipt of the application under paragraph (4), that the relevant person meets the standards of quality certification, he/she may extend the valid term within the scope referred to in paragraph (3). <Newly Inserted on Apr. 5, 2013; Feb. 11, 2020>

(6) Items subject to quality certification under paragraph (1), the marking method, and certification procedure, procedure for the validity extension under paragraph (4), and other matters necessary for implementing the quality certification system shall be prescribed by Presidential Decree. <Amended on Apr. 5, 2013; Feb. 11, 2020>

#### **Article 23 (Designation of Quality Certification Agencies)**

(1) In order to efficiently perform works for the certification of processed organic food under Article 21 (1) and quality certification under Article 22 (1), the Minister of Agriculture, Food and Rural Affairs may designate a person equipped with human resources and facilities necessary for such quality certification as a quality certification agency (hereinafter referred to as "certification agency") and authorize the person to grant quality certification of alcoholic beverages. <Amended on Mar. 23, 2013>

(2) A person who intends to obtain designation of his/her institution as a certification agency shall file an application therefor with the Minister of Agriculture, Food and Rural Affairs, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, and shall report any change occurring in the matters based on which the designation has been obtained: Provided, That a person shall not file another application for designation, if two years have not passed since the designation of his/her institution as a certification agency was revoked pursuant to Article 24. <Amended on Mar. 23, 2013>

(3) The valid term of designation as a certification agency under paragraph (1) shall be five years, and a person who intends to continue to perform the certification work after expiration of the valid term shall obtain a re-designation from the Minister of Agriculture, Food and Rural Affairs prior to the expiration of the valid term of designation. <Newly Inserted on Apr. 5, 2013>

(4) The Minister of Agriculture, Food and Rural Affairs may subsidize certification agencies, for expenses incurred in performing certification works, within budgetary limits. <Amended on Mar. 23, 2013; Apr. 5, 2013>

(5) The standards and procedure necessary for designating or re-designating certification agencies and detailed matters for operating certification agencies shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013; Apr. 5, 2013>

#### **Article 24 (Revocation of Designation as Certification Agencies)**

(1) If a certification agency falls under any of the following subparagraphs, the Minister of Agriculture, Food and Rural Affairs may revoke its designation or may order it to fully or partially suspend its business operations: Provided, That the designation shall be revoked if a certification agency falls under subparagraph 1: <Amended on Mar. 23, 2013; Apr. 5, 2013>

1. If a certification agency has obtained designation by fraud or other improper means;
  2. If a certification agency fails to perform certification for not less than one year continuously without good cause;
  3. If a certification agency no longer satisfies the standards for designation under Article 23 (5);
  4. Where it is found, as a result of an investigation or testing conducted under Article 26 (1), that a certified product does not meet the quality certification standards and the certification of such substandard product has been caused by intention or gross negligence of the certification agency.
- (2) If a certification agency continues certification work during a suspension period in violation of an order to fully or partially suspend the business operations, the Minister of Agriculture, Food and Rural Affairs may revoke the designation. <Amended on Mar. 23, 2013>

(3) Detailed guidelines for administrative dispositions under paragraph (1) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

#### **Article 25 (Prohibition of Deceit)**

No one shall conduct any of the following acts:

1. Obtaining quality certification under Article 22 (1) by fraud or other improper means;
2. Affixing a quality certification mark or any similar mark on non-quality-certified alcoholic beverage;
3. Affixing a label differently from the certified description on a quality-certified alcoholic beverage;
4. Selling a quality-certified alcoholic beverage by mixing it with non-quality-certified alcoholic beverage;
5. Advertising non-quality-certified alcoholic beverage as if its quality is certified;
6. Advertising a quality-certified alcoholic beverage differently from the certified description.

#### **Article 26 (Follow-Up Management of Quality Certification)**

(1) If the Minister of Agriculture, Food and Rural Affairs deems it necessary for maintaining the quality level of quality-certified alcoholic beverages and for protecting consumers, he/she may require relevant public officials and the person in charge at the certification agency to take the following measures: <Amended on Mar. 23, 2013>

1. Examination of the appropriateness of the quality certification standards;
2. Inspection of relevant account books or documents at the place of production of a person who has obtained quality certification;

3. Collection of quality-certified alcoholic beverages to conduct an examination or request to a specialized testing or research institute to test such alcoholic beverages.
- (2) A person who has obtained quality certification shall keep and preserve relevant documents, such as data about examination for certification and data about the management of processing facilities, the use of additives, and transactions of quality-certified alcoholic beverages, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended on Mar. 23, 2013>*
- (3) When any examination, inspection, or collection is conducted pursuant to paragraph (1), no owner, possessor, or manager of any quality-certified alcoholic beverage shall refuse, obstruct, or evade such examination, inspection, or collection without good cause.

#### **Article 27 (Fees)**

- (1) A person who intends to obtain quality certification of an alcoholic beverage shall pay the relevant fees.
- (2) Matters necessary for the amount of fees under paragraph (1) and the payment method and payment period and others shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended on Mar. 23, 2013>*

#### **Article 28 (Orders to Change Marks)**

- (1) If the Minister of Agriculture, Food and Rural Affairs finds as a result of an examination conducted or a test requested pursuant to Article 26 that an quality-certified alcoholic beverage violates the quality certification standards or the method of marking or that it is impractical to produce the alcoholic beverage or carry on the industry of the alcoholic beverage, he/she may issue an order to change the mark or discontinue the use of such mark. *<Amended on Mar. 23, 2013>*
- (2) Detailed guidelines for administrative dispositions referred to in paragraph (1) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended on Mar. 23, 2013>*

#### **Article 29 (Revocation of Quality Certification)**

If a person who has obtained quality certification falls under any of the following subparagraphs, the Minister of Agriculture, Food and Rural Affairs may revoke such certification: Provided, That the certification shall be revoked in cases falling under subparagraph 1: *<Amended on Mar. 23, 2013>*

1. If a person has obtained certification by fraud or other improper means;
2. If it is found as a result of an examination under Article 26 that an alcoholic beverage falls significantly short of the quality certification standards;
3. If a person fails to comply with an order under Article 28 to change a mark or discontinue the use of a mark without good cause.

### **Article 30 (Succession)**

(1) If a person who has obtained quality certification transfers his/her business or deceases, or merges his/her corporation with another corporation, the transferee, the heir who intends to continue producing and distributing a quality-certified alcoholic beverage, or the corporation surviving the merger or the corporation established by the merger may succeed to the status of the person who has obtained quality certification.

(2) A person who succeeds to the status of the person who has obtained quality certification pursuant to paragraph (1) shall report the fact to the Minister of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

(3) Matters necessary for reporting under paragraph (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. <Amended on Mar. 23, 2013>

### **Article 31 (Preferential Purchase of Traditional Liquor with Certification Mark)**

When the State, a local government, or a public institution under Article 4 of the Act on the Management of Public Institutions intends to purchase traditional liquor, the Minister of Agriculture, Food and Rural Affairs may request that quality-certified products be purchased with priority unless there is a compelling reason not to do so. <Amended on Mar. 23, 2013>

## **CHAPTER V SUPPLEMENTARY PROVISIONS**

### **Article 32 (Submission of Data)**

If it is necessary for the subsidization under this Act and the follow-up management for quality certification for producers of traditional liquor, etc., the Minister of Agriculture, Food and Rural Affairs may request him/her to submit relevant data. <Amended on Mar. 23, 2013>

### **Article 33 (Hearings)**

In any of the following cases, the Minister of Agriculture, Food and Rural Affairs shall hold a hearing: <Amended on Mar. 23, 2013; Apr. 5, 2013>

1. Revocation of designation of an educational and training institute under Article 11;
2. Revocation of designation of an institute for training professional human resources under Article 12;
3. Revocation of designation of a certification agency under Article 24;
4. Revocation of quality certification under Article 29.

### **Article 34 (Delegation or Entrustment of Authority)**

The Minister of Agriculture, Food and Rural Affairs may delegate part of his/her authority under this Act to the Administrator of the Rural Development Administration, the head of an affiliated agency, or a Special Metropolitan City Mayor, a Metropolitan City Mayor, a Do Governor, or the Governor of a

Special Self-Governing Province, or may entrust part of his/her authority under this Act to the Korea Food Research Institute established under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes, Etc. any other public institution, a producers' organization, or any other relevant corporation. <Amended on Mar. 23, 2013>

### **Article 35 (Legal Fiction as Public Officials in Applying Penalty Provisions)**

Executive officers and employees of a certification agency under Article 23 (1) shall be deemed public officials for the purposes of any provision of Articles 129 through 132 of the Criminal Act.

## **CHAPTER VI?PENALTY PROVISIONS**

### **Article 36 (Penalty Provisions)**

(1) A person falling under any of the following subparagraphs shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding 30 million won:

1. A person who obtains quality certification by fraud or other improper means, in violation of subparagraph 1 of Article 25;
2. A person who affixes a quality certification mark or any similar mark on non-quality-certified alcoholic beverage, in violation of subparagraph 2 of Article 25;
3. A person who affixes a label differently from the certified description on a quality-certified alcoholic beverage, in violation of subparagraph 3 of Article 25;
4. A person who sells a quality-certified alcoholic beverage by mixing it with non-quality-certified alcoholic beverage, in violation of subparagraph 4 of Article 25.

(2) A person falling under any of the following subparagraphs 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 advertises non-quality-certified alcoholic beverage as if its quality is certified, in violation of subparagraph 5 of Article 25;
2. A person who advertises a quality-certified alcoholic beverage differently from the certified description, in violation of subparagraph 6 of Article 25.

### **Article 37 (Joint Penalty Provisions)**

If the representative of a corporation, or an agent, employee, or any other servant of a corporation or an individual commits a violation under Article 36 in connection with the business of the corporation or the individual, not only shall the violator be punished, but also the corporation or the individual shall be punished by a fine under the same Article: Provided, That this shall not apply where the corporation or individual has not been negligent in giving due attention and supervision concerning relevant duties to prevent such violation.

### **Article 38 (Administrative Fines)**

(1) A person who fails to comply with a disposition to change a mark or discontinue the use of such mark under Article 28 (1) shall be subject to an administrative fine not exceeding 20 million won.

(2) A person falling under any of the following subparagraphs shall be subject to an administrative fine not exceeding five million won:

1. A person who fails to keep and maintain relevant documents, in violation of Article 26 (2);

2. A person who refuses, obstructs, or evades an examination, inspection, or collection without good cause, in violation of Article 26 (3);

3. A person who has succeeded to the status of a person who has obtained quality certification but fails to report it, in violation of Article 30 (2).

(3) Administrative fines under paragraphs (1) and (2) shall be imposed and collected by the Minister of Agriculture, Food and Rural Affairs, as prescribed by Presidential Decree. *<Amended on Mar. 23, 2013>*

#### *ADDENDA <Act No. 10020, Feb. 4, 2010>*

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

(2) (Duty to Notify Current Status of Traditional Liquor Producers) The head of each competent tax office shall notify the Minister for Food, Agriculture, Forestry and Fisheries of the current status of licensed producers of traditional liquor referred to in subparagraph 2 of Article 2 pursuant to any of the following subparagraphs as at the time this Act enters into force:

1. Liquor recommended by the Minister for Food, Agriculture, Forestry and Fisheries to the Commissioner of the National Tax Service pursuant to the Liquor Tax Act;

2. Liquor recommended by a Special Metropolitan City Mayor, a Metropolitan City Mayor, a Do Governor, or the Governor of a Special Self-Governing Province to the Commissioner of the National Tax Service pursuant to the Cultural Heritage Protection Act;

3. Liquor recommended by the Minister for Food, Agriculture, Forestry and Fisheries to the Commissioner of the National Tax Service, among kinds of liquor produced by food masters in the liquor sector designated by the Minister for Food, Agriculture, Forestry and Fisheries pursuant to the Food Industry Promotion Act;

4. Liquor with a production permit granted by the Jeju-do Governor through consultation with the Commissioner of the National Tax Service pursuant to the former Special Act on Jeju-do Development before February 5, 1999;

5. Liquor recommended by the Minister of Transportation to the Commissioner of the National Tax Service and examined by the Liquor Deliberation Committee before June 30, 1991.

#### *ADDENDA <Act No. 10885, Jul. 21, 2011>*

**Article 1 (Enforcement Date)**

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

**Articles 2 through 20 Omitted.**

ADDENDA <Act No. 11459, Jun. 1, 2012>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 7 Omitted.**

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

**Article 1 (Enforcement Date)**

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

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 11739, Apr. 5, 2013>

**Article 1 (Enforcement Date)**

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

**Article 2 (Transitional Measures concerning Valid Term of Quality Certification)**

Where a person who obtains a quality certification at the time this Act is in force fails to obtain an extension of the valid term under the amended provisions of Article 22 (4) within three years from the date on which this Act enters into force, the valid term of such quality certification shall expire.

**Article 3 (Transitional Measures concerning Re-designation of a Quality Certification Agency)**

Where a person who obtains designation as a quality certification agency at the time this Act is in force fails to obtain re-designation under the amended provisions of Article 23 (3) within five years from the date on which this Act enters into force, the valid term of the designation as a quality certification agency shall expire.

ADDENDA <Act No. 13248, Mar. 27, 2015>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 7 Omitted.**

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.**

ADDENDUM <Act No. 14770, Apr. 18, 2017>

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

ADDENDA <Act No. 16125, Dec. 31, 2018>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 5 Omitted.**

ADDENDUM <Act No. 16788, Dec. 10, 2019>

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

ADDENDA <Act No. 16987, Feb. 11, 2020>

**Article 1 (Enforcement Date)**

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

**Article 2 (Applicability to Quality Certification)**

The amended provisions of Article 22 (2) shall begin to apply to cases where quality certification under Article 29 is revoked, or where a fine or heavier punishment under Article 36 is imposed and finalized, after this Act enters into force.

ADDENDA <Act No. 17761, Dec. 29, 2020>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 11 Omitted.**

Last updated : 2022-01-27

