

ACT ON REVITALIZATION OF DIRECT TRADE IN AGRICULTURAL PRODUCTS, INCLUDING PROMOTION OF USE OF LOCAL AGRICULTURAL PRODUCTS

Act No. 13361, Jun. 22, 2016

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CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to contribute to developing the local economy, improving the distribution structure of agricultural products, increasing the income of farming households, and protecting the interests of consumers, by providing for matters necessary to promote the use of local agricultural products and to revitalize direct trade in agricultural products.

Article 2 (Definitions)

The terms used in this Act are defined as follows:

1. The term "agricultural products" means agricultural products under subparagraph 6 (a) of Article 3 of the Framework Act on Agriculture and Fisheries, Rural Community, and Food Industry, and processed agricultural products prescribed by Presidential Decree;
2. The term "local agricultural products" means agricultural products produced or processed in a Special Self-Governing City, Special Self-Governing Province, or Si/Gun/Gu (in cases of a Gu, referring to an "autonomous Gu"; hereinafter the same shall apply), which are distributed or sold in the relevant area;
3. The term "direct trade in agricultural products" means direct trade between producers and consumers or trade undergoing during only one intermediary distribution stage, which falls under any of the following:
 - (a) Selling directly to consumers agricultural products the producer has produced for himself/herself;
 - (b) Selling to consumers agricultural products whose sale has been entrusted by producers;
 - (c) Selling agricultural products directly to consumers by a person who has purchased agricultural products from producers;

- (d) Directly purchasing from producers agricultural products whose purchase has been entrusted by consumers;
 - (e) Other trade in agricultural products prescribed by Presidential Decree;
4. The term "farmer" means farmers under subparagraph 2 (a) of Article 3 of the Framework Act on Agriculture and Fisheries, Rural Community, and Food Industry;
 5. The term "producer" means persons prescribed by Presidential Decree, such as farmers producing agricultural products, etc.;
 6. The term "producers' organization" means a producers' organization under subparagraph 4 of Article 3 the Framework Act on Agriculture and Fisheries, Rural Community, and Food Industry;
 7. The term "place of business for direct trade in agricultural products" means a place of business prescribed by Presidential Decree, such as a store that directly sells agricultural products, a market for direct trade in agricultural products, an Internet shopping mall where agricultural products are traded, and a community market for direct trade in agricultural products, etc., in which direct trade in agricultural products is conducted;
 8. The term "business operator who conducts direct trade in agricultural products" means a person prescribed by Presidential Decree who engages in the business of direct trade in agricultural products;
 9. The term "business operator who deals in local agricultural products" means a person prescribed by Presidential Decree who engages in the business of distribution or processing of local agricultural products.

Article 3 (Responsibilities of State and Local Governments)

(1) The State shall endeavor to protect the interests of farmers and consumers through promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products, and to implement a comprehensive policy to revitalize the local economy, to decrease the number of distribution stages of agricultural products, and to reduce distribution expenses.

(2) Each local government shall establish and implement a policy to promote the use of local agricultural products and vitalize direct trade in agricultural products in a way fitting the characteristics of the area under its jurisdiction.

Article 4 (Relationship to Other Statutes)

This Act shall apply to the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products in preference to other Acts.

CHAPTER II FORMULATION OF MASTER PLANS, FACT-FINDING SURVEYS

Article 5 (Master Plan)

(1) Every five years, the Minister of Agriculture, Food and Rural Affairs shall formulate a master plan to promote the use of local agricultural products and vitalize direct trade in agricultural products (hereinafter referred to as "master plan").

(2) Each master plan shall include the following:

1. Objectives of policy for the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products, and the basic direction-setting therefor;
2. Creation of the foundation for the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products;
3. Organizing small farming households for stable production of local agricultural products;
4. Cooperation among producers, consumers, and business operators for promotion of the use of local agricultural products;
5. Promotion of the consumption of local agricultural products and agricultural products directly traded and the publicity thereof;
6. A plan to raise funds necessary to implement a master plan;
7. Other matters prescribed by Presidential Decree for promotion of the use of local agricultural products and revitalization of direct trade in agricultural products.

(3) Where the Minister of Agriculture, Food and Rural Affairs intends to formulate a master plan or alter important matters, he/she shall undergo deliberation of the Central Council under Article 11 and hold consultations with the heads of related central administrative agencies.

(4) Where necessary to formulate a master plan, the Minister of Agriculture, Food and Rural Affairs may request the heads of related central administrative agencies, the Mayor of the Special Metropolitan City, Mayors of Metropolitan Cities, Governors of Dots, Governors of Special Self-Governing Provinces or Mayors of Special Self-Governing Cities (hereinafter referred to as "Mayor/Do Governor"), or the heads of related institutions or organizations to provide data.

(5) The Minister of Agriculture, Food and Rural Affairs shall, without delay, submit a master plan to the National Assembly of the Republic of Korea after he/she formulates the master plan and notify the Mayors/Do Governors of such master plan.

(6) When formulating a master plan, The Minister of Agriculture, Food and Rural Affairs shall disclose it as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Newly Inserted on May 19, 2020>*

(7) Other matters necessary to formulate and implement a master plan shall be prescribed by Presidential Decree. *<Amended on May 19, 2020>*

Article 6 (Action Plan)

(1) The head of each local government shall annually formulate and implement an action plan for promotion of the use of local agricultural products and revitalization of direct trade in agricultural products

(hereinafter referred to as "action plan") conforming to the regional characteristics and regional agricultural conditions, in accordance with the master plan.

(2) Each action plan shall include the following:

1. Objectives of policy for promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products and the basic direction-setting therefor;
2. Current status of the promotion of the use of local agricultural products and direct trade in agricultural products, and an evaluation of the current status thereof;
3. A plan for promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products;
4. Other matters prescribed by Municipal Ordinance for promotion of the use of local agricultural products and revitalization of direct trade in agricultural products.

Article 7 (Fact-Finding Survey)

(1) The Minister of Agriculture, Food and Rural Affairs may conduct fact-finding surveys concerning the current status and business conditions of business operators who conduct direct trade in agricultural products and business operators who deal in local agricultural products, the current status of trade by the types of the places of business for direct trade in agricultural products, etc.

(2) Where necessary to conduct fact-finding surveys under paragraph (1), the Minister of Agriculture, Food and Rural Affairs may request the heads of related central administrative agencies, the heads of local governments, the heads of public institutions (referring to public institutions under Article 4 of the Act on the Management of Public Institutions; hereinafter the same shall apply), the heads of related organizations, business operators who conduct direct transactions of agricultural products, and business operators who deal in local agricultural products to provide necessary data. In such cases, the head of a central administrative agency, etc. requested to provide data shall cooperate therewith, unless any extenuating circumstance exists.

(3) Where necessary to efficiently formulate and implement an action plan, each Mayor/Do Governor may conduct fact-finding surveys on the current status of the use of agricultural products and direct trade in agricultural products in the area under his/her jurisdiction concerning matters prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(4) Other specific matters concerning fact-finding surveys shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 8 (Establishment and Operation of Comprehensive Information Management System)

(1) The Minister of Agriculture, Food and Rural Affairs may establish and operate a comprehensive information management system on the use of local agricultural products and direct trade in agricultural products in order to provide information about the promotion of the use of local agricultural products and direct trade in agricultural products and to manage such information systematically.

(2) Matters necessary to establish and operate a comprehensive information management system under paragraph (1) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

CHAPTER III SUPPORT FOR PROMOTION OF USE OF LOCAL AGRICULTURAL PRODUCTS AND REVITALIZATION OF DIRECT TRADE IN AGRICULTURAL PRODUCTS

Article 9 (Support for Promotion of Use of Local Agricultural Products and Revitalization of Direct Trade in Agricultural Products)

(1) For the promotion of the use of local agricultural products and direct trade in agricultural products, the Minister of Agriculture, Food and Rural Affairs and the head of each local government may provide support, such as establishment, opening and, operation of the places of business dealing in local agricultural products and the places of business for direct trade in agricultural products; the expansion of markets; consulting; safety inspections, etc.

(2) The Minister of Agriculture, Food and Rural Affairs and the head of each local government may provide education and training to foster business operators conducting direct trade in agricultural products and business operators dealing in local agricultural products.

(3) The Minister of Agriculture, Food and Rural Affairs and the head of each local government may publicize and award a prize to best practices of promotion of the use of local agricultural products and direct trade in agricultural products upon discovering them.

(4) The Government may subsidize local governments which show excellent results of the purchase of local agricultural products and excellent results of direct trade in agricultural products, and reflect the results thereof, etc. in the evaluation of relevant institutions.

(5) Necessary matters concerning the provision of subsidies, reflection of the results in evaluation, etc. under paragraph (4) shall be prescribed by Presidential Decree.

(6) The Minister of Agriculture, Food and Rural Affairs and the head of each local government may conduct evaluations on the implementation of an action plan for the promotion of the use of local agricultural products and direct trade in agricultural products.

Article 10 (Designation of Specialized Institutions)

(1) The Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor may designate an institution specializing in the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products (hereinafter referred to as "specialized institution"), in order to systematically implement a master plan under Article 5 and an action plan under Article 6 and professionally implement the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products.

(2) A person who intends to be designated as a specialized institution pursuant to paragraph (1) shall file an application for designation with the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor, after meeting requirements for designation prescribed by Presidential Decree, such as facilities and human resources.

(3) The functions of a specialized institution shall be as follows:

1. Survey, analysis, and provision of information collected related to the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products;
2. Provision of managerial or consulting support related to the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products;
3. Establishment of a cooperation system among organizations which provide support for the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products;
4. Research, development, and support related to the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products;
5. Promotion of the sale of agricultural products and support for the publicity thereof, through the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products;
6. Training and education of professionals related to the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products;
7. Other affairs entrusted by the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor for the promotion of the use of local agricultural products or the revitalization of direct trade in agricultural products.

(4) Where a specialized institution designated pursuant to paragraph (1) falls under any of the following, the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor may revoke its designation or order it to take corrective action, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs: Provided, That in cases falling under subparagraph 1, he/she shall revoke its designation:

1. Where it has obtained designation by deception or other fraudulent means;
2. Where it no longer meets the requirements for designation;
3. Where it has failed to commence or delayed the training of professionals, without any justifiable grounds;
4. Where it has failed to train professionals continuously for at least one year, without any justifiable grounds.

(5) Other necessary matters concerning procedures for filing an application for designation, criteria for designation, etc. of a specialized institution shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 11 (Establishment of Central Council for Promotion of Use of Local Agricultural Products and Revitalization of Direct Trade in Agricultural Products)

(1) The Central Council for the Promotion of the Use of Local Agricultural Products and the Revitalization of Direct Trade in Agricultural Products (hereinafter referred to as the "Central Council") shall be established under the jurisdiction of the Minister of Agriculture, Food and Rural Affairs, in order to deliberate on the following matters concerning the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products:

1. Matters concerning formulation of a master plan;
2. Matters concerning the certification of the place of business for direct trade in good agricultural products;
3. Other matters regarding which the Minister of Agriculture, Food and Rural Affairs requests the Central Council to conduct deliberation in relation to the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products.

(2) Each Mayor/Do Governor and the head of each Si/Gun/Gu may establish a regional council for the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products (hereinafter referred to as "regional council"), in order to deliberate on the following matters concerning the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products:

1. Matters concerning the formulation of an action plan;
2. Matters concerning the revitalization of the certification of the place of business for direct trade in good agricultural products;
3. Other matters regarding which the Minister of Agriculture, Food and Rural Affairs requests a regional council to conduct deliberation in relation to the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products.

(3) Other matters necessary to organize and operate the Central Council and a regional council shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 12 (Organizing Farmers)

(1) The head of a local government may establish a multi-item and small-quantity production system by organizing small-scale farmers in the relevant area or neighboring areas.

(2) Where the head of a local government organizes small-scale farmers pursuant to paragraph (1), he/she shall consider elderly farmers and female farmers first.

(3) Other matters necessary to organize, etc. small-scale farmers shall be prescribed by Municipal Ordinance.

CHAPTER IV PROMOTION OF USE OF LOCAL AGRICULTURAL PRODUCTS

Article 13 (Strengthening Connection to Local Agriculture)

(1) Where farmers or a producers' organization, and business operators processing local agricultural products promote business in connection with local agriculture, such as the joint purchase, contract farming, etc. of local agricultural products necessary to produce processed local agricultural products, the Minister of Agriculture, Food and Rural Affairs may provide support necessary therefor.

(2) Other necessary matters concerning support, etc. to strengthen connection to local agriculture shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 14 (Priority Purchase of Local Agricultural Products)

(1) Where the head of a local government or the head of a public institution intends to enter into a procurement contract, etc. concerning agricultural products in the relevant area or location, he/she may preferentially purchase agricultural products in the relevant area.

(2) Necessary matters concerning the preferential purchase, etc. of local agricultural products shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 15 (Promotion of Sale of Local Agricultural Products)

(1) Where necessary to promote consumption of local agricultural products, the head of a local government may enter into an agreement to promote the purchase of local agricultural products with public institutions, non-governmental organizations, businesses, etc.

(2) Where a public institution or non-governmental organization in the relevant area conducts a one-day market for direct trade, advertising activities, etc. to promote the sale of local agricultural products, the head of a local government may provide support necessary therefor.

(3) To promote the consumption of local agricultural products, the head of a local government may encourage a business operator who operates a discount store, department store, or shopping center prescribed by Presidential Decree as a large-scale store under subparagraph 3 of Article 2 of the Distribution Industry Development Act, or a general distribution center for agricultural and fishery products under subparagraph 12 of Article 2 of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products, the size of which is larger than the size prescribed by Presidential Decree, to establish and operate a store that sells the relevant local agricultural products.

(4) The head of a local government may encourage a business operator who operates a large-scale store under subparagraph 3 of Article 2 of the Distribution Industry Development Act to enter into an agreement for the sale of local agricultural products with producers and sellers of local agricultural products, and may organize and operate a consultative body composed of related persons to conclude an agreement, in consultation with the Minister of Trade, Industry and Energy.

(5) The head of a local government may hold or support events, such as an exposition to exhibit or demonstrate local agricultural products, in relation to the conclusion of an agreement under paragraph (1).

(6) The head of a local government shall devise measures necessary to strengthen the cooperation between business operators of school feeding, institution feeding, etc., education-related personnel, such as dietitians, food-related business operators, etc., and producers of local agricultural products in the area under his/her jurisdiction in order to promote the use of local agricultural products.

(7) Other matters necessary to promote the sale of local agricultural products shall be prescribed by Presidential Decree.

Article 16 (Submission and Evaluation of Results of Purchase)

(1) The head of each public institution shall submit the results of the purchase of local agricultural products to the Minister of Agriculture, Food and Rural Affairs, within three months after each fiscal year ends.

(2) The Government may reflect the results of the purchase, the results of activities to promote the purchase, etc. of local agricultural products in the evaluation of public institutions.

(3) Specific matters necessary to submit, etc. the results of the purchase of local agricultural products by public institutions shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 17 (Improvement of Quality of Local Agricultural Products)

(1) The head of a local government shall prepare measures to protect the rights and interests of consumers of local agricultural products, and to improve quality and ensure the stable supply of local agricultural products.

(2) The head of a local government may evaluate the current status of the quality of local agricultural products in accordance with standards under the Agricultural and Fishery Products Quality Control Act, and advise the consumers of the results thereof.

Article 18 (Win-Win Partnership Programs)

(1) In order to promote mutual interest among them, the Minister of Agriculture, Food and Rural Affairs may encourage conglomerates restricted from cross shareholding under Article 14 (1) of the Monopoly Regulation and Fair Trade Act; companies classified as well-established businesses, etc. under subparagraph 1 of Article 2 of the Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises; producers; producers' organizations; and agricultural products distribution or service businesses, to conduct a win-win partnership program for the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products.

(2) The Minister of Agriculture, Food and Rural Affairs or the head of a local government may provide necessary support to persons who conduct a win-win partnership program under paragraph (1).

CHAPTER V FOSTERING OF AND SUPPORT TO WIDE-AREA DIRECT TRADE CENTERS

Article 19 (Designation of Wide-Area Direct Trade Centers)

(1) Each Mayor/Do Governor may designate or alter a wide-area direct trade center in the area in which he/she deems it necessary to revitalize direct trade by means of integration of agricultural products: Provided, That where an intended wide-area direct trade center stretches over two or more Cities/Dos, the relevant Mayors/Do Governors shall jointly designate such direct trade center; where they intend to alter it, they shall also jointly alter it.

(2) A person who intends to be designated as a wide-area direct trade center pursuant to paragraph (1) shall file an application for designation with the Mayor/Do Governor after meeting requirements for designation prescribed by Presidential Decree, such as facilities and human resources.

(3) Where the Mayor/Do Governor intends to designate or alter a wide-area direct trade center pursuant to paragraph (1), he/she shall formulate a plan for development of wide-area direct trade, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs: Provided, That the foregoing shall not apply where he/she intends to alter any insignificant matters prescribed by Presidential Decree.

(4) Where a wide-area direct trade center designated pursuant to paragraph (1) falls under any of the following, the Mayor/Do Governor may revoke its designation:

1. Where it is impossible to build a wide-area direct trade center within a reasonable period due to restrictions, etc. on performing development under other Acts;
2. Where a wide-area direct trade center is unable or expected to be unable to achieve the purpose of the designation thereof;
3. Where a wide-area direct trade center no longer meets the requirements for the designation thereof;
4. Where any reason prescribed by Presidential Decree that corresponds to subparagraph 1 or 2.

(5) Necessary matters concerning procedures, etc. for the designation of a wide-area direct trade center shall be prescribed by Presidential Decree.

Article 20 (Support to Wide-Area Direct Trade Centers)

(1) Each Mayor/Do Governor may provide the following support to revitalize wide-area direct trade center:

1. Support for the establishment and operation of common-use facilities, such as joint production and sale;
2. Support for joint research and development and quality control;
3. Support for joint marketing, publicity, expansion of markets, etc.;
4. Support the Mayor/Do Governor deems necessary for the promotion and development of a wide-area direct trade center.

(2) Other specific matters necessary to support a wide-area direct trade center shall be prescribed by Municipal Ordinance.

CHAPTER VI CERTIFICATION OF PLACE OF BUSINESS FOR DIRECT TRADE IN GOOD AGRICULTURAL PRODUCTS

Article 21 (Certification of Place of Business for Direct Trade in Good Agricultural Products)

(1) The Minister of Agriculture, Food and Rural Affairs may give certification (hereinafter referred to as "certification") to a place of business for direct trade in good agricultural products to revitalize direct trade in agricultural products and protect consumers.

(2) Specific standards for certification shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs:

Article 22 (Application for Certification)

(1) To obtain certification, a business operator who conducts direct trade in agricultural products shall file an application for certification with the Minister of Agriculture, Food and Rural Affairs for each place of business for direct trade in agricultural products, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(2) None of the following persons shall file an application for certification under paragraph (1):

1. A person in whose case one year has not elapsed from the date on which certification was revoked pursuant to Article 25 (1);
2. A person who is still subject to measures after having received an order to remove, suspend the use of, or alter a certification mark pursuant to Article 25 (1);
3. A person in whose case one year has not elapsed since his/her imprisonment was completely executed (including cases where the execution thereof is deemed completed) or exempted after he/she had received a prison sentence for violating this Act;
4. A person who is under suspension of the execution of imprisonment after he/she received a stay of execution for violating this Act;
5. A person in whose case one year has not elapsed since he/she was sentenced to a fine for violating this Act.

(3) Upon receiving an application for certification under paragraph (1), the Minister of Agriculture, Food and Rural Affairs shall examine whether a person meets standards for certification and notify the person of the result of his/her examination.

(4) A person who has an objection against the result of the examination on whether to give certification under paragraph (3) may file an application for reexamination with the Minister of Agriculture, Food and Rural Affairs.

(5) Where any alterations are made to certified content, a person who has obtained certification (hereinafter referred to as "certified business operator") pursuant to paragraph (3) shall make a report of any alterations to the Minister of Agriculture, Food and Rural Affairs within one month from the date any alterations are made: Provided, That where a certified business operator intends to alter any important matters prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, he/she shall obtain certification for any alterations from the Minister of Agriculture, Food and Rural Affairs.

(6) Other matters necessary to file an application for certification, examination, reexamination, alteration of certification, etc. shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 23 (Period of Validity of Certification)

(1) The period of validity of certification shall be two years from the date certification is obtained.

(2) Where a certified business operator intends to continuously maintain certification even after the period of validity of certification expires, he/she shall obtain a renewal of certification from the Minister of Agriculture, Food and Rural Affairs, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, before the period of validity of certification expires.

Article 24 (Marking of Certification)

(1) A certified business operator may use a mark, such as a figure or word, certifying (hereinafter referred to as "certification mark") that the place of his/her business is the place of business for direct trade in good agricultural products.

(2) No person who has failed to obtain certification shall use a certification mark or a mark similar thereto (referring to a mark likely to mislead that he/she has obtained certification, and a mark in a foreign language or a word of foreign origin related thereto; hereinafter the same shall apply).

(3) The Minister of Agriculture, Food and Rural Affairs may order a person who violates paragraph (2) to remove a certification mark.

(4) Other necessary matters concerning methods, standards, etc. for applying a certification mark shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 25 (Revocation of Certification)

(1) Where a certified business operator falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may revoke the certification thereof or order him/her to remove, suspend the use of, or alter the certification mark, or take corrective action within three months: Provided, That where he/she falls under subparagraph 1, the Minister of Agriculture, Food and Rural Affairs shall revoke the certification thereof: <Amended on Feb. 11, 2020>

1. Where he/she has obtained certification by deception or other fraudulent means;

2. Where he/she applies a certification mark during the period of removal, suspension of the use, or alteration of such certification mark, in violation of an order to remove, suspend the use of, or alter the certification mark;
 3. Where the Minister of Agriculture, Food and Rural Affairs deems that he/she is unable to conduct direct trade in agricultural products at the place of business for direct trade in the relevant agricultural products, for reasons such as cessation of business or change of business;
 4. Where he/she fails to meet standards for certification under Article 21 (2);
 5. Where he/she fails to report altered matters or alters certification without obtaining certification for alteration to important matters, in violation of Article 22 (5);
 6. Where he/she applies a certification mark, in violation of Article 24 (2), or applies a certification mark not in conformity with standards, in violation of Article 24 (4).
- (2) Procedures, guidelines for measures, etc. necessary for revocation of certification or removal and suspension of the use of a certification mark under paragraph (1) shall be prescribed by Presidential Decree.

Article 26 (Post Management of Certification)

- (1) Where necessary to manage certification, the Minister of Agriculture, Food and Rural Affairs may examine the process of direct trade in agricultural products at the place of business for direct trade in good agricultural products, or may request certified business operators to submit data related to direct trade in agricultural products, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.
- (2) Where the Minister of Agriculture, Food and Rural Affairs makes an examination pursuant to paragraph (1), he/she shall notify the relevant certified business operator of the date and hour, the purpose of, matters subject to the examination in advance: Provided, That the foregoing shall not apply to urgent cases or cases where he/she deems that he/she is unable to achieve the purpose of the examination if he/she gives prior notification.
- (3) Where the Minister of Agriculture, Food and Rural Affairs makes an examination or requests a certified business operator to submit data pursuant to paragraph (1), the certified business operator shall not refuse, interfere with, or evade such examination or request without any justifiable grounds.
- (4) Other matters concerning the post management of certification shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 27 (Custody of Documents concerning Examination for Certification)

- (1) A certified business operator shall have custody of documents concerning examination for certification for a period prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in consideration of the period of validity of certification, etc.
- (2) Matters necessary to have custody of documents under paragraph (1) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 28 (Designation of Certification Agency)

(1) The Minister of Agriculture, Food and Rural Affairs may designate a person who has human resources and facilities necessary for certification as a certification agency (hereinafter referred to as "certification agency") of a place of business for direct trade in good agricultural products.

(2) The Minister of Agriculture, Food and Rural Affairs may provide necessary support, such as a budget, etc., so that a certification agency may perform its functions efficiently.

(3) Where a certification agency falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may revoke its designation: Provided, That where it falls under subparagraph 1, he/she shall revoke its designation:

1. Where it has obtained designation by deception or other fraudulent means;
2. Where it fails to meet criteria for designation under paragraph (4);
3. Where it is unable to perform its functions relating to certification, for any other reason.

(4) Necessary specific matters concerning criteria and procedures for designation, revocation, etc. of designation of a certification agency shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

CHAPTER VII SUPPLEMENTARY PROVISIONS

Article 29 (Hearings)

Where the Minister of Agriculture, Food and Rural Affairs or the Mayor/Do Governor intends to take any of the following measures, shall hold a hearing:

1. Revocation of the designation of a specialized institution;
2. Revocation of the designation of a wide-area direct trade center;
3. Revocation of certification;
4. Revocation of the designation of a certification agency.

Article 30 (Delegation or Entrustment of Authority)

(1) 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 Chief of the Korea Forest Service, or the head of an agency under the jurisdiction of the Ministry of Agriculture, Food and Rural Affairs, as prescribed by Presidential Decree.

(2) The Minister of Agriculture, Food and Rural Affairs may entrust the following among his/her duties under this Act, to the head of a public institution or the head of a related organization prescribed by Presidential Decree, as prescribed by Presidential Decree:

1. Establishment and operation of an integrated information system under Article 8;

2. Education and training to foster business operators conducting direct trade in agricultural products and business operators dealing in local agricultural products under Article 9 (2);
3. Publicity of best practices in the promotion of the use of local agricultural products and the revitalization of direct trade in agricultural products under Article 9 (3);
4. Certification and matters concerning the post-management of certification under Article 26.

(3) The Administrator of the Rural Development Administration, the Chief of the Korea Forest Service, or the head of an agency under the jurisdiction of the Ministry of Agriculture, Food and Rural Affairs to whom authority is delegated pursuant to paragraph (1), may re-delegate part of the delegated authority, to the head of an agency under his/her jurisdiction with the approval of the Minister of Agriculture, Food and Rural Affairs.

Article 31 (Legal Fiction of Public Officials When Applying Penal Provisions)

Where penal provisions under Article 129 through 132 of the Criminal Act are applied, a person who engages in affairs entrusted pursuant to Article 30 (2) shall be deemed a public official.

CHAPTER VIII PENALTY PROVISIONS

Article 32 (Penalty Provisions)

Any of the following persons shall be punished by imprisonment with prison labor for up to three years or by a fine of not exceeding 30 million won:

1. A person who has obtained certification under Article 21 by deception or other fraudulent means;
2. A person who applies a certification mark or a mark similar thereto without obtaining certification, in violation of Article 24 (2).

Article 33 (Joint Penalty Provisions)

Where the representative of a corporation or organization, or an agent, employee or other worker of a corporation, organization or individual commits an offense under Article 32 in relation to affairs of such corporation, organization or individual, not only a person who commits such offense shall be punished, but also the corporation, organization or individual shall be punished by a fine under the relevant Article: Provided, That the foregoing shall not apply where the corporation, organization or individual has not neglected to pay considerable attention to and exercise reasonable supervision over the relevant affairs in order to prevent such offense.

Article 34 (Administrative Fines)

(1) An administrative fine not exceeding five million won shall be imposed on a person who fails to comply with an order to remove a certification mark under Article 24 (3).

(2) An administrative fine not exceeding three million won shall be imposed on any of the following persons:

1. A person who refuses, interferes with, or evades an examination or a request to submit data under Article 26 (1) without any justifiable grounds, in violation of paragraph (3) of the aforesaid Article;
 2. A person who violates a duty to have custody of documents, in violation of Article 27 (1).
- (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.

ADDENDUM <Act No. 13361, Jun. 22, 2015>

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

ADDENDUM <Act No. 16988, Feb. 11, 2020>

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

ADDENDUM <Act No. 17276, May 19, 2020>

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

Last updated : 2021-10-13