

FISHERY PRODUCTS DISTRIBUTION MANAGEMENT AND SUPPORT ACT

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Act No. 14348, Dec. 2, 2016
Act No. 15130, Nov. 28, 2017
Act No. 16153, Dec. 31, 2018
Act No. 17035, Feb. 18, 2020
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CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to provide for matters to improve efficiency of the fishery products distribution systems and enhance the competitiveness of the fishery products distribution industry in order to protect both consumers and producers and to contribute to developing the national economy by establishing a safe and efficient distribution system for fishery products.

Article 2 (Definitions)

The terms used in this Act are defined as follows:

1. The term "fishery products" means products prescribed by Presidential Decree from among those produced from fishery industrial activities;
2. The term "fishery products distribution industry" means an industry established to wholesale and retail fishery products, and store, deliver, and package them, and provide information and services related thereto;
3. The term "fishery products distributor" means a person who runs a fishery products distribution business or any person who runs a fishery products distribution business in accordance with a contract with such person;
4. The term "fishery products auction house at the place of origin" means facilities for wholesaling fishery products established under Article 10, by a district fisheries cooperatives, fisheries cooperatives by type of business or fisheries cooperatives for fishery product processing under the Fisheries

Cooperatives Act, the National Federation of Fisheries Cooperatives, or other producers' association or producers prescribed by Presidential Decree;

5. The term "intermediate wholesaler at place of origin" means a person who engages in any of the following businesses upon designation by a person who establishes a fishery products auction house at the place of origin:

(a) Business of wholesaling purchased fishery products offered at the market or brokering the trade of fishery products in auction house at the place of origin;

(b) Business of wholesaling purchased or consigned fishery products not yet offered at the market with permission from a person who opens a fishery products auction house at the place of origin, or of brokering the trade of such fishery products;

6. The term "trade participant at the place of origin" means a prospective buyer of fishery products, such as a processor, retailer, exporter, or consumers' association, other than an intermediate wholesaler at the place of origin, who reports to a person who establishes a fishery products auction house at the place of origin and directly purchases fishery products offered at the fishery products auction house at the place of origin;

7. The term "certified auctioneer at the place of origin" means a person who conducts affairs, such as the assessment of prices of fishery products offered at a fishery products auction house at the place of origin as well as the selection of a successful bidder after passing a qualifying examination for a certified auctioneer at the place of origin which shall be executed by the Minister of Oceans and Fisheries;

8. The term "electronic commerce of fishery products" means trading of fishery products by means of electronic commerce under subparagraph 5 of Article 2 of the Framework Act on Electronic Documents and Transactions.

Article 3 (Responsibilities of the State and Local Governments)

(1) The State and local governments shall implement policies for promoting the efficiency of the fishery products distribution system and for enhancing the competitiveness of the fishery products distribution industry.

(2) Local governments shall implement policies related to the distribution of local fishery products in harmony with the national policies for fishery products distribution and in consideration of respective local circumstances.

Article 4 (Relationship to Other Statutes)

With respect to the management of and support for the distribution of fishery products, this Act shall prevail over other Acts.

CHAPTER II FISHERY PRODUCTS DISTRIBUTION DEVELOPMENT PLANS

Article 5 (Formulation and Implementation of Master Plans)

(1) The Minister of Oceans and Fisheries shall, for the purpose of developing the fishery products distribution industry, formulate a master plan for the development of fishery products distribution (hereinafter referred to as "master plan") following consultation with the heads of relevant central administrative agencies and implement such plan every five years.

(2) Each master plan shall include the following matters:

1. Basic direction-setting for policies to develop the fishery products distribution industry;
2. Changes in conditions and future prospects of the fishery products distribution industry;
3. Quality control of fishery products;
4. Management of the supply of and demand for fishery products;
5. Laying the foundation for improving and advancing the fishery products distribution structures;
6. Research, development and dissemination of technologies related to the fishery products distribution industry;
7. Cultivation of professional human resources and informatization in the fishery products distribution industry;
8. Other matters deemed necessary by the Minister of Oceans and Fisheries to promote the development of the fishery products distribution industry.

(3) The Minister of Oceans and Fisheries may, if deemed necessary for developing a master plan, request the heads of relevant central administrative agencies to provide necessary materials. In such cases, upon receipt of such request, the heads of relevant central administrative agencies shall comply with such request, except in extenuating circumstances.

(4) When the Minister of Oceans and Fisheries formulates or amends a master plan, he/she shall publish the master plan formulated or amended, notify such plan to the Special Metropolitan City Mayor, a Metropolitan City Mayor, the Special Self-Governing City Mayor, a Do Governor, or the Special Self-Governing Province Governor (hereinafter referred to as "Mayor/Do Governor"), and submit it to the competent standing committee of the National Assembly without delay. *<Newly Inserted on Dec. 31, 2018>*

(5) Other matters necessary for the procedures, methods, etc. for the formulation of a master plan shall be determined by Ordinance of the Ministry of Oceans and Fisheries. *<Amended on Dec. 31, 2018>*

Article 6 (Formulation and Implementation of Action Plans)

(1) The Minister of Oceans and Fisheries shall formulate and implement an action plan on a yearly basis for the development of fishery products distribution (hereinafter referred to as "annual action plan") in accordance with a master plan and shall endeavor to secure financial resources necessary therefor.

<Amended on Dec. 31, 2018>

(2) The Minister of Oceans and Fisheries may, if it is deemed required to formulate an annual action plan, require the heads of relevant central administrative agencies to furnish necessary materials. In such cases, the heads of the relevant central administrative agencies shall, in receipt of such request, comply with it unless there is a compelling reason not to do so.

(3) When the Minister of Oceans and Fisheries formulates or amends an annual action plan, he/she shall notify the annual action plan formulated or amended, notify Mayors/Do Governors of such plan, and submit it to the competent standing committee of the National Assembly without delay. <Newly Inserted on Dec. 31, 2018>

Article 7 (Development, Implementation, etc. of Programs by Local Governments)

(1) A Mayor/Do Governor shall develop and execute an action plan by region for the development of regional fishery products distribution in accordance with a master plan and an annual action plan, based on regional circumstances under his/her jurisdiction. <Amended on Dec. 31, 2018>

(2) The Minister of Oceans and Fisheries may, where he/she deems it necessary for the development of the fishery products distribution industry, request Mayors/Do Governors or the heads of a Si (including the head of an administrative city prescribed in Article 17 (1) of the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City; hereinafter the same shall apply)/Gun/Gu (referring to the head of an autonomous Gu; hereinafter the same shall apply) to take measures necessary for implementing an annual action plan.

Article 8 (Fact-Finding Surveys)

(1) The Minister of Oceans and Fisheries may survey the status of the fishery products production and distribution industries in order to efficiently develop and implement master plan, annual action plan, etc.

(2) The Minister of Oceans and Fisheries may, where it is deemed necessary for an actual condition survey referred to in paragraph (1), request the heads of relevant central administrative agencies, the heads of local governments, the heads of public institutions, fishery products distribution business operators, relevant organizations etc., to furnish necessary materials. In such cases, upon receiving a request for necessary materials, the heads of relevant central administrative agencies, etc. shall comply therewith except in extenuating circumstances.

(3) Necessary matters concerning the timing, scope, etc. of an actual condition survey under paragraph (1) shall be prescribed by the Presidential Decree.

Article 9 (Establishment of Fishery Products Distribution Development Commission)

(1) The Minister of Oceans and Fisheries may establish a commission to develop fishery products distribution (hereinafter referred to as “Commission”) to deliberate on matters material to the advancement of the fishery products distribution industry.

(2) The Commission shall deliberate on the following:

1. Establishment of master plans and annual action plans;
2. Enhancement of the efficiency of a fishery products distribution system;
3. Policy items for the advancement of the fishery products distribution industry;
4. Management of the supply of and demand for fishery products;
5. Other important matters concerning the fishery products distribution industry brought by the Minister of Oceans and Fisheries for deliberation.

(3) The Commission may establish subcommittees by relevant field for its efficient operation.

(4) Necessary matters concerning the composition, operation, etc. of the Commission and subcommittees shall be prescribed by Presidential Decree.

CHAPTER III FISHERY PRODUCTS AUCTION HOUSE AT PLACE OF ORIGIN

Article 10 (Establishing Fishery Products Auction House at Place of Origin, etc.)

(1) A fishery products auction house at the place of origin (hereinafter referred to as “auction house”) shall be established by district fisheries cooperatives, fisheries cooperatives by type of business or fisheries cooperatives for fishery product processing under the Fisheries Cooperatives Act (hereinafter referred to as “fisheries cooperatives”), the National Federation of Fisheries Cooperatives, or producers’ association or producers prescribed by Presidential Decree (hereinafter referred to as “producers’ associations, etc.”) by obtaining permission from the head of a Si/Gun/Gu.

(2) Where fisheries cooperatives, the National Federation of Fisheries Cooperatives, or producers’ association, etc. (hereinafter referred to as “establisher of an auction house”) intend to establish an auction house, they shall submit a written application for permission to open an auction house to the head of a Si/Gun/Gu along with their business regulations and operation and management plans.

(3) Where the establisher of an auction house intends to amend its business regulations, it shall obtain permission from the head of a Si/Gun/Gu.

(4) Where the establisher of an auction house intends to close down its auction house, it shall obtain permission from the head of a Si/Gun/Gu and officially announce the closure of its auction house three months prior to such closure.

(5) Necessary matters concerning the types of auction houses based on the location, functions, characteristics, etc. of an auction house, the procedures for permission to establish an auction house, a written application for permission for opening an auction house, the preparation and submission of business regulations and operation and management plans, the closure of an auction house, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 11 (Areas Where Auction Houses May Establish)

An auction house can be set up in areas falling under any of the following:

1. Fishery harbors designated under the Fishing Villages and Fishery Harbors Act;
2. Harbors pursuant to the Harbor Act;
3. Other areas having facilities for unloading or processing catches of marine animals or plants, which shall be designated and publicly announced by the Minister of Oceans and Fisheries.

Article 12 (Criteria for Permission for Auction Houses, etc.)

(1) Where the details of a written application for permission prescribed in Article 10 (2) meet the following requirements, the head of a Si/Gun/Gu shall grant permission:

1. A place where an auction house is to be established shall be located at a central area for the unloading and local distribution of fishery products;
2. Facilities appropriate for the operation of an auction house shall be secured;
3. The details of business regulations and operation and management plan shall be clear and feasible.

(2) Where facilities required pursuant to paragraph (1) 2 have not been secured, the head of a Si/Gun/Gu may grant permission on condition that such facilities be equipped within a certain period.

(3) Matters necessary for the requirements and procedures for the permission for an auction house, such as the facility criteria for an auction house, etc. referred to in paragraph (1) 2, shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 13 (Obligations of Establishers of Auction Houses)

(1) Any establisher of an auction house shall implement any of the following for the convenience of fishery products producers and traders as well as for the protection of consumers:

1. Maintenance, improvement and hygienic management of auction house facilities;
2. Establishment of fair and orderly transactions;
3. Standardization, improvement of packaging, and the facilitation to keep fishery products fresh through cold chain systems, etc. to improve the quality of fishery products;
4. Promotion and support for trading by intermediate wholesalers at the place of origin.

(2) Any establisher of an auction house shall formulate and execute measures for efficiently implementing the matters specified in the subparagraphs of paragraph (1), including appropriate investment plans, quality improvement measures, etc.

(3) The establisher of an auction house shall have an intermediate wholesaler at the place of origin based upon the scale of facilities at an auction house, the volume of business, etc.

Article 13-2 (Restriction on Place of Trade in Fishery Products)

Fishery products subject to price manipulation due to lack of trade information and prescribed by Ordinance of the Ministry of Oceans and Fisheries shall not be purchased and sold or traded at other

places than an auction house.

Article 13-3 (Hygiene Control Standards for Auction House)

The Minister of Oceans and Fisheries shall publicly notify hygiene control standards for auction house after consulting with the Minister of Food and Drug Safety including details on securing hygiene facilities in an auction house and keeping it at appropriate temperature to secure safe foods by controlling hygiene of fishery products.

Article 14 (Designation of Intermediate Wholesalers at Place of Origin)

(1) Each person who intends to conduct a business of intermediate wholesale at the place of origin shall be designated by the establisher of an auction house.

(2) No establisher of an auction house shall designate any of the following persons as an intermediate wholesaler at the place of origin prescribed in paragraph (1): *<Amended on Dec. 31, 2019>*

1. A person declared bankrupt who has not yet been reinstated, or a person under adult guardianship;
2. A person sentenced to imprisonment without labor or a heavier punishment, in whose case the execution of such punishment has not been complete (including where the execution of the punishment is deemed not complete) or exempted;
3. A person in whose case two years have not passed from the date his/her designation as an intermediate wholesaler at the place of origin was revoked pursuant to Article 26 (4) (excluding cases where designation was revoked as a person falls under subparagraph 1 of this paragraph);
4. A stockholder, executive or employee of the establisher of an auction house who intends to conduct intermediate wholesale businesses at the place of origin in competition with the businesses of the establisher of the relevant auction house;
5. A corporation, one of whose executives falls under any of subparagraphs 1 through 4;
6. A person who fails to satisfy the requirements for designation as an intermediate wholesaler at the place of origin prescribed by Ordinance of the Ministry of Oceans and Fisheries, such as the minimum volume of business, a deposit to guarantee the payment of trading values, etc.;
7. Where a person violates any restriction imposed under this Act or other statutes.

(3) If an executive falls under paragraph (2) 5, the corporate intermediate wholesaler at the place of origin shall dismiss such executive without delay.

(4) No intermediate wholesaler at the place of origin shall interfere with the participation in trading of another intermediate wholesaler at the place of origin or a trade participant at the place of origin or collectively boycotting the auction or bidding of fishery products.

(5) Where any establisher of an auction house designates an intermediate wholesaler at the place of origin pursuant to paragraph (1), it may set the period of validity of designation between five and ten years: Provided, That for a non-corporate intermediate wholesaler at the place of origin, the establisher of an auction house may set the period of validity of designation at between three and ten years.

(6) Where an intermediate wholesaler at the place of origin designated under paragraph (1) is designated by the establisher of a different auction house, such intermediate wholesaler at the place of origin may conduct businesses at that auction house as well.

Article 15 (Reporting by Trade Participants at Place of Origin)

A person who intends to conduct businesses as a trade participant at the place of origin shall report to the establisher of an auction house as a trade participant at the place of origin, as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 16 (Appointment or Dismissal and Businesses of Certified Auctioneers at Place of Origin)

(1) Any establisher of an auction house shall appoint a certified auctioneer at the place of origin for fair and expeditious trade at the auction house as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(2) The establisher of an auction house shall appoint a person who has passed a qualifying examination for certified auctioneers at the place of origin under Article 17 as a certified auctioneer at the place of origin from among those not falling under any of the following:

1. A person under adult guardianship or a person under limited guardianship;
2. A person sentenced to imprisonment without labor or heavier punishment for committing any crime prescribed in this Act or any of the crimes falling under Articles 129 through 132 of the Criminal Act and in whose case two years has not passed from the date the execution of such punishment was complete (including where the execution of such punishment is deemed complete) or exempted;
3. A person who is under the suspension of execution or sentence of his/her imprisonment without labor or greater punishment declared by a court for committing any crime prescribed in this Act or any of the crimes falling under Articles 129 through 132 of the Criminal Act;
4. An intermediate wholesaler at the place of origin, executive, or employee of the relevant auction house;
5. A person in whose case two years has not passed since he/she was dismissed from office pursuant to Article 26 (3);
6. A person whose business is under suspension pursuant to Article 26 (3).

(3) Where a certified auctioneer at the place of origin falls under any of paragraph (2) 1 through 4, the establisher of an auction house shall dismiss such certified auctioneer at the place of origin.

(4) A certified auctioneer at the place of origin shall perform the following duties:

1. Decision on the priority of auctions for fishery products offered at an auction house;
2. Evaluation of prices of fishery products offered at an auction house;
3. Decision on successful bidders on fishery products offered at an auction house;
4. Consultation on prices of fishery products offered at an auction house for trade at a fixed price, free trade, etc.

(5) A certified auctioneer at the place of origin shall be deemed a public official in applying Articles 129 through 132 of the Criminal Act.

Article 17 (Qualifying Examinations for Certified Auctioneers at Place of Origin)

(1) The Minister of Oceans and Fisheries shall conduct a qualifying examination for certified auctioneers at the place of origin.

(2) The eligibility requirements to sit for a qualifying examination for certified auctioneers at the place of origin under paragraph (1), examination subjects, partial exemption from examination, method of testing, the issuance of certificates and other matters necessary for examination shall be prescribed by Presidential Decree.

Article 18 (Sales on Consignment of Fishery Products at Auction Houses, etc.)

(1) The establisher of an auction house shall wholesale fishery products on consignment from a shipper: Provided, That when special circumstances prescribed by Ordinance of the Ministry of Oceans and Fisheries arise, such as the need to stabilize fishery products prices, the establisher of an auction house may wholesale fishery products it has purchased.

(2) No establisher of an auction house shall refuse or avoid the consignment of fishery products shipped in or the sales of fishery products consigned except where prescribed by Ordinance of the Ministry of Oceans and Fisheries, or unfairly discriminate against traders.

(3) An intermediate wholesaler at the place of origin shall be prohibited from trading fishery products, other than those offered at the market for sale by the establisher of an auction house: Provided, That the same shall not apply to any fishery product for which permission is acquired from the head of a Si/Gun/Gu as prescribed by Ordinance of the Ministry of Oceans and Fisheries, including fishery products imported, or from distant water unfit for the establisher of an auction house to offered at the market for sale.

(4) No trading between intermediate wholesalers at the place of origin shall be allowed: Provided, That the same shall not apply when permission is acquired from the head of a Si/Gun/Gu as prescribed by Ordinance of the Ministry of Oceans and Fisheries for cases such as the disposal of surplus fishery products, etc.

Article 19 (Methods for Trading Fishery Products at Auction Houses and Making Payments)

(1) Any establisher of an auction house shall trade fishery products at the auction house by means of auction, bidding, trade at a fixed price, or free trade: Provided, That where a shipper requests certain trade methods such as lien trading, onboard auctions, sample auctions, etc. which shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries, the establisher of an auction house may trade fishery products according to such request.

(2) Where the establisher of an auction house sells fishery products offered at the auction house by means of auction or bidding in order of consignment, he/she shall sell such products to a person bidding the

highest price: Provided, That where a shipper suggests in writing the lowest permissible price to accept for trade, the establisher shall not sell such products at a price below such price.

(3) In principle, auction or bidding pursuant to paragraph (2) shall be performed electronically, but if necessary, by methods, such as the raising of hands, recording, and written bidding, as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(4) When purchased or consigned fishery products are traded, the establisher of an auction house shall make all payments therefor to a shipper without delay: Provided, That when the establisher of an auction house and a shipper enter into a special agreement with respect to the method of payment, a payment shall be made according to such special agreement.

(5) Matters necessary for the procedures and methods for settling payments pursuant to paragraph (4), collection of fees, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 20 (Public Announcement by Auction Houses)

(1) Any establisher of an auction house shall publicly announce the volume of trade, price information, financial standing, certified auctioneers at the place of origin referred to in Article 16 (1), the results of assessment prescribed in Article 21 (1), etc. in order to protect the rights and interests of shippers and consumers.

(2) Matters necessary for the details and methods of, and procedures for announcement, etc. under paragraph (1) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 21 (Assessment of Auction Houses)

(1) The head of a Si/Gun/Gu shall conduct assessment every two years on the operation and management of relevant auction houses as well as on the business management of the establishers of auction houses including their business performance, financial soundness, etc. In such cases, the establishers of auction houses shall submit data necessary for assessment to the head of a Si/Gun/Gu.

(2) Any establisher of an auction house may conduct assessment on the business management of intermediate wholesalers at the place of origin, covering their business performance, financial soundness, etc.

(3) Any establisher of an auction house may take measures, such as the adjustment of the area being used for facilities, differential support, etc., with respect to intermediate wholesalers at the place of origin by taking into account the findings of assessments referred to in paragraph (2), the size of facilities, the volume of business, etc.

(4) The head of a Si/Gun/Gu may issue orders or make recommendations as follows to the establisher of an auction house according to the results of assessment referred to in paragraph (1):

1. Corrective orders regarding matters in need of improvement;
2. Orders to take measures, such as the adjustment of the area being used for facilities, differential support, etc. regarding intermediate wholesalers at the place of origin.

(5) Other necessary matters concerning the assessments of auction houses and intermediate wholesalers at the place of origin, measures to be taken, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 22 (Support for Repair or Remodelling of Auction Houses)

(1) In order to facilitate the collective shipping, etc. of fishery products at the place of origin, the State or local governments may provide establishers of auction houses with support necessary for securing sites, installing facilities through repair or remodelling, etc. *<Amended on Nov. 28, 2017>*

(2) The State or local governments shall endeavor to support to select proper locations, including the use of ports and fishery harbors, etc., and construct new road networks in order to promote the efficient operation of auction houses and to facilities the collective shipping by producers.

Article 22-2 (Support for Modernizing Auction Houses)

(1) The State or a local government shall formulate a plan to modernize facilities of an auction house including details prescribed by Ordinance of the Ministry of Oceans and Fisheries such as increasing electronic transaction (including electronic auction) for fishery products in an auction house, and establishing a cold chain system.

(2) The State or a local government may support for an establisher of an auction house according to the plan under paragraph (1).

Article 23 (Reporting)

(1) The head of a Si/Gun/Gu may require any establisher of an auction house to report its assets and the current status of the business management.

(2) Where it is deemed particularly necessary for the stabilization of prices and the supply of and demand for fishery products, the establisher of an auction house may have an intermediate wholesaler at the place of origin report the current status of the management of business.

Article 24 (Inspections)

(1) The head of a Si/Gun/Gu may have his/her officials conduct inspections on business affairs of establishers of auction houses and related ledgers, and their current financial standing as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(2) Any public official who conducts an inspection under paragraph (1) shall present identification indicating his/her authority to relevant persons.

Article 25 (Orders)

Where it is deemed necessary to properly operate an auction house, the head of a Si/Gun/Gu may order any establisher of an auction house to amend its business regulations, improve ways of conducting the

business, or take other necessary measures as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 26 (Cancellation, etc. of Permission, etc.)

(1) Where any establisher of an auction house falls under any of the following, the head of a Si/Gun/Gu may cancel permission for the opening of the relevant auction house, close down the relevant auction house, or take other necessary measures:

1. Where an establisher opens an auction house without obtaining permission referred to in Article 10 (1);
2. Where an establisher operates its auction house in breach of the business regulations and operation and management plan submitted pursuant to Article 10 (2);
3. Where an establisher amends the business regulations of its auction house without obtaining permission in violation of Article 10 (3);
4. Where an establisher fails to comply with orders prescribed in Article 25.

(2) Where any establisher of an auction house falls under any of the following, the head of a Si/Gun/Gu may issue an order to suspend the relevant business for a fixed period of up to six months:

1. When failing to fulfill any of its duties prescribed in Article 13 (1);
2. When designating an intermediate wholesaler at the place of origin in violation of Article 14 (2);
3. When failing to employ a certified auctioneer at the place of origin or allowing a person who is not a certified auctioneer at the place of origin to conduct auction, in violation of Article 16 (1);
4. When appointing a certified auctioneer at the place of origin in violation of Article 16 (2);
5. When failing to dismiss the relevant certified auctioneer at the place of origin in violation of Article 16 (3);
6. When wholesaling fishery products he/she has purchased in violation of Article 18 (1);
7. When refusing or avoiding the consignment or sale of fishery products or unfairly discriminating in violation of Article 18 (2);
8. When conducting auction or bidding in any manner that violates Article 19 (2);
9. When failing to make a payment immediately in violation of Article 19 (4);
10. When failing to make a public announcement or announcing a false fact in violation of Article 20 (1);
11. When risking serious harm to the safety of shippers because the performance of operation based on a result of the assessment under Article 21 (1) has fallen below the standards prescribed by Ordinance of the Ministry of Oceans and Fisheries;
12. When failing to comply with an order or recommendation prescribed in Article 21 (4);
13. When failing to undergo an inspection prescribed in Article 24 without just cause or interfering with such inspection.

(3) Where a certified auctioneer at the place of origin disrupts orderly trade at an auction house by improperly conducting the duties under Article 16 (4), the establisher of an auction house may suspend the business of such certified auctioneer at the place of origin for a fixed period of up to six months or dismiss him/her from office.

(4) Where an intermediate wholesaler at the place of origin falls under any of the following, the establisher of an auction house may suspend the business of such intermediate wholesaler at the place of origin for a fixed period of up to six months or cancel his/her designation as an intermediate wholesaler at the place of origin:

1. When failing to meet any of the requirements for designation by falling under any of Article 14 (2) 1 through 4, 6 or 7;
2. When failing to dismiss the relevant executive in violation of Article 14 (3);
3. When he/she interferes with participation in trading of another intermediate wholesaler at the place of origin or a trade participant at the place of origin or fails to participate in auction or bidding collectively without good cause, in violation of Article 14 (4).

(5) The criteria for punishment on each offense provided for in paragraphs (1) through (4) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(6) Where the establisher of an auction house cancels the designation of an intermediate wholesaler at the place of origin pursuant to paragraph (4), he/she shall post a notice of the details thereof on the Internet website designated and announced by the Minister of Oceans and Fisheries.

CHAPTER IV TRACEABILITY OF FISHERY PRODUCTS

Article 27 (Seafood Traceability System)

(1) Among the following persons, a person who intends to participate in the Seafood Traceability System which records and manages information for each of the distribution stages of fishery products from the production or import to their sale (hereinafter referred to as “Seafood Traceability System”) shall register with the Minister of Oceans and Fisheries:

1. A person who produces fishery products;
2. A person who distributes or sells fishery products (excluding a person who distributes or sells fishery products without changing indications or packaging; hereinafter the same shall apply).

(2) Notwithstanding paragraph (1), a person who produces, distributes, or sells fishery products prescribed by Presidential Decree shall register with the Minister of Oceans and Fisheries for the System.

(3) Where any of registered matters prescribed by Ordinance of the Ministry of Oceans and Fisheries changes, the person who filed for registration for Traceability System pursuant to paragraph (1) or (2) shall report such changes to the Minister of Oceans and Fisheries within one month from the date a ground for such change arises.

(4) A person who has made registration for Traceability System pursuant to paragraph (1) may affix a traceability label to the relevant fishery products as prescribed by Ordinance of the Ministry of Oceans and Fisheries, and a person who has registered for Traceability System pursuant to paragraph (2) shall affix a traceability label to the relevant fishery products.

(5) A person who produces, distributes or sells fishery products registered pursuant to paragraphs (1) and (2) (hereinafter referred to as "fishery products under Seafood Traceability System") shall record and keep the details of warehousing, delivery, and management necessary for traceability in accordance with the standards of Traceability System determined by Ordinance of the Ministry of Oceans and Fisheries: Provided, That this shall not apply to persons prescribed by Presidential Decree, including peddlers, stall holders, etc., among those who distribute or sell fishery products under Seafood Traceability System.

(6) With respect to a person who has made registration for Traceability System pursuant to paragraph (1) or (2), the Minister of Oceans and Fisheries may wholly or partially subsidize the expenses incurred in traceability.

(7) Items subject to traceability, procedures for registration, matters to be registered, and other detailed matters necessary for registration shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 28 (Period of Validity of Registration for Seafood Traceability System)

(1) The period of validity of registration for Seafood Traceability System under Article 27 (1) and (2) shall be three years from the date of registration: Provided, That where it is necessary to apply a separate period of validity in consideration of characteristics of a certain item, the period of validity may be determined otherwise by Ordinance of the Ministry of Oceans and Fisheries within ten years.

(2) A person who falls under any of the following shall renew his/her registration before the period of validity of the relevant registration expires:

1. A person who has made registration for Seafood Traceability System pursuant to Article 27 (1) and intends to keep the relevant fishery products under Seafood Traceability System even after the period of validity expires;
2. A person who has made registration for Seafood Traceability System pursuant to Article 27 (2) and intends to continuously produce, distribute or sell the relevant fishery products even after the period of validity expires.

(3) Where a person who does not intend to renew registration for Seafood Traceability System referred to in paragraph (2) fails to complete the shipment of products within the period of validity of registration for Seafood Traceability System prescribed in paragraph (1), he/she may extend the period of validity of registration for Seafood Traceability System for such products by up to one year by obtaining approval from the Minister of Oceans and Fisheries: Provided, That any product shipped out before the valid period of registration for Seafood Traceability System expires may carry a traceability label until expiration date of the product.

(4) Other necessary matters concerning the procedures, etc. for renewing Seafood Traceability System registration and extending the period of validity thereof shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 29 (Submission of Data for Seafood Traceability System)

(1) The Minister of Oceans and Fisheries may request persons who produce, distribute or sell fishery products subject to Seafood Traceability System to submit data necessary for Seafood Traceability System including those related to the production, warehousing and delivery of fishery products.

(2) A person who produces, distributes or sells fishery products subject to Seafood Traceability System shall, upon receipt of a request to submit data under paragraph (1), comply with such request unless there is good cause.

(3) Necessary matters concerning the scope of data to be submitted, the methods and procedures for data submission, etc. under paragraph (1) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 30 (Cancellation of Seafood Traceability System Registration, etc.)

(1) Where a person who has made registration for Seafood Traceability System pursuant to Article 27 falls under any of the following, the Minister of Oceans and Fisheries may cancel such registration, or order him/her to suspend the indication of traceability for a fixed period not exceeding six months: Provided, That where he/she falls under subparagraph 1 or 2, the Minister of Oceans and Fisheries shall cancel the relevant registration:

1. Where a person has made registration for Seafood Traceability System, by deceitful or other improper means;
2. Where a person continues to indicate traceability, in violation of an order to suspend such indication of traceability;
3. Where a person fails to report a change in traceability registration as required under Article 27 (3);
4. Where a person fails to comply with the method for indicating traceability prescribed in Article 27 (4);
5. Where a person fails to record and keep the details of warehousing, delivery, and management required under Article 27 (5);
6. Where a person refuses to submit data without justifiable grounds in violation of Article 29 (2).

(2) Detailed matters, such as criteria, procedures, etc. for the cancellation of registration, the suspension of indication, etc. under paragraph (1), shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 31 (Traceability of Imported Fishery Products)

(1) Any person who imports fishery products from a foreign country or who intends to trade imported fishery products in the domestic market shall, with respect to fishery products designated and announced by the Minister of Oceans and Fisheries as fishery products that could harm public health (hereinafter referred to as “imported fishery products subject to traceability”), report the details of the trading of such fishery products by distribution stage (hereinafter referred to as “importation and distribution traceability records”) to the Minister of Oceans and Fisheries.

(2) Any person who has a duty to report importation and distribution traceability records (hereinafter referred to as “person liable to report importation and distribution traceability records”) shall record (including electronic recording) importation and distribution details in a ledger and shall keep such data for one year from the date of trade.

(3) The Minister of Oceans and Fisheries shall, when he/she designates imported fishery products subject to traceability, have a pre-consultation with the heads of related administrative agencies.

(4) In designating imported fishery products subject to traceability and determining a period of the obligation of reporting, a scope of reporting, etc., the Minister of Oceans and Fisheries shall not discriminate in favor of domestic fishery products against imported fishery products, and shall ensure that the burden on a person liable to report importation and distribution traceability records is minimized.

(5) Other necessary matters, such as the reporting procedures for each imported fishery product subject to traceability, the scope of importation and distribution traceability records, etc. shall be determined by the Minister of Oceans and Fisheries.

Article 32 (Prohibition of False Indication, etc.)

No person shall engage in any of the following acts in handling fishery products under Seafood Traceability System or imported fishery products subject to traceability (hereinafter referred to as “traceable fishery products”):

1. Affixing a label indicating traceable fishery products or a label similar thereto to fishery products which are not traceable fishery products;
2. Selling fishery products for which registration for Seafood Traceability System has not been made or fishery products for which importation and distribution traceability records have not been filed by mixing them with traceable fishery products, or storing or displaying such fishery products for the purpose of selling them mixed with traceable fishery products;
3. Advertising fishery products which are not traceable fishery products as traceable fishery products or advertising fishery products which are not traceable fishery products in such a way that they could be conducted for traceable fishery products.

Article 33 (Post Management of Traceable Fishery Products)

(1) Where it is necessary to enhance the quality of traceable fishery products and to protect consumers, the Minister of Oceans and Fisheries may order the relevant public official to conduct the following:

1. Examining the compliance with the registration or reporting standards for the indication as traceable fishery products;
 2. Inspecting the related ledgers or documents of a person who has used the traceable fishery product indication;
 3. Collecting samples of traceable fishery products.
- (2) When the relevant public official conducts examination, inspection or collection pursuant to paragraph (1), no person who produces, distributes or sells traceable fishery products shall refuse, interfere with or evade it without justifiable grounds.
- (3) When the relevant public official conducts examination, inspection or collection pursuant to paragraph (1), he/she shall notify a person subject to examination or inspection of the date and time of such inspection or examination, the purposes thereof, the subject matters thereof, etc. in advance: Provided, That this shall not apply in cases of emergency or where prior notice may defeat the purposes of such inspection or examination.
- (4) Each relevant public official who conducts an examination, inspection or collection pursuant to paragraph (1) shall carry identification indicating his/her authority and present it to relevant persons, and the public official shall also produce a document stating his/her name, time, purpose of visit, etc. to relevant person.
- (5) Other necessary matters concerning the examination, inspection, etc. of traceable fishery products shall be prescribed by Presidential Decree.

Article 34 (Corrective Measures for Traceable Fishery Products)

Where traceable fishery products fall under any of the following cases, the Minister of Oceans and Fisheries may order rectification or prohibit the sale of the relevant products as prescribed by Presidential Decree:

1. Where the standards for registration or reporting are not satisfied;
2. Where the relevant method of indication is not properly applied.

CHAPTER V QUALITY AND HYGIENE CONTROL OF FISHERY PRODUCTS

Article 35 (Establishment of Cold Chain Systems, etc. for Fishery Products)

(1) In order to establish a cold chain system, etc. for every distribution stage of fishery products, from production all the way up to the sale, the Minister of Oceans and Fisheries shall develop and implement policies which shall include the following:

1. Establishment of hygiene control standards for distribution in consideration of the preservation methods of live fish, fresh fish, frozen fishery products, etc.;

2. Development and monitoring of facility standards for distribution facilities for cold chain distribution and others;
 3. Transportation standards for cold chain distribution, etc.;
 4. Other matters necessary for the establishment of a cold chain distribution system, etc. for fishery products.
- (2) The Minister of Oceans and Fisheries may provide fishery products distributors with support necessary to implement the policies prescribed in paragraph (1).
- (3) Other matters necessary for the establishment of a cold chain distribution system, etc. for fishery products, such as standards, facilities, etc., shall be prescribed by Presidential Decree.

Article 36 (Support for Hygiene Control of Fishery Products after Fishing)

- (1) The Minister of Oceans and Fisheries and the heads of local governments shall conduct each of the following for the hygiene control of fishery products after catching and freshness preservation:
1. Development and distribution of apparatus and facilities, such as fish containers, etc., for hygiene control after catching;
 2. Quality control of fishery products and securing of facilities for hygiene at auction houses, Fisheries Products Processing and Marketing centers, and Fishery Products Distribution Centers in proximity to the consumer market (hereinafter referred to as “auction houses, etc.”), wholesale markets, joint markets and other distribution places prescribed in the Act on Distribution and Price Stabilization of Agricultural and Fishery Products, traditional markets prescribed in the Special Act on the Development of Traditional Markets and Shopping Districts;
 3. Training and promotion activities for the hygiene control of fishery products;
 4. Other projects recognized as necessary by the Minister of Oceans and Fisheries or the heads of local governments for the hygiene control of fishery products after fishing.
- (2) The Minister of Oceans and Fisheries may recommend that fishery products distribution business operators expand facilities and equipment necessary for the hygiene control of fishery products after fishing prescribed in paragraph (1) and provide necessary support therefor.

Article 37 (Prohibiting Distribution of Illegal Fishery Products, etc.)

- (1) No one shall distribute fishery products falling under any of the following:
1. Fishery products captured or collected in violation of Article 13 (2) 1 through 9 of the Distant Water Fisheries Development Act;
 2. Other fishery products that risk pose danger to public health due to such reasons as radioactive contamination, etc. which shall be prescribed by Presidential Decree.
- (2) The Minister of Oceans and Fisheries may order any of the following if it is needed to establish order in the distribution of fishery products and hygiene control:

1. Restriction on or prohibition of disposal of catches of marine animals or plants cultivated and the products thereof;
 2. Restriction on or prohibition of packaging and containers of fishery products.
- (3) Matters necessary for the restriction, prohibition, etc. set forth in the subparagraphs of paragraph (2) shall be prescribed by Presidential Decree.

CHAPTER VI MANAGEMENT OF SUPPLY OF AND DEMAND FOR FISHERY PRODUCTS

Article 38 (Fisheries Forecasting Service)

(1) For the stabilization of supply of and demand for fishery products, the Minister of Oceans and Fisheries shall provide fisheries forecasting service that surveys and analyzes weather information, producing areas, yields, the quantities of inventories, consumption trends, overseas market information, etc. every year with respect to major fishery products, and officially announce the findings thereof.

(2) The Minister of Oceans and Fisheries may designate the National Federation of Fisheries Cooperatives, or a fisheries-related institution or organization as an institution dedicated to fisheries forecasting service in order to efficiently perform duties regarding fisheries forecasting service prescribed in paragraph (1). *<Amended on Dec. 31, 2018>*

(3) The Minister of Oceans and Fisheries may have an institution dedicated to fisheries forecasting service under paragraph (2) provide fisheries forecasting service by designating items and may provide contributions or subsidies to such institutions to help them cover the expenses incurred in providing such service within budgetary limits. *<Newly Inserted on Dec. 31, 2018>*

(4) Matters necessary for the designation and operation of an institution dedicated to fisheries forecasting service, the designation of items, etc. prescribed in paragraphs (2) and (3) shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries. *<Amended on Dec. 31, 2018>*

Article 39 (Contract Production)

(1) The Minister of Oceans and Fisheries may encourage fisheries cooperatives, the National Federation of Fisheries Cooperatives, producers' associations, etc. and producers of fishery products to implement contract production or contract shipment between them in order to facilitate the supply of and demand for major fishery products and to maintain reasonable prices.

(2) The Minister of Oceans and Fisheries may provide necessary support, such as lending for down payments, to those who enter into a production contract or shipment contract pursuant to paragraph (1) with the funds from the Fisheries Development Fund established pursuant to Article 46 of the Framework Act on Fishers and Fishing Villages Development (hereinafter referred to as the "Fisheries Development Fund"). *<Amended on Jun. 22, 2015>*

Article 40 (Protection of Producers in Cases of Overproduction)

(1) Where it is deemed necessary to stabilize the prices of fishery products, the Minister of Oceans and Fisheries may purchase relevant fishery products from producers or producers' associations with the funds from the Fishery Development Fund: Provided, That when the Minister of Oceans and Fisheries deems it particularly necessary for the stabilization of the prices, he/she may purchase the relevant fishery products at wholesale markets or joint markets prescribed in Article 17 (1) or 43 (1) of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products.

(2) The Minister of Oceans and Fisheries may sell or export fishery products purchased pursuant to paragraph (1), donate them to social welfare organizations, or make other necessary disposal thereof.

(3) The amount of sales pursuant to paragraph (2) shall be paid to the Fishery Development Fund as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(4) Necessary matters concerning the purchase, disposal, etc. provided for in paragraphs (1) and (2) shall be prescribed by Presidential Decree.

Article 41 (Stockpile Programs, etc.)

(1) Where it is deemed necessary to adjust the supply of and demand for fishery products and for the stabilization of the prices of fishery products, the Minister of Oceans and Fisheries may adjust the shipment thereof by making some payments in advance to producers who stockpile fishery products or who commit to the shipment of fishery products with funds from the Fishery Development Fund.

(2) The fishery products for stockpile purposes referred to in paragraph (1) shall be purchased from producers, producers' associations or auction houses: Provided, That where it is deemed particularly necessary for price stabilization, such products may be purchased at a wholesale market or joint market prescribed in Article 17 (1) or 43 (1) of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products or imported from foreign countries.

(3) The Minister of Oceans and Fisheries may sell or export fishery products stockpiled pursuant to paragraph (1), donate them to social welfare organizations, or make other necessary disposal thereof.

(4) Where the Minister of Oceans and Fisheries imports fishery products for stockpile purposes pursuant to the proviso to paragraph (2), he/she may, when he/she deems it necessary to hedge for any volatility in international prices, conduct futures trading.

(5) The amount of sales pursuant to paragraph (3) shall be paid to the Fishery Development Fund as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(6) Matters necessary for the purchase, import, management, sale, etc. of fishery products for stockpile purposes under paragraphs (1) through (4) shall be prescribed by Presidential Decree.

Article 42 (Support for Fisheries Products Private Purchase Programs and Release Orders)

(1) Where it is deemed necessary for the short-term adjustment of the supply of and demand for fishery products and for the stabilization of the prices of fishery products, the Minister of Oceans and Fisheries may finance some payments in advance for fishery products distribution business operators with the funds from the Fishery Development Fund.

(2) Where it is deemed necessary for the adjustment of the supply and demand and the price stabilization of fishery products, the Minister of Oceans and Fisheries may order fishery products distribution business operators in receipt of funds under paragraph (1) to release fishery products they have purchased or stockpiled.

(3) Fishery product distribution business operators who receive an order under paragraph (2) shall comply therewith, and with respect to fishery products distribution business operators who fail to fulfill the order, all or part of the funding may be recovered.

Article 43 (Treatment of Losses from Purchase or Stockpiling Programs)

The Minister of Oceans and Fisheries shall treat losses in the cost incurred by reductions, price falls, sale, export, donations or other disposals, and administrative expenses incurred in conducting affairs, such as transport, packaging and control of insects and pests, etc. arising from the purchase programs referred to in Article 40 and stockpile programs referred to in Article 41 as expenses for such programs, as prescribed by Presidential Decree.

Article 44 (Recommendation for Import of Fishery Products, etc.)

(1) Any person who intends to import fishery products to which quota tariff is applied under Article 71 of the Customs Act shall adopt a recommendation from the Minister of Oceans and Fisheries.

(2) The Minister of Oceans and Fisheries may request the National Federation of Fisheries Cooperatives to conduct affairs of recommending the import of fishery products under paragraph (1) on his/her behalf. In such cases, the Minister of Oceans and Fisheries shall determine recommended quantities by item, criteria for recommendation and other necessary matters.

(3) Any person who intends to import fishery products pursuant to paragraph (1) shall file an application for recommendation of import with descriptions of the purposes of import and other matters prescribed by Ordinance of the Ministry of Oceans and Fisheries, and he/she shall not use imported fishery products for other than the declared purposes.

(4) Where it is deemed necessary, the Minister of Oceans and Fisheries may import fishery product items designated by Ordinance of the Ministry of Oceans and Fisheries, from among the fishery products subject to the application of quota tariff under Article 71 of the Customs Act, for stockpile purposes pursuant to the proviso to Article 41 (2) or designate a producers' organization to import and sell such fishery products.

Article 45 (Collection of Profits from Imports, etc.)

(1) The Minister of Oceans and Fisheries may impose and collect profits from imports within the scope of the difference between the domestic prices and import prices from any person who imports fishery product items prescribed by Ordinance of the Ministry of Oceans and Fisheries from among those who import fishery products on the recommendation under Article 44 (1), as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(2) Profits from imports referred to in paragraph (1) shall be paid into the Fisheries Development Fund as prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(3) Where a person fails to pay profits from imports prescribed in paragraph (1) by the fixed deadline, the Minister of Oceans and Fisheries may collect such profits in the same manner as dispositions on default of national taxes.

CHAPTER VII ESTABLISHMENT OF FOUNDATIONS FOR FISHERY PRODUCTS DISTRIBUTION, ETC.

Article 46 (Promotion of Standardization of Fishery Products)

(1) The Minister of Oceans and Fisheries may set forth the standards for trade items, fish containers, etc. in order to elevate the marketability of fishery products, to enhance the distribution efficiency, and to realize fair trade.

(2) In order to promote the standardization of fishery products, the Minister of Oceans and Fisheries may request or recommend that the distribution business operators of fishery products should produce or use equipment and package products in compliance with the standards applicable to their trade items, and expand distribution facilities and equipment necessary therefor, and may provide assistance necessary therefor.

(3) The Minister of Oceans and Fisheries may accord preferential treatment to those who participate in the promotion of the standardization of fishery products by providing preferential support through the fisheries policy fund, etc.

(4) Necessary matters concerning the types, standards, etc. for trade items under paragraph (1) shall be prescribed by Ordinance of Ministry of Oceans and Fisheries.

Article 47 (Promotion of Direct Trade of Fishery Products)

(1) The Minister of Oceans and Fisheries or the heads of local governments shall formulate and execute polices related to the direct trade of fishery products in order to protect the producers and consumers of fishery products and to improve the efficiency of distribution.

(2) The Minister of Oceans and Fisheries shall, in order to implement policies under paragraph (1), support and cultivate the intermediate wholesale and retail businesses of fishery products, the direct trade business between producers and consumers, the direct sales stores of fishery products which are run by

producers' associations or other organizations prescribed by Presidential Decree, and retail facilities, and may provide loans or support the funds necessary for the operation thereof with Fisheries Development Fund.

(3) In order to promote the direct trade of fishery products, the Minister of Oceans and Fisheries may provide support when producers' organizations and large enterprises or organizations specialized in distribution including large-scale marts, etc. enter into an agreement for facilitating direct trade.

(4) In order to promote and support the direct trade of fishery products, the Minister of Oceans and Fisheries may set up a center for promoting direct trade of fishery products in the National Federation of Fisheries Cooperatives, and in such cases, he/she may subsidize expenses necessary for the operation of a center for promoting direct trade of fishery products.

Article 48 (Fishery Products Distribution Center in Proximity to the Consumer Market)

(1) The State or local governments may provide necessary support to a person who intends to establish a Fishery Products Distribution Center in proximity to the consumer market equipped with facilities required for efficient distribution of fishery products including storing, packaging, processing, distribution, selling, etc. with the aim of saving distribution cost by collecting fishery products and shipping them directly to consumers, including support necessary for securing sites, installing facilities, etc.

(2) Necessary matters concerning the establishment, facilities, and operation of a Fishery Products Distribution Center shall be determined by Ordinance of the Ministry of Oceans and Fisheries.

Article 49 (Establishment of Fisheries Products Processing & Marketing Center)

(1) The State or local governments may provide necessary support to a person who intends to set up a Fisheries Products Processing and Marketing Center for collecting, processing, and selling fishery products, with the aim of scaling up the handling capacity of fishery products and enhancing the added value of products, including support necessary for securing sites, installing facilities, etc.

(2) Necessary matters concerning the establishment, operation, facility standards, etc. for a Fisheries Products Processing and Marketing Center referred to in paragraph (1) shall be determined by Ordinance of the Ministry of Oceans and Fisheries.

Article 50 (Fishery Products Demand Development and Consumption Promotion)

(1) The Minister of Oceans and Fisheries may support the following projects in order to generate the demand for new fishery products and to promote the consumption of fishery products in response to changing consumer preferences for fishery products:

1. Creation of demand for new fishery products to deal with changing preferences for fishery products and to improve the dietary life of the public;

2. Events for promoting the consumption of fishery products, such as fairs, food tastings, cooking competitions, etc.;
 3. Campaigns for promoting the consumption of fishery products;
 4. Projects for increasing the supply of fishery products to school meal services and institutional meal services;
 5. Other projects deemed necessary to promote the consumption of fishery products.
- (2) The Minister of Oceans and Fisheries may provide necessary service when fishery product distribution business operators or related organizations conduct a project falling under any of the subparagraphs of paragraph (1).

Article 51 (Projects for Informatization of Distribution of Fishery Products)

(1) The Minister of Oceans and Fisheries may support the following projects related to the informatization of the distribution of fishery products in order to enhance the efficiency of the distribution of fishery products and to facilitate their electronic commerces through the efficient collection, management and provision of fishery products distribution data:

1. Establishment and dissemination of a system for the informatization of fishery products distribution systems;
2. Establishment of an information management system for fishery products distribution facilities including auction houses, etc.;
3. Establishment and dissemination of a system for managing warehousing, delivery, inventory, stores, etc. to improve the distribution efficiency of fishery products shops;
4. Development and dissemination of standard codes for the standardization of fishery products distribution;
5. Establishment and dissemination of systems, such as an electronic commerce market, etc. (including equipment for the electronic commerce of fishery products and facilities incidental to it such as logistics center, etc.; hereinafter the same shall apply), for the electronic commerce of fishery products;
6. Promotion of the standardization of fishery products distribution information or distribution information systems;
7. Training and promotional activities for the informatization of fishery products distribution;
8. Other projects recognized as necessary for the promotion of fishery products distribution informatization.

(2) The Minister of Oceans and Fisheries may provide necessary support within budgetary limits when fishery products distribution business operators or organizations related to fishery products prescribed by Ordinance of the Ministry of Oceans and Fisheries conduct a project falling under any of the subparagraphs of paragraph (1).

Article 52 (Promotion of Electronic Commerce of Fishery Products)

(1) The Minister of Oceans and Fisheries may conduct the following affairs in order to facilitate the electronic commerce of fishery products:

1. Establishment, operation and management of an electronic commerce market for fishery products;
2. Registration, examination and administration of sellers and buyers participating in the electronic commerce of fishery products;
3. Operation and management of the clearing house for supporting settlement;
4. Provision of distribution information services concerning the electronic commerce of fishery products;
5. Other affairs necessary for the electronic commerce of fishery products.

(2) The Minister of Oceans and Fisheries may render necessary support for facilitating the electronic commerce of fishery products within budgetary limits.

(3) Except as provided for in paragraphs (1) and (2), matters necessary for the electronic commerce of fishery products, such as trading items, trading commissions, method of settlement, etc. shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

Article 53 (Establishment of Fishery Products Distribution Associations)

(1) Fishery products distribution business operators may establish an association for the distribution of fishery products (hereinafter referred to as “association”) with the aim of promoting the sound development and common interests of the fisheries product distribution industry by obtaining approval of the Minister of Oceans and Fisheries as prescribed by Presidential Decree.

(2) An association shall be established at the time it registers such establishment by acquiring approval for establishment pursuant to paragraph (1).

(3) Each association shall be a body corporate.

(4) Except as otherwise expressly provided for this Act, the provisions of the Civil Act governing incorporated associations shall apply mutatis mutandis to an association.

(5) An association shall carry out the following affairs:

1. Protection of the rights and interests and enhancement of welfare for fishery products distribution business operators;
2. Statistical research related to the distribution of fishery products;
3. Control of quality and hygiene of fishery products;
4. Education and training for persons engaged in the fishery products distribution industry;
5. Projects entrusted by the State or local governments or projects executed on behalf of the State or local governments for the advancement of the fisheries products distribution industry;
6. Other affairs prescribed by Presidential Decree for the advancement of the fishery products distribution industry.

(6) The Minister of Oceans and Fisheries may provide support to associations which implement a project falling under any of the subparagraphs of paragraph (5) or when required for the development of the fisheries products distribution industry.

(7) Necessary matters concerning approval for an association, the business affairs, the articles of association, etc. of an association and others shall be prescribed by Presidential Decree.

Article 54 (Establishment of and Support for Organizations Related to Distribution of Fisheries Products)

(1) Any person engaged in the distribution of fishery products at auction houses, etc. determined by Ordinance of the Ministry of Oceans and Fisheries may establish an organization by acquiring approval of the Minister of Oceans and Fisheries.

(2) Each organization prescribed in paragraph (1) shall be a body corporate, and matters necessary for the articles of association, operation of, and supervision over an organization among others shall be prescribed by Ordinance of the Ministry of Oceans and Fisheries.

(3) Where an organization referred to in paragraph (1) intends to undertake a project for the development of the fisheries products distribution industry, the Minister of Oceans and Fisheries may provide necessary support to such organization by reviewing the feasibility, public interests, etc. of the relevant project.

(4) Except as provided in this Act, the provisions of the Civil Act governing incorporated associations shall apply mutatis mutandis to an organization under paragraph (1).

Article 55 (Fostering of Personnel Specialized in Fishery Products Distribution)

(1) The Minister of Oceans and Fisheries may, for the purpose of fostering personnel specialized in the distribution of fishery products, carry out the following activities:

1. Education and training for enhancing the capacities of personnel specialized in distribution in the fishery products distribution industry;
2. Education and training for promoting employment or business start-ups for persons who intend to engage in the fishery product distribution industry;
3. Development and dissemination of advanced distribution techniques to enhance the efficiency of the fishery products distribution system;
4. Education and training for technical professionals responsible for the operation of fishery products distribution facilities and the operation of distribution equipment;
5. Other activities deemed necessary to cultivate personnel specialized in the distribution of fishery products.

(2) The Minister of Oceans and Fisheries may provide support to an institution which is entrusted to conduct an activity falling under any of the subparagraphs of paragraph (1) by paying all or part of the expenses necessary for conducting such activity.

CHAPTER VIII SUPPLEMENTARY PROVISIONS

Article 56 (Penalty Surcharges)

(1) Where the head of a Si/Gun/Gu intends to issue an order to suspend business against an establisher of an auction house falling under Article 26 (2), he/she may impose a penalty surcharge up to 100 million won on such establisher of an auction house in lieu of the business suspension when the business suspension is likely to cause substantial inconvenience to the customers, etc. of such business or harm the public interest.

(2) Where a penalty surcharge is imposed pursuant to paragraph (1), the following matters shall be considered:

1. Details and degree of violations;
2. Period and frequency of violations;
3. Amount of gains obtained through violations.

(3) The criteria for imposing penalty surcharges under paragraph (1) shall be prescribed by Presidential Decree.

(4) Where a person liable to pay a penalty surcharge under paragraph (1) fails to do so by the payment deadline, the head of a Si/Gun/Gu shall collect such penalty surcharge in the same manner as delinquent national taxes are collected or in accordance with the Act on the Collection of Local Administrative Penalty Charges. <Amended on Mar. 24, 2020>

(5) Where it is necessary to impose penalty surcharge under paragraph (1), the head of a Si/Gun/Gu may request taxation information under Article 81-13 of the Framework Act on National Taxes from the head of the competent tax office by submitting a document stating the following: <Newly Inserted on Feb. 18, 2020>

1. Taxpayer's personal information;
2. Purpose of use of taxation information;
3. Sales being the criteria for imposing penalty surcharge.

Article 57 (Hearings)

When the Minister of Oceans and Fisheries, the head of a Si/Gun/Gu or the establisher of an auction house intends to take any of the following measures, he/she shall hold a hearing:

1. Cancellation of permission for establishment, closedown of the relevant facilities or other measures prescribed in Article 26 (1);
2. Suspension of business prescribed in Article 26 (2);
3. Dismissal of a certified auctioneer at the place of origin prescribed in Article 26 (3);
4. Cancellation of designation of an intermediary wholesaler at the place of origin under Article 26 (4);

5. Cancellation of registration of Seafood Traceability System under Article 30;
6. Prohibition of sale of traceable fishery products under Article 34.

Article 58 (Delegation of Authority, etc.)

(1) The Minister of Oceans and Fisheries may partially delegate his/her authority bestowed under this Act to the heads of agencies under his/her jurisdiction or the competent Mayor/Do Governor as prescribed by Presidential Decree.

(2) The Minister of Oceans and Fisheries may partially delegate his/her authority under this Act to the following persons as prescribed by Presidential Decree:

1. Fisheries cooperatives, the National Federation of Fisheries Cooperatives, or producers' associations;
2. Public institutions pursuant to the Act on the Management of Public Institutions;
3. Government-funded research institutes pursuant to the Act on the Establishment, Operation and Fostering of Government-Funded Research Institutes or government-funded science and technology research institutes pursuant to the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes, Etc.;
4. Fisheries-related corporations or organizations, including fisheries partnerships, etc. established pursuant to Article 16 of the Act on Fostering and Supporting Agricultural and Fisheries Enterprises;
5. Associations established under Article 53 (1);
6. Organizations established under Article 54 (1).

CHAPTER IX PENALTY PROVISIONS

Article 59 (Penalty Provisions)

Any of the following persons 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 affixes a label indicating traceable fishery products or a label similar thereto to fishery products not traceable fishery products in violation of subparagraph 1 of Article 32;
2. A person who sells fishery products not registered for the Seafood Traceability System, or fishery products for which importation and distribution traceability records have not been filed by mixing them with traceable fishery products, or who stores or displays such fishery products for the purpose of selling them mixed with traceable fishery products in violation of subparagraph 2 of Article 32;
3. A person who advertises fishery products which are not traceable fishery products as traceable fishery products or advertises fishery products which are not traceable fishery products in such a way that they could be wrongly conceived as traceable fishery products in violation of subparagraph 3 of Article 32.

Article 60 (Penalty Provisions)

Any of the following persons shall be punished by imprisonment with labor for not more than two years or by a fine not exceeding 20 million won: <Amended on Dec. 2, 2016>

1. A person who establishes an auction house without obtaining permission required under Article 10 (1);
2. A person who purchases and sells, or trades fishery products at places other than an auction house in violation of Article 13-2;
3. A person who conducts duties of an intermediary wholesaler at the place of origin without being designated by the establisher of an auction house under Article 14 (1);
4. A person who continues to conduct business after he/she is ordered to suspend business under Article 26 (2);
5. A person who distributes fishery products in violation of Article 37 (1) by intention or gross negligence;
6. A person who fails to comply with a restriction or prohibition prescribed in Article 37 (2).

Article 61 (Penalty Provisions)

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 designates an intermediary wholesaler at the place of origin in violation of Article 14 (2);
2. A person who interferes with participation in trading of another intermediate wholesaler at the place of origin or a trade participant at the place of origin or collectively boycotts the auction or bidding of fishery products in violation of Article 14 (4);
3. A person who appoints a certified auctioneer at the place of origin in violation of Article 16 (2);
4. A person who fails to dismiss a certified auctioneer at the place of origin in violation of Article 16 (3);
5. A person who makes purchases or gains consignment by fraud in violation of Article 18 (1);
6. A person who refuses or avoids consignment of fishery products or who refuses or avoids the sales of consigned fishery products in violation of Article 18 (2);
7. A person who trades fishery products other than those offered at the market for sale in violation of Article 18 (3);
8. A person who engages in the trading between intermediary wholesalers at the place of origin without obtaining permission in violation of Article 18 (4);
9. A person who fails to make the Seafood Traceability System registration in violation of Article 27 (2);
10. A person who fails to comply with a corrective order or a measure of prohibition of sale prescribed in Article 34;

11. A person who uses imported fishery products for other than the purpose declared when filing an application for recommendation of import under Article 44 (3).

Article 62 (Joint Penalty Provisions)

Where a representative of a corporation, or an agent or employee of, or other persons employed by, the corporation or an individual commits a violation under Articles 59 through 61 in the course of conducting the business affairs of the corporation or individual, the corporation or individual shall, in addition to punishing the violators accordingly, be subject to a fine prescribed in that Articles: Provided, That this shall not apply where such corporation or individual has not been negligent in giving due attention and supervision concerning the relevant business in order to prevent such violation.

Article 63 (Administrative Fines)

(1) Any of the following persons shall be subject to an administrative fine of up to 10 million won:

1. From among those who have made registration under Article 27 (2), a person who fails to report changes to any registered matters in violation of paragraph (3) of the same Article;
2. From among those who have made registration under Article 27 (2), a person who fails to affix a traceability label in violation of paragraph (4) of the same Article;
3. From among those who have made registration under Article 27 (2), a person who fails to record and keep the details of warehousing, delivery and management in accordance with the Seafood Traceability System standards in violation of paragraph (5) of the same Article;
4. A person who refuses, interferes with or evades examination, inspection, collection, etc. prescribed in Article 33 (1).

(2) Any of the following persons shall be subject to an administrative fine up to five million won:

1. A person who fails to report as required under Article 23 (1) or who makes a false report;
2. A person who fails to comply with an order issued under Article 25.
3. A person who fails to report importation and distribution traceability records in violation of Article 31 (1) or who makes a false report;
4. A person who fails to keep a ledger in violation of Article 31 (2).

(3) The imposition and collection of administrative fines under paragraphs (1) and (2) shall be made by the Minister of Oceans and Fisheries or the head of a Si/Gun/Gu as prescribed by Presidential Decree.

ADDENDA <Act No. 13268, Mar. 27, 2015>

Article 1 (Enforcement Date)

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

Article 2 (Applicability to Report of Importation and Distribution Traceability Records, etc.)

The report of importation and distribution traceability records referred to in Article 31 shall become required, starting with the first report of importation made after this Act enters into force.

Article 3 (General Transitional Measures)

Any disposition taken, any procedure followed, or an act done in accordance with the former provisions of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products, the Fisheries Act, the Agricultural and Fishery Products Quality Control Act, or the Customs Act at the time this Act enters into force shall be deemed to have been taken, followed or done pursuant to this Act when this Act has applicable provisions.

Article 4 (Transitional Measures concerning Auction Houses)

Any auction house designated under the former provisions of the Fisheries Act at the time this Act enters into force shall be deemed an auction house pursuant to this Act: Provided, That such auction house shall submit its business regulations and operation and management plan referred to in Article 10 (2) to the head of a Si/Gun/Gu within two years from the date this Act enters into force.

Article 5 (Transitional Measures concerning Intermediate Wholesalers at Place of Origin)

Each intermediate wholesaler designated by a person who opens an auction house designated under the Fisheries Act as at the time this Act enters into force shall be deemed an intermediary wholesaler at the place of origin pursuant to this Act.

Article 6 (Transitional Measures concerning Certified Auctioneers at Place of Origin)

Any certified auctioneer designated by a person who establishes an auction house designated under the Fisheries Act at the time this Act enters into force shall be deemed a certified auctioneer at the place of origin pursuant to this Act.

Article 7 (Transitional Measures concerning Seafood Traceability System)

With respect to any fishery product for which the Seafood Traceability System registration is made pursuant to the former provisions of the Agricultural and Fishery Products Quality Control Act at the time this Act enters into force, it shall be deemed that the registration has been filed for under Article 27. In such cases, notwithstanding Article 28 (1), the period of validity shall be deemed the period of validity determined under the former provisions of the Agricultural and Fishery Products Quality Control Act.

Article 8 (Transitional Measures concerning Report of Importation and Distribution Traceability Records)

With respect to any fishery product for which importation and distribution traceability records are reported under the Customs Act at the time this Act enters into force, it shall be deemed that the report has been made under Article 31.

Article 9 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.

ADDENDA <Act No. 14348, Dec. 2, 2016>

Article 1 (Enforcement Date)

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

Article 2 (Applicability to Restriction on Place of Trade in Fishery Products)

Amended provisions of Article 13-2 shall apply to the first purchase and sale or trade after this Act enters into force.

ADDENDUM <Act No. 15130, Nov. 28, 2017>

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

ADDENDUM <Act No. 16153, Dec. 31, 2018>

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

ADDENDUM <Act No. 17035, Feb. 18, 2020>

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

ADDENDA <Act No. 17091, Mar. 24, 2020>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

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