

ACT ON SPECIAL ACCOUNTS FOR ENVIRONMENTAL IMPROVEMENT

Act No. 4714, Jan. 5, 1994

Amended by Act No. 5222, Dec. 30, 1996

Act No. 5392, Aug. 28, 1997

Act No. 5454, Dec. 13, 1997

Act No. 5551, Sep. 16, 1998

Act No. 5861, Feb. 8, 1999

Act No. 5865, Feb. 8, 1999

Act No. 5982, May 24, 1999

Act No. 6094, Dec. 31, 1999

Act No. 6604, Jan. 14, 2002

Act No. 6605, Jan. 14, 2002

Act No. 6606, Jan. 14, 2002

Act No. 6653, Feb. 4, 2002

Act No. 7023, Dec. 30, 2003

Act No. 7061, Jan. 16, 2004

Act No. 7167, Feb. 9, 2004

Act No. 7459, Mar. 31, 2005

Act No. 7724, Dec. 14, 2005

Act No. 8050, Oct. 4, 2006

Act No. 8156, Dec. 30, 2006

Act No. 8209, Jan. 3, 2007

Act No. 8368, Apr. 11, 2007

Act No. 8371, Apr. 11, 2007

Act No. 8404, Apr. 27, 2007

Act No. 8405, Apr. 27, 2007

Act No. 8466, May 17, 2007

Act No. 8852, Feb. 29, 2008

Act No. 9346, Jan. 30, 2009

Act No. 9433, Feb. 6, 2009

Act No. 9770, jun. 9, 2009

Article 1 (Purpose)

The purpose of this Act is to establish special accounts for environmental improvement, so as to expand investments in environmental improvement projects and make the management and operation thereof efficient. <Amended by Act No. 8156, Dec. 30, 2006>

Article 2 (Management and Operation)

The special accounts for environmental improvement (hereinafter referred to as "accounts") shall be managed and operated by the Minister of Environment. <Amended by Act No. 5222, Dec. 30, 1996; Act No. 8156, Dec. 30, 2006>

Article 3 (Annual Revenues)

The annual revenues for accounts shall be as follows: <Amended by Act No. 5222, Dec. 30, 1996; Act No. 5392, Aug. 28, 1997; Act No. 5454, Dec. 13, 1997; Act No. 5551, Sep. 16, 1998; Act No. 5865, Feb. 8, 1999; Act No. 6094, Dec. 31, 1999; Act No. 6604, Jan. 14, 2002; Act No. 6653, Feb. 4, 2002; Act No. 7167, Feb. 9, 2004; Act No. 7459, Mar. 31, 2005; Act No. 7724, Dec. 14, 2005; Act No. 8156, Dec. 30, 2006; Act No. 8209, Jan. 3, 2007; Act No. 8371, Apr. 11, 2007; Act No. 8404, Apr. 27, 2007; Act No. 8466, May 17, 2007; Act No. 9770, Jun 9, 2009; Act No. 10335, May 31, 2010; Act No. 10616, Apr. 28, 2011>

1. Revenues from the principal and interest of loans under Article 11 of the Environment Improvement Expenses Liability Act;
2. Revenues from the principal and interest of loans as support under Article 20 of the Act on the Promotion of Saving and Recycling of Resources;
3. Revenues from the principal and interest of loans under Article 4 (1) 8;
4. Transferred-in funds from general accounts under Article 5;
5. Transferred-in funds or deposits from other accounts or funds;
6. Ecosystem conservation fund under Article 49 of the Natural Environment Conservation Act;
6-2. Charges for the use of hunting grounds under Article 50 of the Protection of Wild Fauna and Flora Act;
7. Borrowings under Article 6 (1) and (2);
8. Revenues from public loans under the Introduction and Management of Public Loans Act;
9. Surplus in the settlement of accounts under Article 8;
10. Emission dues and additional dues under Article 35 of the Clean Air Conservation Act, Article 41 of the Water Quality and Ecosystem Conservation Act and Article 29 of the Act on the Disposal of Sewage, Excreta and Livestock Wastewater, amounts of imposition on the excessive total quantity, additional dues and penalty under Article 8-5 and 8-6 of the Act on the Improvement of Water Quality and Support for Residents of the Riverhead of the Han River System, amounts of imposition on the

excessive total quantity, additional dues and penalty surcharges under Articles 13 and 14 of the Act on Water Management and Resident Support in the Nakdong River Basin, amounts of imposition on the excessive total quantity, additional dues and penalty surcharges under Articles 13 and 14 of the Act on Water Management and Resident Support in the Geum River Basin and amounts of imposition on the excessive total quantity, additional dues and penalty surcharges under Articles 13 and 14 of the Act on Water Management and Resident Support in the Yeongsan and Seomjin River Basins;

10-2. Fees under Article 31 of the Noise and Vibration Control Act and expenses incurred in inspection under Article 33 of the same Act;

11. Environmental improvement charges under Article 9 of the Environment Improvement Expenses Liability Act, charges on disposal and treatment facilities (limited to cases where a project operator is the State, and excluding cases where a project is entrusted to persons falling under any of the subparagraphs of Article 48 (1) of the Act) under Article 48-2 (1) of the Water Quality and Ecosystem Conservation Act and additional dues under the latter part of Article 49-6 (1) of the Act;

12. Performance deposits, follow-up management performance deposits and advance reserves under Articles 40, 51 and 52 of the Wastes Control Act;

13. Waste charges and additional dues under Article 12 of the Act on the Promotion of Saving and Recycling of Resources and recycling dues and additional dues under Article 19 of the Act;

13-2. Recycling dues and additional dues under Article 18 of the Act on Resource Circulation of Electrical and Electronic Equipment and Vehicles;

14. Fees under Article 23 of the Act on the Control of Transboundary Movement of Hazardous Wastes and their Disposal;

14-2. Penalty surcharges under Article 12 of the Act on the Control and Aggravated Punishment of Environmental Offenses, etc.;

15. Revenues attributed to accounts under other Acts;

15-2. Proceeds from the sale of properties belonging to accounts or revenues from managing such properties;

16. Other revenues from the management or operation of projects to improve the environment.

Article 4 (Annual Expenditures)

(1) The annual expenditures from accounts shall be as follows: Provided, That financial resources made up of the ecosystem conservation fund and the additional dues thereon under subparagraph 6 of Article 3 shall be used only for purposes under subparagraph 3-2, financial resources made up of environmental improvement charges and the additional dues thereon under subparagraph 11 of Article 3 for purposes under subparagraph 4, financial resources made up of charges for projects to prevent environmental pollution and the additional dues thereon under subparagraph 11 of Article 3 for purposes under subparagraph 5, financial resources made up of performance deposits under subparagraph 12 of Article 3 for purposes under subparagraph 5-2, financial resources made up of follow-up management performance deposits and advance reserves under subparagraph 12 of Article 3 for purposes under subparagraph 6,

financial resources made up of waste charges, recycling dues and the additional dues thereon under subparagraph 13 of Article 3 for purposes under subparagraph 7, and financial resources made up of recycling dues and the additional dues thereon under subparagraph 13-2 of Article 3 for purposes under subparagraph 7-2, respectively: <Amended by Act No. 5392, Aug. 28, 1997; Act No. 5865, Feb. 8, 1999; Act No. 6094, Dec. 31, 1999; Act No. 6653, Feb. 4, 2002; Act No. 7023, Dec. 30, 2003; Act No. 7167, Feb. 9, 2004; Act No. 8156, Dec. 30, 2006; Act No. 8209, Jan. 3, 2007; Act No. 8371, Apr. 11, 2007; Act No. 8404, Apr. 27, 2007; Act No. 8466, May 17, 2007; Act No. 9433, Feb. 6, 2009; Act No. 10616, Apr. 28, 2011>

1. Projects to improve the national environment;
2. Support for the environmental improvement projects by local governments;
3. Contributions to business expenses and operating expenses of the Korea Environment Corporation;
 - 3-2. Uses under Article 52 of the Natural Environment Conservation Act;
- 3-3. Uses under each subparagraph of Article 58 of the Protection of Wild Fauna and Flora Act;
 4. Uses under each subparagraph of Article 11 of the Environment Improvement Expenses Liability Act;
 5. Expenses incurred in installing waste water disposal and treatment facilities by the State under Article 48 (1) of the Water Quality and Ecosystem Conservation Act;
 - 5-2. Uses under Article 40 (3) 3 of the Wastes Control Act;
 6. Uses under each subparagraph of Article 53 of the Wastes Control Act;
 7. Uses under Article 20 of the Act on the Promotion of Saving and Recycling of Resources;
 - 7-2. Uses under Article 19 of the Act on Resource Circulation of Electrical and Electronic Equipment and Vehicles;
 8. Loans necessary for the establishment of basic environment facilities by local governments, civil facilities to prevent environmental pollution and facilities to produce low-emission products and technological development;
 9. Support for research on polices related to the environment in the civil sector, technology development, public relations, investigation, study and environment research institutes;
 10. Payment of expenses for fulfilling obligations of the State under Articles 4 and 21 of the Act on the Control of Transboundary Movement of Hazardous Wastes and their Disposal and expenses for the vicarious execution;
 - 10-2. Payment of awards under Article 15 of the Act on Control and Aggravated Punishment of Environmental Offenses, etc.;
 11. Repayment of the principal and interest of deposits, borrowings and loans under subparagraphs 5 through 8 of Article 3;
 12. Payment of expenses incurred in collection of annual revenues for accounts;
 13. Other expenses necessary for the management of accounts.

(2) Matters concerning the subjects, conditions and procedures of lending under paragraph (1) 4, 7 and 8 shall be prescribed and publicly notified by the Minister of Environment. In such cases, the Minister of

Environment shall determine the interest rate and period of lending, after consulting with the Minister of Strategy and Finance. <Amended by Act No. 5222, Dec. 30, 1996; Act No. 5982, May 24, 1999; Act No. 8852, Feb. 29, 2008>

(3) Affairs concerning lending under paragraph (1) 4, 7 and 8 may be entrusted to the Korea Environment Corporation. <Amended by Act No. 7023, Dec. 30, 2003; Act No. 9433, Feb. 6, 2009>

Article 5 (Transfer from General Accounts)

Transfer from general accounts may occur in accordance with a budget to secure the financial resources for annual expenditures.

Article 6 (Borrowed Funds)

(1) When the financial resources for annual expenditures in accounts are insufficient, funds may be borrowed for a long term within amounts which have been decided by the National Assembly.

(2) When funds in accounts are not temporarily enough, funds may be borrowed for a temporary term.

(3) The principal and interest of temporary borrowings under paragraph (2) shall be repaid within the relevant fiscal year.

Article 7 (Carryover of Annual Expenditure Budget)

Annual expenditure budget which are not spent within the relevant fiscal year may be carried over to the following year, notwithstanding the provisions of Article 48 of the National Finance Act. <Amended by Act No. 8050, Oct. 4, 2006>

Article 8 (Treatment of Surplus)

Surplus in the settlement of accounts shall be transferred to the annual revenues of the following year.

Article 9 (Reserve Funds)

The significant amounts of reserve funds may be earmarked for the annual expenditure budget to be allocated for unpredictable extra-budgetary expenditures and expenditures exceeding the budget.

Article 9-2 Deleted. <by Act No. 7724, Dec. 14, 2005>

Article 10 (Direct Use of Excess Revenues)

(1) When revenues from emission dues and additional dues under subparagraph 10 of Article 3, revenues from environmental improvement charges, charges for projects to prevent environmental pollution and additional dues under subparagraph 11, and revenues from water quality improvement charges and additional dues under Article 31 of the Drinking Water Management Act (hereinafter referred to as "excess revenues") exceed or are expected to exceed the revenue budget of accounts, the Minister of Environment may directly use such excess revenues for the payment of expenses incurred in collection of emission dues and environmental improvement charges, the expenditures of projects to prevent environmental pollution, the payment of expenses incurred in collection of water quality improvement charges, and the distribution of the collected water quality improvement charges to local governments, respectively, each of which exceeds the expenditure budget. <Amended by Act No. 5222, Dec. 30, 1996; Act No. 8156, Dec. 30, 2006; Act No. 8368, Apr. 11, 2007>

(2) When the Minister of Environment intends to use excess revenues under paragraph (1), he/she shall receive approval from the Minister of Strategy and Finance in advance. <Amended by Act No. 5222, Dec. 30, 1996; Act No. 5982, May 24, 1999; Act No. 8852, Feb. 29, 2008>

(3) When the Minister of Environment intends to receive approval under paragraph (2), he/she shall prepare reports on grounds for such approval and amounts required and submit them to the Minister of Strategy and Finance. <Amended by Act No. 5222, Dec. 30, 1996; Act No. 5982, May 24, 1999; Act No. 8852, Feb. 29, 2008>

(4) When the Minister of Strategy and Finance approves the use of excess revenues under paragraph (2), he/she shall notify the Minister of Environment of such approval and inform the Board of Audit and Inspection of the purposes thereof.

ADDENDA

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 1995.

Article 2 Omitted.

Article 3 (Transitional Measures concerning Establishment of Accounts)

(1) All rights and obligations, including claims and liabilities of the waste management fund established under the Act on the Promotion of Saving and Recycling of Resources at the time this Act enters into force, shall be succeeded as a whole by this account.

(2) All rights and obligations, including claims and liabilities of the environmental pollution prevention fund established under the Environmental Management Corporation Act at the time this Act enters into force, shall be inherited as a whole by this account, and articles and equipment necessary for the operation of the Korea Environment Corporation, accommodations for employees, deposits for the lease of office buildings and other properties determined by the Minister of Environment shall devolve on the Korea Environment Corporation.

(3) The final accounts for the fiscal year 1994 of the waste management fund and the environmental pollution prevention fund removed under Article 2 of the Addenda after this Act enters into force shall be governed by the previous provisions.

ADDENDA <Act No. 5222, Dec. 30, 1996>

(1) (Enforcement Date) This Act shall enter into force on January 1, 1997.

(2) (Transitional Measures) The State properties belonging to the general accounts of the Ministry of Environment at the time this Act enters into force shall be succeeded by accounts.

ADDENDA <Act No. 5392, Aug. 28, 1997>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 1998: Provided, That the provisions of Articles 49 through 52 and Article 10 (2) of the Addenda shall enter into force on January 1, 1999.

Articles 2 through 11 Omitted.

ADDENDUM <Act No. 5454, Dec. 13, 1997>

This Act shall enter into force on January 1, 1998 (Proviso Omitted).

ADDENDA <Act No. 5551, Sep. 16, 1998>

Article 1 (Enforcement Date)

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

Articles 2 through 8 Omitted.

ADDENDA <Act No. 5861, Feb. 8, 1999>

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

(2) Omitted.

ADDENDA <Act No. 5865, Feb. 8, 1999>

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.

ADDENDA <Act No. 5982, May 24, 1999>

Article 1 (Enforcement Date)

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

Articles 2 through 6 Omitted.

ADDENDA <Act No. 6094, Dec. 31, 1999>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2000 (Proviso Omitted).

Articles 2 through 4 Omitted.

ADDENDA <Act No. 6604, Jan. 14, 2002>

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.

ADDENDA <Act No. 6605, Jan. 14, 2002>

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.

ADDENDA <Act No. 6606, Jan. 14, 2002>

Article 1 (Enforcement Date)

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

Articles 2 through 10 Omitted.

ADDENDA <Act No. 6653, Feb. 4, 2002>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on January 1, 2003 (Proviso Omitted).

(2) Omitted.

Articles 2 through 6 Omitted.

ADDENDA <Act No. 7023, Dec. 30, 2003>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDA <Act No. 7061, Jan. 16, 2004>

Article 1 (Enforcement Date)

This Act shall enter into force on April 1, 2004: Provided, That ...

Articles 2 through 5 Omitted.

ADDENDA <Act No. 7167, Feb. 9, 2004>

Article 1 (Enforcement Date)

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

Articles 2 through 30 Omitted.

ADDENDA <Act No. 7459, Mar. 31, 2005>

Article 1 (Enforcement Date)

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

Articles 2 through 6 Omitted.

ADDENDA <Act No. 7724, Dec. 14, 2005>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2007.

Articles 2 through 5 Omitted.

ADDENDA <Act No. 8050, Oct. 4, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2007 (Proviso Omitted).

Articles 2 through 12 Omitted.

ADDENDUM <Act No. 8156, Dec. 30, 2006>

This Act shall enter into force on January 1, 2007.

ADDENDA <Act No. 8209, Jan. 3, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 6 Omitted.

ADDENDA <Act No. 8368, Apr. 11, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 11 Omitted.

ADDENDA <Act No. 8371, Apr. 11, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 10 Omitted.

ADDENDA <Act No. 8404, Apr. 27, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 14 Omitted.

ADDENDA <Act No. 8405, Apr. 27, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2008.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 8466, May 17, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: Provided, That ...

Articles 2 through 7 Omitted.

ADDENDA <Act No. 9346, Jan. 30, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2013.

Articles 2 through 3 Omitted.

ADDENDA <Act No. 9433, Feb. 6, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2010.

Articles 2 through 11 Omitted.

ADDENDA <Act No. 9770, Jun. 9, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force on July 1, 2010. (Proviso Omitted)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 10335, May. 31, 2010>

Article 1 (Enforcement Date)

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

Articles 2 through 4 Omitted.

ADDENDA <Act No. 10616, Apr. 28, 2011>

Article 1 (Enforcement Date)

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

Articles 2 and 3 Omitted.