

FOOD SERVICE INDUSTRY PROMOTION ACT

Act No. 10454, Mar. 9, 2011

Amended by Act No. 11690, Mar. 23, 2013

Act No. 12056, Aug. 13, 2013

Act No. 13029, Jan. 20, 2015

Act No. 13409, Jul. 20, 2015

Article 1 (Purpose)

The purpose of this Act is to contribute to enhancing the quality of people's lives and to developing the national economy in a healthy way by creating foundations for the promotion of the food service industry and by increasing the competitiveness of the food service industry through prescribing matters necessary to foster and support the food service industry.

Article 2 (Definitions)

The terms used in this Act shall be defined as follows:

1. The term "eating out" means a form of eating which is effected not through eating food cooked at home but through eating purchased food in a restaurant, etc.;
2. The term "food service products" means a product produced to be saleable for eating out, and a service, education, training, operation system, trademark, service mark, etc. related to eating out;
3. The term "food service industry" means an industry of planning, developing, producing, distributing, consuming, exporting, importing and franchising food service products, and of providing services related thereto, and other industries prescribed by Presidential Decree;
4. The term "food service business" means an economic activity related to the food service industry;
5. The term "food service business entity" means a person engaged in food service business.

Article 3 (Responsibilities of the State and Local Governments)

The State and local governments shall establish and implement measures necessary for the promotion of the food service industry and take financial measures necessary for the promotion of such measures.

Article 4 (Relationship with other Acts)

With respect to the promotion of the food service industry, this Act shall prevail over the Food Industry Promotion Act and other Acts.

Article 5 (Establishment of Master Plans for Promotion of Food Service Industry)

(1) In order to promote the food service industry and strengthen its competitiveness, the Minister of Agriculture, Food, and Rural Affairs shall establish and implement a master plan for the promotion, etc. of

the food service industry (hereinafter referred to as "master plan"). <Amended by Act No. 11690, Mar. 23, 2013>

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

1. Basic direction of measures for the promotion of the food service industry;
2. Matters concerning measures for fostering the food service industry by segment;
3. Matters concerning training specialized human resources in the food service industry;
4. Matters concerning surveys and research related to the food service industry, and the development and proliferation of technologies;
5. Matters concerning fostering food service business entities, such as support for the establishment of food service business;
6. Matters concerning statistics and informatization of the food service industry;
7. Matters concerning support for international cooperation in the food service industry and its expansion into foreign markets;
8. Matters concerning the advancement of industrial structure, such as the facilitation of development, revitalization of distribution, etc. of the food service industry;
9. Matters concerning strengthening connections among the food service industry, agriculture and fisheries;
10. Matters concerning securing financial resources necessary for projects aimed at the promotion of the food service industry and concerning the efficient operation thereof;
11. Other matters necessary for the promotion of the food service industry.

(3) The Minister of Agriculture, Food and Rural Affairs shall determine a master plan after deliberation of the Food Industry Promotion Council established pursuant to Article 5 of the Food Industry Promotion Act. <Amended by Act No. 11690, Mar. 23, 2013>

(4) If necessary for the establishment and implementation of a master plan, the Minister of Agriculture, Food, and Rural Affairs may request local governments, public institutions under the Act on the Management of Public Institutions (hereinafter referred to as "public institutions"), universities, research institutes, food service business entities, etc. to provide cooperation. <Amended by Act No. 11690, Mar. 23, 2013>

Article 6 (Support for Establishment of Business)

In order to promote the establishment of business in the food service industry, and to improve the management of food service business entities, etc., the Minister of Agriculture, Food, and Rural Affairs may provide necessary support thereto. <Amended by Act No. 11690, Mar. 23, 2013>

Article 7 (Fostering Specialized Human Resources for Food Service Industry)

(1) In order to foster specialized human resources necessary to promote the food service industry, the Minister of Agriculture, Food, and Rural Affairs may conduct the following projects: <Amended by Act No. 11690, Mar. 23, 2013>

1. Education and training to improve the qualities of persons engaged in the food service industry;
2. Education and training to promote employment, reemployment or business start-up of persons intending to engage in the food service industry;
3. Development and proliferation of advanced technologies;
4. Other projects recognized as necessary to foster specialized human resources for the food service industry.

(2) In order to promote projects referred to in paragraph (1), the Minister of Agriculture, Food, and Rural Affairs may designate universities, research institutes, in-house educational institutions of food service business entities, and other specialized institutions as an institution fostering specialized human resources of the food service industry, as prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) The Minister of Agriculture, Food, and Rural Affairs may fully or partially subsidize expenses for institutions fostering specialized human resources of the food service industry designated pursuant to paragraph (2), as prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) When an institution fostering specialized human resources for the food service industry falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may cancel designation or suspend all or some of its affairs for up to six months: Provided, That in cases falling under subparagraph 1, he/she shall cancel such designation: *<Newly Inserted by Act No. 12056, Aug. 13, 2013>*

1. Where an institution was designated by fraud or other improper means;
2. Where an institution performed its affairs in violation of the designated matters;
3. Where an institution ceases to meet a designation standard under paragraph (5).

(5) Matters necessary for the standards and procedures for designation of institutions fostering specialized human resources for the food service industry and revocation thereof, as well as the operation of such institutions shall be prescribed by Presidential Decree. *<Newly Inserted by Act No. 12056, Aug. 13, 2013>*

Article 8 (Promotion, etc. of Research and Development Projects)

(1) The Minister of Agriculture, Food, and Rural Affairs may promote research and development projects for production and management technologies, etc, of food service products concerning the food service industry. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Agriculture, Food, and Rural Affairs may establish and implement measures necessary to disseminate information on research and development of food service products. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) The Minister of Agriculture, Food and Rural Affairs shall encourage institutions, organizations, etc. engaged in research and development of the food service products to conduct cooperative research and development in which they jointly utilize human resources, facilities, machinery, materials, funds, information, etc. *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 9 (Support for International Exchanges and Expansion into Foreign Markets)

(1) In order to enhance the export competitiveness of the food service industry and facilitate its expansion into foreign markets, the Minister of Agriculture, Food and Rural Affairs may conduct the following projects: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. International exchanges of information, technologies and human resources related to the food service industry;
2. Opening foreign markets related to the food service industry, supporting publicity activities, and holding and participating in international exhibitions, etc.;
3. Providing information on exportation of the food service industry and providing consulting services, etc.;
4. Building a cooperation system with institutions and organizations related to exportation of the food service industry;
5. Other projects deemed necessary to support international exchanges and expansion into foreign markets.

(2) In order to efficiently support projects prescribed in paragraph (1), the Minister of Agriculture, Food, and Rural Affairs may entrust relevant institutions or organizations prescribed by Presidential Decree with the projects or have them conduct such projects on his/her behalf. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) The Minister of Agriculture, Food and Rural Affairs may subsidize necessary expenses, etc. for the entrusted institutions or organizations or agencies under paragraph (2). *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 10 (Promotion of Standardization of Food Service Products)

(1) In order to efficiently develop food service products, improve the quality thereof, secure international standards, etc., the Minister of Agriculture, Food and Rural Affairs may promote the standardization of food service products, such as food ingredients, management techniques, etc., and recommend food service business entities to use such standards. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) In order to facilitate the standardization of food service products, the Minister of Agriculture, Food, and Rural Affairs may designate specialized institutions and subsidize necessary expenses, etc. for the designated specialized institutions. *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 11 (Preparation and Management of Statistics on Food Service Industry)

(1) In order to establish and implement a policy related to the food service industry, the Minister of Agriculture, Food, and Rural Affairs may prepare and manage statistics on the food service industry. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Where deeming it necessary for the preparation of statistics prescribed in paragraph (1), the Minister of Agriculture, Food and Rural Affairs may request the heads of relevant central administrative agencies, heads of local governments, heads of public institutions, food service business entities and the trade organization prescribed in Article 12 to provide data. In such cases, the heads of relevant central administrative agencies, etc. in receipt of such request shall provide data, except in extenuating

circumstances. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Matters necessary for preparation, management, etc. of statistics referred to in paragraph (1) shall be prescribed by Presidential Decree.

Article 12 (Trade Organization)

(1) In order to promote the food service industry, food service business entities may establish a trade organization after obtaining authorization from the Minister of Agriculture, Food, and Rural Affairs.

<Amended by Act No. 11690, Mar. 23, 2013>

(2) A trade organization prescribed in paragraph (1) shall be a juristic person, and matters necessary for items to be stated in its articles of incorporation, instruction, supervision, operation, support etc., shall be prescribed by Presidential Decree. *<Amended by Act No. 13409, Jul. 20, 2015>*

(3) A trade organization prescribed in paragraph (1) may conduct the following projects: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Survey and research projects on the direction of food service industry development;
2. Projects to enhance the competitiveness of the food service industry and increasing interests among its members;
3. Projects to strengthen connections among the food service industry, agriculture and fisheries;
4. Education projects for persons engaged in the food service industry;
5. Other projects prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs to promote the food service industry.

(4) Except as otherwise prescribed by this Act, the provisions of the Civil Act concerning incorporated associations shall apply mutatis mutandis to the trade organization prescribed in paragraph (1).

Article 13 (Support for Revitalizing Management and Distribution of Food Service Industry)

In order to revitalize the management and distribution of the food service industry, the Minister of Agriculture, Food and Rural Affairs may support the following projects: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Installation and operation of facilities, etc. for collaborative cooking, processing and distribution to manufacture, process, keep, deliver, pack, etc. food service products;
2. Consulting service on the management, technology, financing, marketing, etc. for food service business entities;
3. Projects for collaborative purchase, collaborative sale, etc. of food service products to enhance the competitiveness of the food service industry and strengthen connections with agriculture and fisheries;
4. Projects to build an electronic commerce system of food service businesses and a logistics information system;
5. Other projects necessary to revitalize the management and distribution of the food service industry.

Article 14 (Designation, Cancellation etc., of Exemplary Food Service Business Districts)

(1) In order to revitalize the food service industry, the Minister of Agriculture, Food and Rural Affairs may designate an area recognized to require promotion of exemplary restaurants as an exemplary food

service business district. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Local governments and persons who intend to obtain the designation of an exemplary food service business district shall file an application for such designation, as prescribed by Presidential Decree.

(3) The Minister of Agriculture, Food and Rural Affairs may prepare and implement measures for exemplary food service business districts, such as the improvement of a facility and street environment, support for publicity, etc. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) The Minister of Agriculture, Food and Rural Affairs may attach matters to be observed by food service business entities, etc. as conditions to the designation of exemplary food service districts. *<Amended by Act No. 11690, Mar. 23, 2013>*

(5) When an exemplary food service business district falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may cancel the designation: Provided, That in cases falling under subparagraph 1, he/she shall cancel such designation: *<Newly Inserted by Act No. 13029, Jan. 20, 2015>*

1. Where it is designated by fraud or other improper means;

2. Where it ceases to meet a designation standard under paragraph (6) any longer.

(6) Matters necessary for the detailed standards, procedures, etc., for the designation and cancellation of exemplary food service business districts shall be prescribed by Presidential Decree. *<Amended by Act No. 13029, Jan. 20, 2015>*

Article 15 (Facilitation of Advance of Food Service Culture)

(1) In order to promote the rights and interests of consumers and facilitate the advance of food service culture, the Minister of Agriculture, Food and Rural Affairs may recommend the trade organization or local governments to carry out activities for improvement of the environment, services, etc. of food service businesses. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Agriculture, Food and Rural Affairs may subsidize necessary expenses, etc. for the trade organization or local governments prescribed in paragraph (1). *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 16 (Facilitation of Use of Excellent Food Ingredients)

(1) In order to strengthen connections among the food service industry, agriculture and fisheries, the Minister of Agriculture, Food and Rural Affairs may formulate and implement measures that make food service business entities facilitate the use of excellent food ingredients prescribed in Article 33 of the Food Industry Promotion Act. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Agriculture, Food and Rural Affairs may subsidize expenses incurred in conducting projects for the facilitation of excellent food ingredients prescribed in paragraph (1). *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) Projects eligible for support for facilitating the use of excellent food ingredients prescribed in paragraphs (1) and (2), standards, procedures, methods therefor and other necessary matters shall be prescribed by Presidential Decree.

Article 17 (Designation and Cancellation of Exemplary Food Service Business Entities)

(1) In order to facilitate the improvement of facilities, services and quality of food service business entities, the Minister of Agriculture, Food and Rural Affairs may designate exemplary food service business entities. <Amended by Act No. 11690, Mar. 23, 2013>

(2) The food service business entities designated under paragraph (1) may indicate exemplary food service business entity, as prescribed by Presidential Decree.

(3) When an exemplary food service business entity falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may cancel the designation: Provided, That in cases falling under subparagraph 1, he/she shall cancel such designation: <Newly Inserted by Act No. 13029, Jan. 20, 2015>

1. Where it is designated by fraud or other improper means;
2. Where it ceases to meet a designation standard under paragraph (4);
3. Where it is subject to administrative disposition of business suspension, or greater punishment, in violation of relevant statutes.

(4) The detailed standards, procedures, etc., for designation prescribed in paragraph (1), cancellation thereof, etc., shall be prescribed by Presidential Decree. <Amended by Act No. 13029, Jan. 20, 2015>

Article 17-2 (Hearings)

The Minister of Agriculture, Food and Rural Affairs shall hold a hearing when he/she seeks to make a disposition falling under any of the following subparagraphs:

1. Cancellation of designation as an exemplary food service business district under Article 14 (5);
2. Cancellation of designation as an exemplary food service business entity under Article 17 (3).

Article 18 (Delegation, Entrustment, etc. of Authority)

(1) The Minister of Agriculture, Food and Rural Affairs may delegate or entrust part of his/her authority or duties pursuant to this Act to the administrator of the Rural Development Administration, the Special Metropolitan City Mayor, Metropolitan City Mayors, Do Governors, the Special Self-Governing Province Governor, president of the Korea Agro-Fisheries Trade Corporation, or the institutions, juristic persons or organizations established for the purpose of promoting the food service industry, as prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013>

(2) The Minister of Agriculture, Food and Rural Affairs may provide necessary support to the institutions, juristic persons or organizations entrusted with duties pursuant to paragraph (1) so that they may perform relevant duties smoothly. <Amended by Act No. 11690, Mar. 23, 2013>

Article 19 (Legal Fiction as Public Officials in Application of Penalty Provisions)

Persons engaged in the business for which authority or duties are entrusted pursuant to Article 18 shall be deemed public officials in applying Articles 129 through 132 of the Criminal Act.

Article 20 (Administrative Fines)

(1) Any person who indicates an exemplary food service business entity without obtaining designation prescribed in Article 17 shall be subject to an administrative fine not exceeding five million won.

(2) Administrative fines prescribed in paragraph (1) shall be imposed and collected by the Minister of Agriculture, Food and Rural Affairs, as prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013>

ADDENDUM

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

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

Article 1 (Enforcement Date)

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

(2) Omitted.

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 12056, Aug. 13, 2013>

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

ADDENDUM <Act No. 13029, Jan. 20, 2015>

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

ADDENDUM <Act No. 13409, Jul. 20, 2015>

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