

ENFORCEMENT DECREE OF THE ACT ON OPERATION OF DIRECT PAYMENT PROGRAM FOR PROMOTING PUBLIC FUNCTIONS OF AGRICULTURE AND RURAL COMMUNITIES

Wholly Amended by Presidential Decree No. 30640, Apr. 28, 2020

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CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Decree is to prescribe matters mandated by the Act on the Operation of Direct Payment Program for Promoting Public Functions of Agriculture and Rural Affairs and those necessary for enforcing said Act.

Article 2 (Scope of Rice Farming and Dry Field Farming)

(1) "Plants prescribed by Presidential Decree" in subparagraph 3 of Article 2 of the Act on Operation of Direct Payment Program for Promoting Public Functions of Agriculture and Rural Communities (hereinafter referred to as the "Act") means crops or perennial plants cultivated to promote the public functions of agriculture and rural communities and to stabilize the income of farmers, etc.

(2) "Plants prescribed by Presidential Decree" in subparagraph 4 of Article 2 of the Act means crops or perennial plants cultivated to promote the public functions of agriculture and rural communities and to stabilize the income of farmers, etc.: Provided, That paddy rice, lotus roots, dropwort, and rushes shall be excluded herefrom;

Article 3 (Formulation of Master Plans)

(1) Where the Minister of Agriculture, Food and Rural Affairs intends to formulate a master plan for the direct payment program for promoting the public functions of agriculture and rural communities (hereinafter referred to as "public direct payment program") pursuant to Article 4 (1) of the Act (hereinafter referred to as "master plan"), he or she shall consult with the heads of relevant central administrative agencies and submit a draft master plan deliberated on by the Deliberative Committee for Operation of Direct Payment Program for Promotion of Public Functions of Agriculture and Rural

Communities established under Article 23 of the Act to the competent Standing Committee of the National Assembly.

(2) Where necessary for formulating a master plan, the Minister of Agriculture, Food and Rural Affairs may request the head of a relevant central administrative agency, the Special Metropolitan City Mayor, a Metropolitan City Mayor, a Special Self-Governing City Mayor, a Do Governor, or a Special Self-Governing Province Governor (hereinafter referred to as "Mayor/Do Governor") to provide necessary materials. In such cases, the head of the relevant central administrative agency or the Mayor/Do Governor in receipt of such request from the Minister of Agriculture, Food and Rural Affairs shall comply therewith unless there is a compelling reason not to do so.

(3) Where a master plan is formulated, the Minister of Agriculture, Food and Rural Affairs shall notify such fact to the head of a relevant central administrative agency and a Mayor/Do Governor without delay.

CHAPTER II OPERATION OF BASIC-TYPE PUBLIC DIRECT PAYMENT PROGRAM

Article 4 (Scope of Small-Scale Farm Households)

(1) "Farm household within the scope prescribed by Presidential Decree" in Article 7 (2) of the Act means a farm household, all or some of the members of which are farmers defined in subparagraph 1 of Article 2 of the Act (hereinafter referred to as "farmers") and the members of which live in the same household as indicated on the resident registration card.

(2) Notwithstanding paragraph (1), where a member of a household falls under any of the following cases, such member shall be deemed to live in the same household even if he or she lives in a different household as indicated on the resident registration card:

1. A spouse entered in a family relation certificate under Article 15 of the Act on Registration of Family Relations;
2. A lineal descendant under 19 years of age who is unmarried;
3. A person who has lived in a separate household for up to three years due to any reason other than marriage.

(3) A period during which a person lives in a separate household under paragraph (2) 3 shall be calculated as a period during which such person lives in a different household as indicated on the resident registration card, but a period of residing in the same place of residence included in such period shall be excluded.

Article 5 (Persons Who Engage in Agriculture as Main Business)

Cases where a person engages in agriculture as his or her business pursuant to Article 9 (2) of the Act means any of the following:

1. Where the person is any of the following farmers:

(a) A farmer who cultivates at least 10,000 square meters of farmland or grassland (hereinafter referred to as "farmland, etc.", and including farmland, etc. located in another adjacent Si/Gun/Gu) located in the same Si (including Sejong City under the Special Act on the Establishment of Sejong City and an administrative Si under 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 (Gu refers to an autonomous Gu; hereinafter the same shall apply);

(b) A farmer whose annual sales of agricultural products are at least nine million won;

(c) A farmer who has his or her address in the relevant Si/Gu for at least one year immediately before the year in which an application for registration of a person eligible for basic direct payments (referring to basic direct payments under Article 7 (1) of the Act; hereinafter referred to as "basic direct payments") is filed under Article 14 (2) of the Act (hereinafter referred to as the "year of application for registration of a person eligible for payment) and who cultivates at least 1,000 square meters of farmland, etc. that are located in the relevant Si/Gu and that are used for rice farming or dry field farming for at least preceding one year (including farmland, etc. located in an Eup/Myeon/Dong of another Si/Gun/Gu adjacent to the Dong in which the applicant has his or her address);

2. Where the person is any of the following agricultural corporations defined in subparagraph 2 of Article 2 of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities (hereinafter referred to as "agricultural corporation"):

(a) An agricultural corporation that cultivates at least 50,000 square meters of farmland located in the same Si/Gun/Gu (including farmland, etc. located in another adjacent Si/Gun/Gu);

(b) An agricultural corporation whose annual sales of agricultural products are at least 45 million won;

(c) An agricultural corporation which has its principal office in the relevant Si/Gu for at least one year immediately before the year of application for registration of a person eligible for payment and which cultivates at least 1,000 square meters of farmland, etc. that are located in the relevant Si/Gu and that are used for rice farming or dry field farming for at least preceding one year (including farmland, etc. located in an Eup/Myeon/Dong of another Si/Gun/Gu adjacent to the Dong in which the applicant has his or her address).

Article 6 (Global Income excluding Agricultural Income)

(1) "Person whose gross income, excluding agricultural income, is at least the amount prescribed by Presidential Decree" in Article 9 (3) 1 of the Act means a farmer whose gross income, excluding agricultural income, is at least 37 million won as of the year immediately before the year of application for registration of a person eligible for payment.

(2) Global income excluding agricultural income under paragraph (1) shall be the amount obtained by subtracting the agricultural income determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs from global income.

Article 7 (Requirements for Making Direct Payments for Small-Scale Farm Households)

Requirements for making direct payments for small-scale farm households under Article 10 (1) of the Act (hereinafter referred to as “direct payments for small-scale farm households”) as prescribed in the subparagraphs of the same paragraph shall be as specified in attached Table 1.

Article 8 (Payment Rate for Direct Payments for Small-Scale Farm Households and Methods of Making Thereof)

- (1) The payment rate for direct payments for small-scale farm households per farm household under Article 10 (4) of the Act shall be 1.2 million won.
- (2) Direct payments for small-scale farm households shall be made by depositing them into the account of a person registered as eligible for basic direct payments pursuant to Article 15 of the Act (including a person registered for a change pursuant to Article 16 of the Act; hereinafter referred to as "registrant of basic direct payments").
- (3) Except as provided in paragraphs (1) and (2), matters necessary for making direct payments for small-scale farm households shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 9 (Ranges of Base Areas for Area Direct Payments and Rate Thereof)

- (1) "Range of base areas prescribed by Presidential Decree" in Article 11 (1) of the Act means the following:
 1. Range 1: An area not exceeding 20,000 square meters;
 2. Range 2: An area exceeding 20,000 square meters but not exceeding 60,000 square meters;
 3. Range 3: An area exceeding 60,000 square meters.
- (2) "Regressive rates prescribed by Presidential Decree" in Article 11 (1) of the Act shall be at least one million won by range of base areas under paragraph (1), and means the rates determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs and calculated to be lower as the base area of farmland, etc. eligible for basic direct payments under Article 8 of the Act (hereafter in this Chapter referred to as “farmland, etc. eligible for payment”) is bigger.
- (3) The rates under paragraph (2) shall be calculated to be lower in order of farmland, etc. used for rice farming or dry field farming within an agricultural promotion area designated under Article 28 of the Farmland Act (hereinafter referred to as "agricultural promotion area"), farmland, etc. used for rice farming outside an agricultural promotion area, and farmland, etc. used for dry field farming outside an agricultural promotion area.

Article 10 (Methods of Calculating and Making Area Direct Payments)

(1) The amount of area direct payments made under Article 11 (1) of the Act (hereinafter referred to as "area direct payments") shall be the amount calculated using the method specified in attached Table 2 with respect to farmland, etc. eligible for payment.

(2) Area direct payments shall be made by depositing them into the account of a registrant of basic direct payments.

(3) Except as provided in paragraphs (1) and (2), matters necessary for calculating and making area direct payments shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 11 (Upper Limit of Area for Area Direct Payments)

The upper limit of the area of farmland, etc. eligible for area direct payments under Article 11 (2) of the Act shall be as follows:

1. In the case of a farmer: 300,000 square meters: Provided, That where the total area of farmland, etc., for which direct payments for agricultural income preservation (hereinafter referred to as "direct payments for agricultural income preservation") under the previous Act on Preserving Agricultural Income (referring to the one before wholly amended by the Act on Operation of Direct Payment Program for Promoting Public Functions of Agriculture and Rural Communities (Act No. 16858); hereinafter the same shall apply) or income subsidies for areas with unfavorable conditions under the Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products (hereinafter referred to as "income subsidies for areas with unfavorable conditions") were duly made for the period from January 1, 2019 to December 31, 2019, exceeds 300,000 square meters, the upper limit of the area shall be the area including the relevant excess;

2. In the case of an agricultural corporation designated as a joint agricultural business entity under Article 27-3 of the Act on Fostering and Supporting Agricultural and Fisheries Business Entities (hereinafter referred to as "agricultural corporation as a joint agricultural business entity"): Four million square meters. In such cases, subparagraph 1 shall apply to the upper limit of the area for a farmer who is a member of an agricultural corporation as a joint agricultural business entity;

3. In the case of an agricultural corporation other than that prescribed in subparagraph 2: 500,000 square meters: Provided, That where the total area of farmland, etc., for which direct payments for agricultural income preservation or income subsidies for areas with unfavorable conditions were duly made for the period from January 1, 2019 to December 31, 2019, exceeds 500,000 square meters, the upper limit of the area shall be the area including the relevant excess.

Article 12 (Maintenance of Shape and Function of Farmland)

(1) In order to receive basic direct payments, a registrant of basic direct payments shall maintain the shape and function of his or her farmland to meet the following standards under subparagraph 1 of Article 12 of the Act:

1. The registrant shall maintain and manage soil to ensure the production of crops;
 2. The registrant shall plow his or her farmland at least once a year where cultivating crops or leaving the farmland fallow;
 3. The registrant shall install and manage a boundary line so that his or her farmland can be distinguished from adjoining farmland, etc.;
 4. The registrant shall maintain and manage irrigation channels and drainage channels around farmland, etc. used for rice farming.
- (2) Except as provided in paragraph (1), matters necessary for maintaining the shape and function of farmland shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 13 (Limit on Use of Pesticides and Chemical Fertilizers)

"Limits ... intervals ... standards, as prescribed by Presidential Decree" in subparagraph 2 of Article 12 of the Act means the following limits, intervals, or standards:

1. Pesticides: Pre-harvest intervals of pesticides, and maximum residue limits of pesticides at each stage of the production, distribution, and sale of agricultural products, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs;
2. Chemical fertilizers: Standards for chemical components of soil in arable land and limits on the amount of fertilizers, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 14 (Completion of Education)

(1) In order to receive basic direct payments, a registrant of basic direct payments shall, pursuant to subparagraph 3 of Article 12 of the Act, complete education related to promoting the public functions of agriculture and rural communities (hereinafter referred to as "education") each year, including the following:

1. Public functions of agriculture and rural communities and roles of farmers, etc.;
2. Matters regarding the operation of the public direct payment program and the making of public direct payments;
3. Matters to be observed by farmers, etc. related to the making of public direct payments;
4. Other matters regarding the implementation of the public direct payment program.

(2) Where necessary for providing education, the Minister of Agriculture, Food and Rural Affairs may designate as an educational institution an affiliated institution, a relevant central administrative agency, a local government (including an affiliated institution), or a producers organization with educational facilities and human resources.

(3) Matters necessary for providing education, and designating and operating educational institutions under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 15 (Other Matters to Be Observed to Receive Public Direct Payments)

"Matters prescribed by Presidential Decree" in subparagraph 4 of Article 12 of the Act means the matters to be observed as listed in attached Table 3.

Article 16 (Imposition of Obligation to Adjust Cultivation Areas)

(1) Where the Minister of Agriculture, Food and Rural Affairs intends to impose an obligation to adjust cultivation areas pursuant to Article 13 (1) of the Act, he or she shall formulate a plan for adjusting cultivation areas following consultation with the representative, etc. of a producers organization.

(2) A plan for adjusting cultivation areas under paragraph (1) shall include the following:

1. Basic direction-setting for adjusting cultivation areas;
2. Selection of crops subject to the imposition of an obligation to adjust cultivation areas and the size of such areas, in view of the domestic demand and supply, export and import, etc.;
3. Other matters necessary for imposing an obligation to adjust cultivation areas.

(3) Where the Minister of Agriculture, Food and Rural Affairs intends to notify the imposition of an obligation to adjust cultivation areas pursuant to Article 13 (2) of the Act, he or she shall do so, stating crops subject to an obligation to adjust cultivation areas, the size of such areas, methods of adjustment, etc. in the notice of the imposition of an obligation to adjust cultivation areas in the form prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

CHAPTER III APPLICATION FOR AND REGISTRATION OF BASIC-TYPE PUBLIC DIRECT PAYMENTS AND FOLLOW-UP MANAGEMENT

Article 17 (Investigation of Registered Matters and Matters to Be Observed regarding Basic Direct Payments)

(1) Where the Minister of Agriculture, Food and Rural Affairs intends to investigate the actual state of registered matters, etc. regarding basic direct payments under Article 17 (1) of the Act, he or she shall formulate an annual plan for investigation that includes the purpose, period, items, details, etc. of the investigation, and shall notify persons subject to the investigation thereof in advance.

(2) Where necessary for an investigation or collection conducted under Article 17 (2) of the Act, the Minister of Agriculture, Food and Rural Affairs may request the head of a relevant central administrative agency, a Mayor/Do Governor, or the head of a Si/Gun/Gu (the head of a Gu refers to the head of an autonomous Gu; hereinafter the same shall apply) to provide necessary materials, such as the results of an investigation or disposition to verify whether the matters to be observed under Article 12 and the obligations of a registrant under Article 18 are implemented. In such cases, the head of the relevant central administrative agency, the Mayor/Do Governor, or the head of the Si/Gun/Gu in receipt of such request

shall comply therewith unless there is a compelling reason not to do so.

(3) Except as provided in paragraphs (1) and (2), matters necessary for investigating registered matters, the matters to be observed regarding basic direct payments, etc. shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 18 (Standards for Restriction on Making or Registering Basic Direct Payments)

Detailed standards for restriction on making or registering basic direct payments under Article 19 (1) or (2) of the Act shall be as specified in attached Table 4.

Article 19 (Rates of Delinquent Additional Charges)

"Interest rate prescribed by Presidential Decree" in the former part of Article 20 (3) of the Act means 6/100 annually.

CHAPTER IV OPERATION OF SELECTIVE-TYPE PUBLIC DIRECT PAYMENT PROGRAM

Section 1 Environment-Friendly Agriculture Direct Payment Program

Article 20 (Implementation of Environment-Friendly Agriculture Direct Payment Program)

(1) In order to promote environment-friendly agriculture and strengthen the public functions of agriculture such as environment conservation, the Minister of Agriculture, Food and Rural Affairs shall, pursuant to Article 22 of the Act, make environment-friendly agriculture direct payments under the environment-friendly agriculture direct payment program pursuant to Article 21 (2) 1 of the Act (hereinafter referred to as "environment-friendly agriculture direct payments") to farmers, etc. who engage in environment-friendly agriculture, within the budget.

(2) "Environment-friendly agriculture" in paragraph (1) means the industry of producing agricultural products or forestry products among the environment-friendly agro-fishery defined in subparagraph 1 of Article 2 of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods.

(3) The Minister of Agriculture, Food and Rural Affairs shall delegate duties regarding the making of environment-friendly agriculture direct payments to a Special Self-Governing City Mayor, a Special Self-Governing Province Governor, or the head of a Si/Gun/Gu (hereafter in this Chapter referred to as the "head of a Si/Gun/Gu, etc.").

Article 21 (Agricultural Products Eligible for Environment-Friendly Agriculture Direct Payments)

Agricultural products that may be eligible for environment-friendly agriculture direct payments (including forestry products; hereinafter the same shall apply) shall be the agricultural products determined and

publicly notified by the Minister of Agriculture, Food and Rural Affairs for the purpose of realizing a sustainable environment-friendly agriculture (hereafter in this Section referred to as "agricultural products eligible for payment").

Article 22 (Standards for Making Environment-Friendly Agriculture Direct Payments)

(1) The payment rate for environment-friendly agriculture direct payments shall be determined by the Minister of Agriculture, Food and Rural Affairs following consultation with the Minister of Economy and Finance, in consideration of a reduction in income, etc. generated when agricultural products eligible for payment are produced in compliance with the criteria for certification prescribed in Article 19 (2) or 34 (2) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods (hereinafter referred to as "criteria for certification of environment-friendly agricultural products").

(2) The amount of environment-friendly agriculture direct payments shall be calculated by multiplying the payment rate under paragraph (1) by an area where environment-friendly agriculture is implemented, and the upper limit of the area shall be 50,000 square meters per person eligible for payment.

(3) The restriction on the number of making environment-friendly agriculture direct payments shall be classified as follows:

1. Environment-friendly agriculture direct payments made in cases falling under Article 24 (1) 1 (hereafter in this Article referred to as "environment-friendly agriculture direct payments for organic agricultural products"): To be continuously made during the production of organic agricultural products;
2. Environment-friendly agriculture direct payments made in cases falling under Article 24 (1) 2 (hereafter in this Article referred to as "environment-friendly agriculture direct payments for pesticide-free agricultural products"): To be made on three occasions in total.

(4) Where environment-friendly agriculture direct payments for organic agricultural products are continuously made, the payment rate under paragraph (1) may be determined otherwise from the sixth such payments (where environment-friendly agriculture direct payments for pesticide-free agricultural products are made with regard to the same parcel, the number of making such payments shall be added).

Article 23 (Application for Selection of Persons Eligible for Environment-Friendly Agriculture Direct Payments)

A farmer, etc. who intend to receive environment-friendly agriculture direct payments shall apply for selection of persons eligible for such payments to the head of a Si/Gun/Gu, etc., as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 24 (Selection of Persons Eligible for Environment-Friendly Agriculture Direct Payments)

(1) Where an applicant under Article 23 falls under any of the following, the head of a Si/Gun/Gu, etc. shall select such applicant as a person eligible environment-friendly agriculture direct payments and notify

him or her of such selection: <Amended on Aug. 26, 2020>

1. The applicant shall obtain certification of organic food, etc. under Article 19 (1) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods with regard to agricultural products eligible for payment and shall meet the criteria for certification under paragraph (2) of the same Article;
 2. The applicant shall obtain certification of pesticide-free agricultural products, processed food made with pesticide-free raw materials, antibiotic-free fishery products, etc. under Article 34 (1) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods and shall meet the criteria for certification under paragraph (2) of the same Article.
- (3) Matters necessary for procedures for selecting persons eligible for environment-friendly agriculture direct payments under paragraph (1) and other matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 25 (Making of Environment-Friendly Agriculture Direct Payments)

- (1) The head of a Si/Gun/Gu, etc. shall make environment-friendly agriculture direct payments to a person selected as eligible for such payments pursuant to Article 24.
- (2) Where the head of a Si/Gun/Gu, etc. intends to make environment-friendly agriculture direct payments pursuant to paragraph (1), he or she shall verify and check whether a person selected as eligible for such payments continues to meet the requirements prescribed in the subparagraphs of Article 24 (1). In such cases, the head of a Si/Gun/Gu, etc. may request the head of a certification body designated under Article 26 or 35 of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods (hereinafter referred to as "certification body") to provide or inspect data necessary for verifications and checks.
- (3) The Minister of Agriculture, Food and Rural Affairs may provide subsidies to cover all or part of the expenses incurred in inspections under paragraph (2), within the budget.
- (4) Except as provided in paragraphs (1) through (3), matters necessary for the making of environment-friendly agriculture direct payments, verifications and checks, etc. shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 26 (Restriction on Making of Environment-Friendly Agriculture Direct Payments and Recovery Thereof)

- (1) Where a person selected as eligible for environment-friendly agriculture direct payments or a person to whom such payments are made pursuant to Article 24 or 25 falls under any of the following, the head of a Si/Gun/Gu, etc. shall not make all or some of the payments (all of the payments shall not be made, in cases falling under subparagraph 1) and shall recover the payments already made during the period when the reason for not making them arises:

1. Where the person is selected as eligible for payment or receives environment-friendly agriculture direct payments by fraud or other improper means;
 2. Where the person fails to meet the requirements for selection referred to in Article 24.
- (2) With regard to a person to whom all of environment-friendly agriculture direct payments are not made or from whom such payments are recovered as he or she falls under paragraph (1) 1, the head of a Si/Gun/Gu, etc. may restrict such person from being selected as a person eligible for the payments pursuant to Article 24 for up to five years from the year in which the date of such restriction or recovery falls.
- (3) Detailed standards for restriction and recovery, and the period of restriction on selecting persons eligible for payment under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in consideration of the type, severity, etc. of the relevant violation.

Section 2 Direct Payment Program for Environment-Friendly and Safe Livestock Products

Article 27 (Implementation of Direct Payment Program for Environment-Friendly and Safe Livestock Products)

- (1) In order to promote the early development of the environment-friendly livestock industry, the Minister of Agriculture, Food and Rural Affairs shall, pursuant to Article 22 of the Act, make direct payments for environment-friendly and safe livestock products under the direct payment program for environment-friendly and safe livestock products pursuant to Article 21 (2) 2 of the Act (hereinafter referred to as "environment-friendly livestock direct payments") to farmers, etc. who produce environment-friendly and safe livestock products, within the budget.
- (2) "Environment-friendly livestock industry" in paragraph (1) means the industry of producing livestock products among the environment-friendly agro-fishery defined in subparagraph 1 of Article 2 of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods.
- (3) "Environment-friendly and safe livestock product" in paragraph (1) means a livestock product certified as organic food, etc. under Article 19 (1) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods in a HACCP-accredited farm under Article 9 (3) of the Livestock Products Sanitary Control Act.
- (4) The Minister of Agriculture, Food and Rural Affairs shall delegate duties regarding the making of environment-friendly livestock direct payments to the Director General of the National Agricultural Products Quality Management Service.

Article 28 (Livestock Products Eligible for Environment-Friendly Livestock Direct Payments)

Livestock products that may be eligible for environment-friendly livestock direct payments shall be the livestock products determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs for the purpose of realizing a sustainable environment-friendly agriculture (hereafter in this Section referred to as "livestock products eligible for payment").

Article 29 (Standards for Making Environment-Friendly Livestock Direct Payments)

(1) The payment rate for environment-friendly livestock direct payments shall be determined by the Minister of Agriculture, Food and Rural Affairs following consultation with the Minister of Economy and Finance, in consideration of a reduction in income, etc. generated when livestock products eligible for payment are produced in compliance with the criteria for certification prescribed in Article 9 (1) of the Livestock Products Sanitary Control Act and Article 19 (2) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods (hereinafter referred to as "criteria for certification of environment-friendly livestock products").

(2) The amount of environment-friendly livestock direct payments shall be calculated by multiplying the payment rate under paragraph (1) by the output of environment-friendly livestock products, and the upper limit of the amount of such payments shall be 30 million won per each occasion for a person eligible for payment and the number of making the payments shall be five in total.

Article 30 (Application for Selection of Persons Eligible for Environment-Friendly Livestock Direct Payments)

A person who intends to receive environment-friendly livestock direct payments shall apply for selection of persons eligible for such payments to the Director General of the National Agricultural Products Quality Management Service, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 31 (Selection of Persons Eligible for Environment-Friendly Livestock Direct Payments)

(1) Where an applicant under Article 30 meets all of the following requirements, the Director General of the National Agricultural Products Quality Management Service shall select such applicant as a person eligible for environment-friendly livestock direct payments and notify him or her of such selection:

1. The farm owned by the applicant shall be a HACCP-accredited farm under Article 9 (3) of the Livestock Products Sanitary Control Act;
2. The applicant shall obtain certification of organic food, etc. under Article 19 (1) of the Act on the Promotion of Environment-Friendly Agriculture and Fisheries and the Management of and Support for Organic Foods and shall meet the criteria for certification of environment-friendly livestock products.

(3) Matters necessary for procedures for selecting persons eligible for environment-friendly livestock direct payments under paragraph (1) and other matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 32 (Making of Environment-Friendly Livestock Direct Payments)

(1) The Director General of the National Agricultural Products Quality Management Service shall make environment-friendly livestock direct payments to a person selected as eligible for such payments pursuant to Article 31.

(2) Where the Director General of the National Agricultural Products Quality Management Service intends to make environment-friendly livestock direct payments pursuant to paragraph (1), he or she shall verify and check whether a person selected as eligible for such payments continues to meet the requirements prescribed in the subparagraphs of Article 31 (1).

(3) Except as provide in paragraphs (1) and (2), matters necessary for the making of environment-friendly livestock direct payments, verifications and checks, etc. shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 33 (Restriction on Making of Environment-Friendly Livestock Direct Payments and Recovery Thereof)

(1) Where a person selected as eligible for environment-friendly livestock direct payments or a person to whom such payments are made pursuant to Article 31 or 32 falls under any of the following, the Director General of the National Agricultural Products Quality Management Service shall not make all or some of the payments (all of the payments shall not be made, in cases falling under subparagraph 1) and shall recover the payments already made during the period when the reason for not making them arises:

1. Where the person is selected as eligible for payment or receives environment-friendly livestock direct payments by fraud or other improper means;
2. Where the person fails to meet the requirements for selection referred to in Article 31.

(2) With regard to a person to whom all of environment-friendly livestock direct payments are not made or from whom such payments are recovered as he or she falls under paragraph (1) 1, the Director General of the National Agricultural Products Quality Management Service may restrict such person from being selected as a person eligible for the payments pursuant to Article 31 for up to five years from the year in which the date of such restriction or recovery falls.

(3) Detailed standards for restriction and recovery, and the period of restriction on selecting persons eligible for payment under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in consideration of the type, severity, etc. of the relevant violation.

Section 3 Landscape Conservation Direct Payment Program

Article 34 (Implementation of Landscape Conservation Direct Payment Program)

(1) In order to form, maintain, and improve landscapes in rural communities and quasi-rural communities prescribed in subparagraph 5 of Article 3 and Article 61 of the Framework Act on Agriculture, Rural

Community and Food Industry, the Minister of Agriculture, Food and Rural Affairs shall, pursuant to Article 22 of the Act, make landscape conservation direct payments under the landscape conservation direct payment program pursuant to Article 21 (2) 3 of the Act (hereinafter referred to as “landscape conservation direct payments”) to farmers, etc. who cultivate and manage landscape crops, within the budget.

(2) "Landscape crop" in paragraph (1) means a herbaceous plant which is a crop cultivated for the purpose of forming, maintaining, and improving landscapes.

(3) The Minister of Agriculture, Food and Rural Affairs shall delegate duties regarding the making of landscape conservation direct payments to the head of a Si/Gun/Gu, etc.

Article 35 (Persons Eligible for Landscape Conservation Direct Payments)

A person who may be selected as eligible for landscape conservation direct payments shall be a farmer, etc. who cultivate and manage landscape crops in farmland, etc. eligible for payment under Article 36: Provided, That a farmer whose global income, excluding agricultural income, is at least the amount prescribed in Article 6 (1) as of the year immediately preceding the year in which the date an application for business is submitted pursuant to Article 38 (3) falls shall be excluded from persons eligible for landscape conservation direct payments.

Article 36 (Farmland Eligible for Landscape Conservation Direct Payments)

Farmland, etc. that may be eligible for landscape conservation direct payments (hereafter in this Section referred to as "farmland, etc. eligible for payment") shall be farmland and grassland (limited to grassland for which income subsidies for areas with unfavorable conditions were duly granted at least once for the period from January 1, 2017 to December 31, 2019), excluding the following: Provided, That where the Minister of Agriculture, Food and Rural Affairs deems that landscape crops can be cultivated and managed in farmland, etc. from the date an application for business is submitted under Article 38 (3) to when verifications and checks of compliance or non-compliance are conducted under Article 40 (2), such farmland, etc. shall be deemed farmland, etc. eligible for payment even though they fall under any of the following:

1. Farmland for which permission for, or a report or consultation on, diversion of farmland is granted, filed, or completed under Article 34, 35, or 43 of the Farmland Act (including where permission for, or report or consultation on, diversion of farmland is deemed granted, filed, or completed under other statutes);
2. Farmland for which permission for or consultation on the temporary use of farmland for other purposes is granted or completed under Article 36 of the Farmland Act (including where permission for or consultation on the temporary use of farmland for other purposes is deemed granted or completed under other statutes);

3. Farmland, etc. prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in an area designated or publicly notified as a prearranged area for various development projects pursuant to other statutes or regulations.

Article 37 (Standards for Making Landscape Conservation Direct Payments)

(1) The payment rate for landscape conservation direct payments shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs, in consideration of additional expenses incurred in cultivating and managing landscape crops, a reduction in income, etc.

(2) The amount of landscape conservation direct payments shall be calculated by multiplying the payment rate under paragraph (1) by the area of farmland, etc. eligible for payment, and the upper limit of the area of the farmland, etc. eligible for payment shall be 300,000 square meters for farmers and 500,000 square meters for agricultural corporations.

(3) Except as provided in paragraph (2), matters necessary for standards for making landscape conservation direct payments shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 38 (Procedures for Application for Landscape Conservation Direct Payments)

(1) A farmer, etc. who intend to receive landscape conservation direct payments shall organize and operate a committee for promoting the conservation of village landscapes (hereinafter referred to as "promotion committee") at Dong or Ri level.

(2) Matters necessary for the organization and operation of a promotion committee shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(3) A promotion committee shall prepare an application for business and submit it to the head of the competent Eup/Myeon/Dong (hereinafter referred to as the "head of an Eup/Myeon").

(4) Upon receipt of an application for business submitted under paragraph (3), the head of an Eup/Myeon shall examine whether farmland, etc. are eligible for payment and send such application accompanied by documents regarding the results of the examination to the head of the relevant Si/Gun/Gu, etc.

(5) The head of a Si/Gun/Gu, etc. shall examine the application for business sent by the head of an Eup/Myeon under paragraph (4), as prescribed by the Minister of Agriculture, Food and Rural Affairs, and where farmland, etc. are deemed eligible for payment, he or she shall select farmland, etc. eligible for payment and persons eligible for payment and notify such selection to the head of the Eup/Myeon, the chairperson of the relevant promotion committee, and farmers, etc.

(6) Matters necessary for submitting applications for business and notifying the selection under paragraphs (3) and (5) and other matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 39 (Conclusion of Village Landscape Conservation Agreement)

(1) Where farmland, etc. eligible for payment and persons eligible for payment are selected under Article 38 (5), the head of a Si/Gun/Gu, etc. shall conclude an agreement with the relevant promotion committee on the making of landscape conservation direct payments, cultivation and management of landscape crops, and other activities for conserving village landscapes (hereinafter referred to as "village landscape conservation agreement").

(2) Where the head of a Si/Gun/Gu, etc. concludes a village landscape conservation agreement under paragraph (1), he or she shall publicly announce the details thereof on the bulletin boards of the Si/Gun/Gu and the relevant Eup/Myeon/Dong for at least 10 days.

Article 40 (Making of Landscape Conservation Direct Payments)

(1) Where the head of a Si/Gun/Gu, etc. intends to make landscape conservation direct payments to farmers, etc. selected as eligible for such payments under Article 38 (5), he or she shall make the payments after verifying and checking whether a village landscape conservation agreement is complied with.

(2) Where the head of a Si/Gun/Gu, etc. verifies and checks whether a village landscape conservation agreement is complied with under paragraph (1), he or she may request the Director General of the National Agricultural Products Quality Management Service to verify and check the status of the cultivation and management of landscape crops.

(3) The Minister of Agriculture, Food and Rural Affairs may subsidize activities for conserving village landscapes conducted by a promotion committee within the budget in order to form, maintain, and improve the landscape of a village for which a village landscape conservation agreement is concluded.

(4) Matters necessary for the making of landscape conservation direct payments, verifications and checks, and the subsidization of activities for conserving village landscapes under paragraphs (1) and (3) shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 41 (Restriction on Making of Landscape Conservation Direct Payments and Recovery Thereof)

(1) Where a person selected as eligible for landscape conservation direct payments or a person to whom such payments are made under Article 38 or 40 falls under any of the following, the head of a Si/Gun/Gu, etc. shall not make all or some of the payments (all of the payments shall not be made, in cases falling under subparagraph 1) and shall recover the payments already made during the period when the reason for not making them arises:

1. Where the person is selected as eligible for payment or receives landscape conservation direct payments by fraud or other improper means;
2. Where the person fails to comply with all or part of a village landscape conservation agreement;
3. Other cases where the Minister of Agriculture, Food and Rural Affairs determines and publicly notifies that it is inappropriate to make landscape conservation direct payments.

(2) With regard to a person to whom all of landscape conservation direct payments are not made or from whom such payments are recovered as he or she falls under paragraph (1) 1, the head of a Si/Gun/Gu, etc. may restrict such person from being selected as a person eligible for the payments pursuant to Article 38 for up to five years from the year in which the date of such restriction or recovery falls.

(3) Detailed standards for restriction and recovery, and the period of restriction on selecting persons eligible for payment under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in consideration of the type, severity, etc. of the relevant violation.

Section 4 Rice Field Utilization Direct Payment Program

Article 42 (Implementation of Rice Field Utilization Direct Payment Program)

(1) The Minister of Agriculture, Food and Rural Affairs shall implement a rice field utilization direct payment program to promote the public functions of agriculture and rural communities and stabilize the income of farmers, etc. pursuant to Article 21 (3) of the Act.

(2) For an increase in the food self-sufficiency rate, the stabilization of the supply of and demand for agricultural products by item, etc., the Minister of Agriculture, Food and Rural Affairs may, pursuant to Article 22 of the Act, make rice field utilization direct payments under the rice field utilization direct payment program (hereinafter referred to as "rice field utilization direct payments") to farmers, etc. who utilize and manage rice fields such as cultivating rice field-utilized crops, within the budget.

(3) "Rice field-utilized crop" in paragraph (2) means a crop cultivated in rice fields for an increase in the food self-sufficiency rate, the stabilization of the supply of and demand for agricultural products by item, etc., as determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

(4) The Minister of Agriculture, Food and Rural Affairs shall delegate duties regarding the making of rice field utilization direct payments to the head of a Si/Gun/Gu, etc.

Article 43 (Farmland Eligible for Rice Field Utilization Direct Payments)

(1) Farmland that may be eligible for rice field utilization direct payments (hereafter in this Section referred to as "farmland eligible for payment") shall be any of the following:

1. Farmland falling under Article 5 (1) or (2) of the previous Act on Preserving Agricultural Income;
2. Farmland developed on or after January 1, 1998, the shape and function of which are maintained in accordance with subparagraph 1 of Article 12 of the Act;
3. Other farmland requiring the making of rice field utilization direct payments for an increase in the food self-sufficiency rate, the stabilization of the supply of and demand for agricultural products by item, etc., as determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

(2) Notwithstanding paragraph (1), any of the following farmland shall be excluded from farmland eligible for payment:

1. Farmland subject to an order to dispose of farmland under Article 11 (1) of the Farmland Act;
2. Farmland for which permission for, or a report or consultation on, diversion of farmland is granted, filed, or completed under Article 34, 35, or 43 of the Farmland Act (including where permission for, or report or consultation on, diversion of farmland is deemed granted, filed, or completed under other statutes);
3. Farmland for which permission for or consultation on the temporary use of farmland for other purposes is granted or completed under Article 36 of the Farmland Act (including where permission for or consultation on the temporary use of farmland for other purposes is deemed granted or completed under other statutes);
4. Land owned by a person subject to a period of restriction on registration under Article 50 (2). In such cases, the period during which such land is excluded from farmland eligible for payment shall be the period of restriction on registration;
5. Farmland prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, such as farmland located in a residential area, commercial area, or industrial area under the National Land Planning and Utilization Act and farmland located in an area designated or publicly notified as a prearranged area for various development projects.

Article 44 (Persons Eligible for Rice Field Utilization Direct Payments)

- (1) A person eligible for rice field utilization direct payments shall be a farmer, etc. classified as follows:
 1. Where the address or principal office is in a rural community (referring to a rural community defined in subparagraph 5 of Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry): A person who utilizes and manages rice fields in a manner determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs, such as the cultivation of rice field-utilized crops in farmland eligible for payment;
 2. Where the address or principal office is in an area other than a rural community: A person who engages mainly in agriculture prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, such as a person who engages in cultivating rice field-utilized crops in farmland eligible for payment.
- (2) Notwithstanding paragraph (1), any of the following farmers, etc. shall be ineligible for rice field utilization direct payments:
 1. A person subject to a period of restriction on registration of a person eligible for basic direct payments under Article 19 (2) of the Act;
 2. A person whose global income, excluding agricultural income, is at least the amount prescribed in Article 6 (1) as of the year immediately preceding the year in which the date an application for registration of a person eligible for rice field utilization direct payments is filed under Article 45 (1) falls;

3. A person subject to a period of restriction on registration of a person eligible for rice field utilization direct payments under Article 50 (2);
4. A person in whose case the area of farmland used for cultivating rice field-utilized crops and other purposes is less than 1,000 square meters;
5. A person who occupies or uses the relevant farmland without a lawful title (limited to a parcel of farmland occupied or used without a lawful title).

Article 45 (Registration of Persons Eligible for Rice Field Utilization Direct Payments)

(1) A person who intends to receive rice field utilization direct payments shall apply for registration thereof each year to the head of the Eup/Myeon having jurisdiction over the location of farmland eligible for payment (referring to the location of largest farmland where the relevant farmland is located in at least two Eups/Myeons/Dongs) by the date prescribed by the Minister of Agriculture, Food and Rural Affairs, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(2) Upon receipt of an application for registration under paragraph (1), the head of an Eup/Myeon shall examine and verify whether the applicant for registration of rice field utilization direct payments is eligible for such payments under Article 44.

(3) A committee for rice field utilization direct payments shall be established in each Eup/Myeon/Dong to deliberate on matters regarding the results of an examination under paragraph (2), and matters necessary for methods of the organization and operation of such committee and other matters shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(4) Where an applicant under paragraph (1) is found eligible for rice field utilization direct payments pursuant to Article 44 upon examination under paragraph (2) and deliberation under paragraph (3), the head of a Si/Gun/Gu, etc. shall register the applicant as a person eligible for such payments and issue him or her a certificate of registration of a person eligible for the payments in the form prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(5) Matters necessary for items, methods, etc. of examinations under paragraph (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

Article 46 (Registration of Changes to Registered Matters)

(1) Where any change is made to the registered matters determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs such as the area of farmland eligible for payment and cultivated crops, a person registered as eligible for rice field utilization direct payments under Article 45 (hereinafter referred to as “registrant of rice field utilization direct payments”) shall apply for registration of such change to the head of the Eup/Myeon having jurisdiction over the location of the relevant farmland (referring to the location of the largest farmland where the relevant farmland is located in at least two Eups/Myeons/Dongs), as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(2) A farmer, etc., to whom a registrant of rice field utilization direct payments transfers, leases, or leases free of charge all or part of farmland eligible for payment shall file a report on such fact with the head of an Eup/Myeon, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs.

(3) Upon receipt of an application for registration of changes under paragraph (1) or a report under paragraph (2), the head of an Eup/Myeon shall examine and verify whether the relevant applicant or the reporter is eligible for rice field utilization direct payments under Article 44.

(4) Matters regarding the results of examinations under paragraph (3) shall be deliberated on by a committee for rice field utilization direct payments established under Article 45 (3).

(5) Where an applicant under paragraph (1) or a reporter under paragraph (2) is found eligible for rice field utilization direct payments under Article 44 upon examination under paragraph (3) and deliberation under paragraph (4), the head of a Si/Gun/Gu, etc. shall register the applicant or reporter as a person eligible for such payments and issue him or her a certificate of registration of a person eligible for the payments in the form prescribed by Ordinance of Ministry of Agriculture, Food and Rural Affairs.

Article 47 (Requirements for Making Rice Field Utilization Direct Payments)

A registrant of rice field utilization direct payments who intends to receive such payments shall meet all of the following requirements:

1. The registrant shall manage farmland eligible for payment under subparagraph 1 of Article 12 of the Act;
2. The registrant shall utilize and manage rice fields in a manner determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs, such as the cultivation of rice field-utilized crops for an increase in the food self-sufficiency rate, the stabilization of the supply of and demand for agricultural products by item, etc.

Article 48 (Standards for Making Rice Field Utilization Direct Payments)

(1) The amount of rice field utilization direct payments shall be calculated by multiplying by the area of farmland eligible for payment, the payment rate for such payments per area determined by the Minister of Agriculture, Food and Rural Affairs in consultation with the Minister of Economy and Finance in consideration of agricultural income, etc.

(2) The upper limit of the area of farmland eligible for payment prescribed in paragraph (1) shall be classified as follows:

1. In the case of a farmer: 300,000 square meters;
2. In the case of an agricultural corporation as a joint agricultural business entity: Four million square meters. In such cases, subparagraph 1 shall apply to the upper limit of the area for a farmer who is a member of the agricultural corporation as a joint agricultural business entity;
3. In the case of an agricultural corporation other than that prescribed in subparagraph 2: 500,000 square meters.

(3) Except as provided in paragraphs (1) and (2), matters necessary for calculating the amount of rice field utilization direct payments and other matters shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 49 (Making of Rice Field Utilization Direct Payments)

(1) The head of a Si/Gun/Gu, etc. shall make rice field utilization direct payments after verifying and checking whether a registrant of rice field utilization direct payments fulfills the requirements for payment under Article 47.

(2) The head of a Si/Gun/Gu, etc. may request the Director General of the National Agricultural Products Quality Management Service to provide materials or conduct an examination necessary for verifications and checks referred to in paragraph (1).

(3) Except as provided in paragraphs (1) and (2), matters necessary for the making of rice field utilization direct payments, verifications and checks, etc. shall be determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs.

Article 50 (Restriction on Making of Rice Field Utilization Direct Payments and Recovery Thereof)

(1) Where a registrant of rice field utilization direct payments or a person to whom such payments are made under Article 49 falls under any of the following, the head of a Si/Gun/Gu, etc. shall not make all or some of the payments (all of the payments shall not be made, in cases falling under subparagraph 1) and shall recover the payments already made during the period when the reason for not making them arises:

1. Where he or she is registered as a person eligible for payment or receives rice field utilization direct payments by fraud or other improper means;
2. Where he or she fails to meet all or part of the requirements prescribed in Article 47.

(2) With regard to a person to whom all of rice field utilization direct payments are not made or from whom such payments are recovered as he or she falls under paragraph (1) 1, the head of a Si/Gun/Gu, etc. may restrict such person from being registered as a person eligible for the payments pursuant to Article 45 for up to five years from the year in which the date of such restriction or recovery falls.

(3) Detailed standards for restriction or recovery, and the period of restriction on registering persons eligible for payment under paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs in consideration of the type, severity, etc. of the relevant violation.

CHAPTER V DELIBERATIVE COMMITTEE FOR OPERATION OF DIRECT PAYMENT PROGRAM FOR PROMOTION OF PUBLIC FUNCTIONS OF AGRICULTURE AND RURAL COMMUNITIES

Article 51 (Duties of Chairperson)

- (1) The chairperson (hereinafter referred to as the "chairperson") of the Deliberative Committee for Operation of Direct Payment Program for Promotion of Public Functions of Agriculture and Rural Communities established under Article 23 (1) of the Act (hereinafter referred to as the "Deliberative Committee") shall represent the Deliberative Committee and exercise general supervision over its affairs.
- (2) The vice chairperson of the Deliberative Committee shall assist the chairperson, and where the chairperson is unable to perform his or her duties due to any unavoidable reason, the vice chairperson shall act on behalf of the chairperson.

Article 52 (Dismissal of Members)

Where a member referred to in Article 24 (2) 2 of the Act falls under any of the following, the Minister of Agriculture, Food and Rural Affairs may dismiss such member:

1. Where the member becomes unable to perform his or her duties due to a physical or mental disability;
2. Where the member is found to have committed any wrongdoing in connection with his or her duties;
3. Where the member is deemed unsuitable as a member due to neglect of duty, injury to dignity, or any other reason;
4. The member voluntarily indicates that it is impracticable for him or her to perform his or her duties.

Article 53 (Meetings of Deliberative Committee)

- (1) The chairperson shall convene and preside over meetings of the Deliberative Committee.
- (2) Meetings of the Deliberative Committee shall be divided into regular meetings held once each year and occasional meetings held at the request of the chairperson.
- (3) A majority of the members of the Deliberative Committee shall constitute a quorum, and any decision thereof shall require the concurring vote of a majority of those present.
- (4) Where deemed necessary for deliberation, the chairperson may require relevant public officials, experts, or other interested persons to attend a meeting to have them make their statements or hear their opinions, and may request relevant institutions or experts to present their opinions or materials.

Article 54 (Working Committee)

- (1) The Deliberative Committee may have a working committee for effective deliberation.
- (2) Matters necessary for the organization, operation, etc. of a working committee shall be determined by the chairperson following decision by the Deliberative Committee.

Article 55 (Executive Secretary)

- (1) The Deliberative Committee shall have one executive secretary, who shall be appointed by the Minister of Agriculture, Food and Rural Affairs from among public officials in charge of the direct payment program for promoting the public functions of agriculture and rural communities.

(2) The executive secretary shall perform the affairs of the Deliberative Committee under the direction of the chairperson.

Article 56 (Allowances)

Allowances and travel expenses may be paid to members who attend a meeting of the Deliberative Committee and a working committee and interested persons, etc. who attend a meeting to make their statements or present their opinions pursuant to Article 53 (4), within the budget: Provided, That the same shall not apply where a public official attends a meeting in direct relation to his or her duties.

CHAPTER VI DIRECT PAYMENT FUND FOR THE PROMOTION OF PUBLIC FUNCTIONS OF AGRICULTURE AND RURAL COMMUNITIES

Article 57 (Financial Resources of the Fund)

"Revenues prescribed by Presidential Decree" in Article 26 (1) 7 of the Act means interest revenues accruing before import profits prescribed in Article 13-2 (1) of the Grain Management Act are paid to the Direct Payment Fund for the Promotion of Public Functions of Agriculture and Rural Communities under Article 25 of the Act (hereinafter referred to as the "Fund").

Article 58 (Entrustment of Affairs regarding Management and Operation of the Fund)

(1) The Minister of Agriculture, Food and Rural Affairs shall, pursuant to Article 30 (2) of the Act, entrust the following affairs regarding the management and operation of the Fund to an agriculture-related corporation designated and publicly notified by the Minister of Agriculture, Food and Rural Affairs (hereinafter referred to as "trustee of the Fund"):

1. Accounting affairs regarding the management and operation of the Fund;
2. Affairs regarding the revenue and expenditure of the Fund;
3. Affairs regarding the management of the assets of the Fund;
4. Other affairs relating to the management and operation of the Fund, as prescribed by the Minister of Agriculture, Food and Rural Affairs.

(2) The trustee of the Fund shall keep accounts of the Fund separately from other accounts to clarify the management and operation of the Fund.

(3) Expenses incurred in performing the affairs referred to in the subparagraphs of paragraph (1) shall be borne by the Fund.

Article 59 (Reporting on Settlement of Accounts of the Fund)

(1) The trustee of the Fund shall prepare a report on the settlement of accounts of the Fund every fiscal year and submit it to the Minister of Agriculture, Food and Rural Affairs no later than February 15 of the

following fiscal year.

(2) The Minister of Agriculture, Food and Rural Affairs shall submit the report on the settlement of accounts of the Fund that he or she receives from the trustee of the Fund pursuant to paragraph (1) to the Minister of Economy and Finance no later than the end of February of the following fiscal year after deliberation on such report by the Deliberative Committee.

(3) A report on the settlement of accounts of the Fund under paragraph (1) shall be accompanied by following documents:

1. A document on a business plan and performance;
2. A statement of financial position;
3. A statement of profit and loss;
4. A statement of appropriation of retained earnings or a statement of disposition of deficit;
5. Other documents necessary for clarifying the details of the settlement of accounts.

CHAPTER VII SUPPLEMENTARY PROVISIONS

Article 60 (Informatization and Request for Provision of Materials)

(1) The Minister of Agriculture, Food and Rural Affairs may establish and operate an electronic information system to efficiently manage information on the implementation of the public direct payment program (hereinafter referred to as "public direct payment program management system") pursuant to Article 36 (1) of the Act.

(2) The scope of materials that the Minister of Agriculture, Food and Rural Affairs may make a request to provide under Article 36 (2) of the Act shall be as specified in attached Table 5.

(3) Where the Minister of Agriculture, Food and Rural Affairs intends to request the provision of materials under Article 36 (2) of the Act, he or she shall specify the following:

1. Reasons for requesting materials;
2. Period for requesting materials;
3. Scope and methods of providing materials;
4. Other matters deemed necessary by the Minister of Agriculture, Food and Rural Affairs.

(4) The materials that the Minister of Agriculture, Food and Rural Affairs provides to the head of a relevant administrative agency, etc. under Article 36 (4) of the Act shall be limited to the materials related to the affairs of the relevant agency, and the agency provided with the materials shall not use them for any purpose other than the purpose for which they are provided.

Article 61 (Guidance)

(1) Those subject to guidance, supervision, and management under Article 38 (1) of the Act (hereinafter referred to as "guidance, etc.") shall be as follows:

1. A farmer, etc. who receive or intend to receive basic direct payments under Article 7 of the Act, or selective-type public direct payments under Articles 21 and 22 of the Act and Articles 20, 27, 34, and 42 of this Decree (hereinafter referred to as "selective direct payments");
 2. An institution to which the Minister of Agriculture, Food and Rural Affairs delegates or entrusts his or her authority (including the head of an Eup/Myeon and an educational institution designated under Article 14 (2)).
- (2) Where necessary for guidance, etc., the Minister of Agriculture, Food and Rural Affairs may order a person prescribed in the subparagraphs of paragraph (1) to report his or her duties or provide materials.
- (3) The Minister of Agriculture, Food and Rural Affairs may formulate and implement an action plan for guidance, etc. every year to efficiently provide guidance, etc.
- (4) Where necessary for guidance, etc., the Minister of Agriculture, Food and Rural Affairs may organize and operate a joint inspection team comprised of a management agencies referred to in Article 62 and public officials belonging to Cities/Dos.
- (5) Where a person falling under paragraph (1) 2 is deemed to have violated statutes or regulations when performing his or her duties or to have performed the duties wrongfully upon guidance, etc., the Minister of Agriculture, Food and Rural Affairs may order such person to make a correction or to take other necessary measures.

Article 62 (Designation and Operation of Management Agencies)

- (1) The Minister of Agriculture, Food and Rural Affairs shall designate the National Agricultural Products Quality Management Service as a management agency to fulfill an obligation to provide guidance, etc. under Article 38 (2) of the Act.
- (2) The management agency under paragraph (1) (hereinafter referred to as the "management agency") shall perform the following affairs to operate the public direct payment program and to ensure transparency in executing public direct payments under Article 38 (1) of the Act:
1. Investigation and regulation of illegal acts related to the making of basic direct payments, application for registration or registration of a person eligible for payment, registration of or reporting on changes, etc. under Articles 7, 10, 11, 14, 15, and 16 of the Act;
 2. Verification, guidance, and regulation regarding compliance with provisions related to restriction on making basic direct payments or on registering persons eligible for payment, recovery of unjust gains, imposition and collection of additional monetary sanctions, etc. under Articles 19 and 20 of the Act;
 3. Investigation and regulation of illegal acts related to the making of selective direct payments, selection and registration of persons eligible for payment, etc.; and verification, guidance, and regulation regarding compliance with provisions related to restriction on making selective direct payments and recovery of such payments, restriction on selecting and registering persons eligible for payment, etc., under Articles 21 and 22 of the Act and Chapter IV of this Decree (provisions of Articles 20 through 50);

4. Other affairs deemed necessary by the Minister of Agriculture, Food and Rural Affairs for operating the public direct payment system and ensuring transparency in executing basic direct payments and selective direct payments.
- (3) The head of the management agency shall annually formulate and implement a detailed action plan for the affairs specified in the subparagraphs of paragraph (2) in accordance with the action plan for guidance, etc. under Article 61 (3), and shall report the results of pursuing such detailed action plan every year, as prescribed by the Minister of Agriculture, Food and Rural Affairs.
- (4) Matters necessary for operating the management agency shall be determined and publicly notified by the head of the management agency.

Article 63 (Delegation and Entrustment of Authority)

(1) The Minister of Agriculture, Food and Rural Affairs shall delegate the following authority to the Director General of the National Agricultural Products Quality Management Service under Article 39 (1) of the Act:

1. Investigation or collection and inspection of books or documents under Article 17 (2) and (3) of the Act (limited to where verification is conducted as to whether the following matters to be observed are implemented):
 - (a) Maintenance of the shape and function of farmland under subparagraph 1 of Article 12 of the Act;
 - (b) Intervals and limits of pesticides under subparagraph 2 of Article 12 of the Act (limited to the stage of producing agricultural products);
 - (c) Matters to be observed under subparagraph 4 of Article 12 of the Act and subparagraph 1 (a) through (d) and (e) (limited to the stage of producing agricultural products), and (f) of attached Table 3 (limited to the measures under Article 63 (1) 1 of the Agricultural and Fishery Products Quality Control Act);
 - (d) Obligation to retain and keep documents, etc. of registrants of basic direct payments under Article 18 of the Act (limited to documents, etc. related to the matters to be observed under items (a) through (c) of this subparagraph, among the matters to be observed under Article 12 of the Act);
2. Disclosure of information on applicants for and recipients of public direct payments, and receipt, examination, and notification of objections to such disclosure under Article 37 of the Act (limited to matters regarding environment-friendly livestock direct payments);
3. Commission of honorary monitors, receipt of reports on violations, and reimbursement of expenses under Article 40 of the Act;
4. Processing of reports (limited to matters regarding environment-friendly livestock direct payments) and the granting of monetary awards under Article 41 of the Act;
5. Imposition and collection of administrative fines under Article 45 (1) 1 of the Act (limited to violations regarding investigation or collection and inspection of books or documents under subparagraph 1 of this paragraph);

6. Imposition and collection of administrative fines under Article 45 (1) 2 of the Act (limited to violations regarding an obligation to retain and keep documents, etc. related to the matters to be observed under subparagraph 1 (a) through (c) of this paragraph, among the matters to be observed under Article 12 of the Act);

7. Operation of the public direct payment program management system under Article 60 (1).

(2) The Minister of Agriculture, Food and Rural Affairs shall delegate the following authority to a Special Self-Governing City Mayor, a Special Self-Governing Province Governor, or the head of a Si/Gun/Gu under Article 39 (1) of the Act:

1. Making of basic direct payments under Article 7 of the Act (including direct payments for small-scale farm households and area direct payments under Articles 10 and 11 of the Act);

2. Recognition as to whether farmland, etc. can be used for rice farming under Article 8 (2) 1 (a) of the Act and agriculture under subparagraph 6 of the same paragraph;

3. Registration of persons eligible for basic direct payments under Article 15 of the Act;

4. Registration of a change to the status as a person eligible for basic direct payments, reports on transfer, lease, or lease free of charge of farmland, etc. eligible for payment, and receipt of reports on succession to the status of a registrant of basic direct payments under Article 16 of the Act;

5. Investigation of registered matters regarding basic direct payments under Article 17 (1) of the Act;

6. Investigation or collection and inspection of books or documents under Article 17 (2) and (3) of the Act (limited to where verification is conducted as to whether the following matters to be observed are implemented):

(a) Intervals and limits of pesticides under subparagraph 2 of Article 12 of the Act (limited to the stages of distributing and selling agricultural products);

(b) Limits of chemical fertilizers under subparagraph 2 of Article 12 of the Act;

(c) Matters to be observed under subparagraph 4 of Article 12 of the Act and subparagraph 1 (e) (limited to the stages of distributing and selling agricultural products), (f) (limited to restriction on shipment under Article 38-2 (2) of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products), and (g) through (m) of attached Table 3;

(d) Obligation to retain and keep documents, etc. of registrants of basic direct payments under Article 18 of the Act (limited to documents, etc. related to the matters to be observed under items (a) through (c) of this subparagraph among the matters to be observed under Article 12 of the Act, and documents, etc. related to registered matters under Articles 15 and 16 of the Act);

7. Restriction on making basic direct payments or registering persons eligible for payment under Article 19 of the Act;

8. Recovery of unjust gains and imposition and collection of additional monetary sanctions and additional charges under Article 20 of the Act;

9. Disclosure of information on applicants for and recipients of public direct payments, and receipt, examination, and notification of objections to such disclosure under Article 37 of the Act (excluding

matters regarding environment-friendly livestock direct payments);

10. Processing of reports under Article 41 of the Act (excluding matters regarding environment-friendly livestock direct payments);

11. Imposition and collection of administrative fines under Article 45 (1) 1 of the Act (limited to violations regarding investigation or collection and inspection of books and documents under Article 17 (1) of the Act and subparagraph 6 of this paragraph);

12. Imposition and collection of administrative fines under Article 45 (1) 2 of the Act (limited to violations regarding documents, etc. related the matters to be observed under subparagraph 6 (a) through (c) of this paragraph, among the matters to be observed under Article 12 of the Act, and registered matters under Articles 15 and 16 of the Act).

(3) The Director General of the National Agricultural Products Quality Management Service may re-delegate part of the authority delegated under paragraph (1) to the head of an affiliated agency after obtaining approval from the Minister of Agriculture, Food and Rural Affairs. In such cases, the Director General of the National Agricultural Products Quality Management Service shall publicly notify the details of the authority re-delegated.

Article 64 (Management of Personally Identifiable Information)

(1) Where it is unavoidable to perform the following affairs, the Minister of Agriculture, Food and Rural Affairs (where the relevant authority is delegated or entrusted, including a person to whom the authority is delegated or entrusted) may manage materials containing resident registration numbers, passport numbers, or alien registration numbers prescribed in subparagraph 1, 2, or 4 of Article 19 of the Enforcement Decree of the Personal Information Protection Act and report numbers of domestic places of residence under Article 7 (1) of the Act on the Immigration and Legal Status of Overseas Koreans:

1. Affairs regarding the making of basic direct payments, direct payments for small-scale farm households, and area direct payments under Articles 7, 10, and 11 of the Act;
2. Affairs regarding recognition as to whether farmland, etc. can be used for rice farming under Article 8 (2) 1 (a) of the Act and agriculture under subparagraph 6 of the same paragraph;
3. Imposition of an obligation to adjust cultivation areas under Article 13 of the Act;
4. Affairs regarding the registration of persons eligible for basic direct payments, and registration of or reporting on changes under Articles 15 and 16 of the Act;
5. Affairs regarding investigation of registered matters and the matters to be observed regarding basic direct payments under Article 17;
6. Affairs regarding restriction on making basic direct payments or registering persons eligible for payment under Article 19 of the Act;
7. Affairs regarding the recovery of unjust gains and the imposition and collection of additional monetary sanctions and additional charges under Article 20 of the Act;

8. Affairs regarding the making of selective direct payments under Articles 21 and 22 of the Act and Chapter IV of this Decree (Articles 20 through 50);
9. Affairs regarding the composition and operation of the Deliberative Committee under Article 24 of the Act;
10. Affairs regarding the management and operation of the Fund under Article 30 of the Act;
11. Affairs regarding informatization and requests, etc. for provision of materials under Article 36 of the Act.
12. Affairs regarding disclosure of information on applicants for and recipients of public direct payments, and receipt, examination, and notification of objections to such disclosure under Article 37 of the Act;
13. Affairs regarding guidance, supervision, and management under Article 38 of the Act;
14. Affairs regarding commission of honorary monitors for the public direct payment program and reimbursement of expenses under Article 40 of the Act;
15. Affairs regarding processing of reports and granting of monetary rewards under Article 41 of the Act;
16. Affairs regarding the imposition and collection of administrative fines under Article 45 of the Act.

(2) Where it is unavoidable to perform the following affairs, the head of a local government and the head of an Eup/Myeon (where the relevant authority is delegated or entrusted, including a person to whom the authority is delegated or entrusted) may manage materials containing resident registration numbers, passport numbers, or alien registration numbers prescribed in subparagraph 1, 2, or 4 of Article 19 of the Enforcement Decree of the Personal Information Protection Act and report numbers of domestic places of residence under Article 7 (1) of the Act on the Immigration and Legal Status of Overseas Koreans:

1. Affairs regarding receipt of applications for registration of basic direct payments under Article 14 of the Act;
2. Affairs regarding verification of matters for applying for registration of basic direct payments under Article 15 of the Act;
3. Affairs regarding commission of honorary monitors for the public direct payment program and reimbursement of expenses under Article 40 of the Act.

Article 65 (Standards for Imposing Administrative Fines)

Standards for imposing administrative fines pursuant to Article 45 (1) of the Act shall be as specified in attached Table 6.

ADDENDA <Presidential Decree No. 30640, Apr. 28, 2020>

Article 1 (Enforcement Date)

This Decree shall enter into force on May 1, 2020.

Article 2 (Applicability to Restriction on Number of Payments)

(1) The number of environment-friendly agriculture direct payments made under Article 22 (3) shall be calculated by including the number of environment-friendly agriculture subsidies granted before this Decree enters into force under the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products (referring to the one before amended by Presidential Decree No. 30640; hereinafter the same shall apply).

(2) The number of environment-friendly livestock direct payments made under Article 29 (2) shall be calculated by including the number of environment-friendly livestock subsidies granted before this Decree enters into force under the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Producers.

Article 3 (Applicability to Restriction on Selecting and Registering Persons Eligible for Payment)

(1) Article 26 (2) shall begin to apply where persons selected as eligible for environment-friendly agriculture direct payments or persons to whom such payments are made fall under paragraph (1) 1 of the same Article on or after the date this Decree enters into force.

(2) Article 33 (2) shall begin to apply where persons selected as eligible for environment-friendly livestock direct payments or persons to whom such payments are made fall under paragraph (1) 1 of the same Article on or after the date this Decree enters into force.

(3) Article 41 (2) shall begin to apply where persons selected as eligible for landscape conservation direct payments or persons to whom such payments are made fall under paragraph (1) 1 of the same Article on or after the date this Decree enters into force.

(4) Article 50 (2) shall begin to apply where registrants of rice field utilization direct payments or persons to whom such payments are made fall under paragraph (1) 1 of the same Article on or after the date this Decree enters into force.

Article 4 (General Transitional Measures)

(1) Dispositions or measures taken with regard to the environment-friendly agriculture direct payment program, direct payment program for environment-friendly and safe livestock products, landscape conservation direct payment program, and dry field farming direct payment program and other acts done by or to administrative agencies under the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products as at the time this Decree enters into force, shall be deemed dispositions or measures taken or acts done by or to administrative agencies under this Decree.

(2) The environment-friendly agriculture direct payment program, direct payment program for environment-friendly and safe livestock products, landscape conservation direct payment program, and dry field farming direct payment program implemented under Article 3 of the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products Act shall be the environment-friendly agriculture direct payment program, direct payment program for environment-friendly and safe livestock products, landscape conservation direct payment program, and rice field utilization direct payment program under this Decree on or after the date this Decree enters into force.

Article 5 (Transitional Measures concerning Suspension of Making Environment-Friendly Agriculture Subsidies and Recovery Thereof)

Where the making of environment-friendly agriculture subsidies, environment-friendly livestock subsidies, landscape conservation subsidies, or dry field farming subsidies is suspended or restricted; such subsidies are recovered; the registration of the subsidies is restricted; or the procedures for the aforesaid measures are under way pursuant to Articles 23, 23-8, 40, 40-5, and 40-10 of the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products, the previous provisions shall apply until the relevant measure is completed.

Article 6 Omitted.

Article 7 (Relationship to Other Statutes or Regulations)

A citation of the previous Enforcement Decree of the Act on Preserving Agricultural Income or the provisions thereof, or the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products or the provisions thereof by any other statute or regulation as at the time this Decree enters into force shall be deemed a citation of this Decree or the corresponding provisions thereof in lieu of the previous Enforcement Decree of the Act on Preserving Agricultural Income or the provisions thereof, or the previous Enforcement Regulations on Direct Payment Program for Producers of Agricultural Products or the provisions thereof, if such corresponding provisions exist herein

ADDENDA <Presidential Decree No. 30975, Aug. 26, 2020>

Article 1 (Enforcement Date)

This Decree shall enter into force on August 28, 2020.

Articles 2 and 3 Omitted.

Last updated : 2021-12-20