

Special Act on the Assistance to the Development of Abandoned Mine Areas

	1995·12·29	Act No. 5089
Amended By	1997·12·13	Act No. 5454
Amended By	1999· 1·21	Act No. 5654
Amended By	2000·12·29	Act No. 6318
Amended By	2002· 2· 4	Act No. 6656
Amended By	2002·12·30	Act No. 6841
Amended By	2004· 3·11	Act No. 7186

Article 1 (Purpose)

The purpose of this Act is to promote the economy of abandoned mine areas that is depressed due to the decline of the coal industry and thereby help balanced regional development and improve the living standard of the residents in the abandoned mine areas.

Article 2 (Definitions)

For the purpose of this Act, the definitions of terms shall be as follows:

- 1.The term "abandoned mine area" means the area in which coal mines were or are located, including the neighbouring area, and the regional economy of which is severely depressed due to the mine closure or to reduced coal production;
- 2.The term "promoter" means the promoter as provided for in [Article 16 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#);
- 3.The term "approval of implementation plan" means the approval of implementation plan as provided for in [Article 17 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#);
- 4.The term "substitute industry" means such an industry that, substituting the coal industry, can increase the incomes of the residents in abandoned mine areas or revitalize the regional economy; and
- 5.The term "private capital inducement project" means the private capital inducement project as provided for in the [Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#).

Article 3 (Designation of Abandoned Mine Area Promotion District)

(1) If the Minister of Commerce, Industry and Energy deems it necessary to designate Abandoned Mine Area Promotion District (hereinafter referred to as the "Promotion District") to promote the economy of abandoned mine area in which it is difficult to induce other industries from among the abandoned mine areas, said Minister is authorized to do so at the

request of the Do governor. <Amended by Act No. 6318, Dec. 29, 2000>

(2) The Promotion District shall be designated to such an area, from among the Development Promotion District as provided for in [Article 9 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#), that needs special development and meets the criteria as prescribed by the Presidential Decree.

(3) If the Minister of Commerce, Industry and Energy intends to designate the Promotion District, the State Council shall deliberate on the matter. The same applies in modifying the designated Promotion District over the size as prescribed by the Presidential Decree. <Amended by Act No. 6318, Dec. 29, 2000>

(4) After the designation of a Promotion District, the Minister of Commerce, Industry and Energy shall notify the contents publicly as prescribed by the Presidential Decree. <Amended by Act No. 6318, Dec. 29, 2000>

Article 4 (Development Plan)

In case a Promotion District as provided for in [Article 3](#) is designated and notified publicly, the Do governor shall include the matters concerning the development of the Promotion District in the Development Plan for Development Promotion District (hereinafter referred to as the "Development Plan") as provided for in [Article 14 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#).

Article 5 (Formulation of Abandoned Mine Area Environmental Preservation Plan)

(1) The Do governor shall formulate a plan for environmental preservation in the Promotion District and recovery of environmental pollution caused by mine abandonment (hereinafter referred to as the "abandoned Mine Area Environmental Preservation Plan") and incorporate it in the Development Plan.

(2) If a Do governor intends to formulate a Coal Mine Area Environmental Preservation Plan, said Do governor shall listen to the opinion of the heads of the administrative agencies concerned and have the matters deliberated by the Regional Environmental Preservation Consultation Committee as provided for in [Article 37 of the Framework Act on Environmental Policy](#). The same applies in changing important matters, as prescribed by the Presidential Decree, in the abandoned Mine Area Environmental Preservation Plan.

(3) Upon the formulation of the abandoned Mine Area Environmental Preservation Plan, the Do governor shall make notification of it publicly as prescribed by the Presidential Decree.

Article 6 (Investigation of Abandoned Mine Area Environment)

If a Do governor intends to formulate Abandoned Mine Area Environmental Preservation Plan, said Do governor shall conduct an environmental investigation of the Promotion District and its neighbouring area concerning the following matters and notify the results of the investigation to the heads of the central administrative agencies concerned:

1. Matters concerning natural resources such as forests, habitats, ecosystems, water resources, etc.;

2. Matters concerning environmental pollution due to mine abandonment;
3. Matters concerning social environment such as population, industry, waterworks, sewage, etc.; and
4. Other matters concerning environmental preservation as prescribed by the Presidential Decree.

Article 7 (Special Provision about Designation of Promoter)

In designating the promoter, as provided for in [Article 16 \(2\) of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#), for the Development Project to implement the Development Plan (hereinafter referred to as the "Development Project"), the Minister of Construction and Transportation or Do governor may designate the residents or coal mining agent of the abandoned mine area concerned on priority over others.

Article 8 (Special Provision about Development of First Grade Zone on Ecology and Nature Map)

Where it is necessary to accelerate the development of the Promotion District, the Do governor may include the area that meets the criteria to be the first grade zone on ecology and nature map as referred to in [Article 34 of the Natural Environment Conservation Act](#) in the Development Plan for the Promotion District after consulting with the Minister of Environment: Provided, That the area determined by the Presidential Decree shall not apply. [This Article Wholly Amended by Act No. 5454, Dec. 13, 1997]

Article 9 (Special Provision about Environmental Effect Evaluation)

(1) The promoter of the development project subject to environmental effect evaluation as provided for in [Article 4 of the Act on Assessment of Impacts of Works on Environment, Traffic, Disasters, etc.](#) shall consult with the Do governor on the evaluation documents drawn up under [Article 5 of the said Act](#).

(2) In applying [Articles 17 through 28 of the Act on Assessment of Impacts of Works on Environment, Traffic, Disasters, etc.](#) to the development project for which a consultation shall be made with the Do governor under paragraph (1), the head of evaluation document consultation agency, that of central administrative agency, the Minister of Construction and Transportation, the Minister of Environment or the Administrator of the National Emergency Management Agency shall respectively be read as a Do governor, respectively. <Amended by Act No. 7186, Mar. 11, 2004>

(3) The Do governor shall establish the Abandoned Mines Area Impact Assessment Deliberation Committee under his jurisdiction in order to deliberate on the matters for consultation under paragraph (1), and establish the working committees by field under the said Committee in order to efficiently perform the relevant duties.

(4) In case where the Do governor conducts the consultation on impact assessment under paragraph (1), he shall go through the deliberation by the Abandoned Mines Area Impact Assessment Deliberation Committee in lieu of the convergence of opinions of the Korea Environment Institute and the experts under [Article 19 of the Act on Assessment of Impacts of Works on Environment, Traffic, Disasters, etc.](#) and the deliberation at the Disaster Impacts

Assessment Committee, the Central Traffic Impacts Deliberation Committee, or the Local Traffic Impacts Deliberation Committee under paragraph (5) of the same Article of same Act.

(5) Matters necessary for the organization, operation, etc. of the Abandoned Mines Area Impact Assessment Deliberation Committee and the working committees under paragraph (3) shall be prescribed by the Presidential Decree.

[This Article Wholly Amended by Act No. 6318, Dec. 29, 2000]

Article 10 (Special Provision about Application of Management of Mountainous Districts Act, etc.)

(1) With respect to the Development Project that is implemented directly or jointly by local residents within the Promotion District or to the Development Project as prescribed by the Presidential Decree, the Administrator of Korea Forest Service is authorized to legislate special provisions, as prescribed by the Presidential Decree, concerning the permission standards for the diversion of the use of mountainous districts under Article 18 (1) of the Management of Mountainous Districts Act. <Amended by Act No. 6841, Dec. 30, 2002>

(2) The Administrator of Korea Forest Service is authorized to rent, permit the use of a national forest, or sell it to the promoter, who obtained permission for the diversion of the use of reserved mountainous districts under paragraph (1), within the scope necessary for promoting the Development Project, notwithstanding the provision of [Articles 75 \(1\) and 80 of the Forestry Act](#), and the person who obtained the rent or the permit of use of a national forest may install the permanent facilities on the relevant national forest under the conditions of donation or withdrawal of the facilities or restoration to original state, notwithstanding the provisions of [Article 75 \(4\) of the same Act](#). <Amended by Act No. 6318, Dec. 29, 2000; Act No. 6841, Dec. 30, 2002>

Article 11 (Special Provision about Application of [Tourism Promotion Act](#))

(1) The Minister of Culture and Tourism may permit casino business operation as provided for in [Article 5 \(1\) of the Tourism Promotion Act](#), notwithstanding the requirements for permission as provided for in [Article 20 of the said Act](#), with the permission confined to one location in abandoned mine areas of which the economy is severely depressed. In this case, the combination of the casino business with facilities for accommodation, sports, entertainment or a resort, etc. (including a plan to implement the development of such facilities) shall be taken into consideration in granting the permission. <Amended by Act No. 5654, Jan. 21, 1999; Act No. 6318, Dec. 29, 2000>

(2) In order to secure public interests and efficiency, the person to be eligible for permission for the casino business operation as provided for in paragraph (1) should meet the requirements as provided for in the Presidential Decree.

(3) [Article 27 \(1\) 4 of the Tourism Promotion Act](#) shall not apply to the casino operator who obtained permission as provided for in paragraph (1): Provided, That if the Minister of Culture and Tourism deems it necessary to place restrictions on the business operation, such as restriction of admission into the casino in order to prevent excessive gambling behavior, the said Minister is authorized to do so as provided for in the Presidential Decree. <Amended by Act No. 5654, Jan. 21, 1999; Act No. 6318, Dec. 29, 2000>

(4) The Minister of Culture and Tourism may grant the permission as provided for in paragraph (1), with a designated permission period. <Amended by Act No. 6318, Dec. 29, 2000>

(5) A portion of the profit earned in the casino business operation permitted as provided for in paragraph (1) shall be spent for tourism promotion and regional development, with respect to the abandoned mine areas, for a designated period of time.

Article 12 (Presumption of Approval and Permission, etc.)

(1) In case where a promoter obtained the approval for the implementation plan concerning the Development Plan in the Promotion District, the said promoter shall be regarded as having obtained the following permission, report, approval, rent, designation, annulment, etc. as well as decision, permission, report, approval, consent, recognition, consultation, etc. as provided for in [Article 18 \(1\) of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#): <Amended by Act No. 5454, Dec. 13, 1997; Act No. 6318, Dec. 29, 2000; Act No. 6841, Dec. 30, 2002>

1. Decontrol on a forest preserve as provided for in [Article 57 of the Forestry Act](#), and permission of quarrying as provided for in Article 25 of the Management of Mountainous Districts Act;

2. Permission of the creation of grass as provided for in Article 5 of the Grassland Act, rent of state-owned or public-owned lands as provided for in Article 17 of the said Act;

3. Permission of the occupation and use as provided for in [Article 20 of the Sewerage Act](#), report of the installation of drainage facilities as provided for in [Article 24 of the said Act](#);

4. Approval of the business plan under [Article 14 \(1\) of the Tourism Promotion Act](#) (including a modified approval), designation as a tourism area and tourism complex under [Article 50 of the said Act](#), approval of the plan for a creation under [Article 52 of the said Act](#) (including a modified approval);

5. Permission of the reinterment of unclaimed tombs as provided for in Article 16 (2) of the Burial and Graveyard, etc. Act;

6. Approval of the installation of excrements disposal facilities as provided for in [Article 21 of the Act on the Disposal of Sewage, Excreta and Livestock Wastewater](#);

7. Approval or report of the installation of waste materials disposal facilities as referred to in [Article 30 \(2\) of the Wastes Control Act](#) (including the approval or report for alteration);

8. Approval of the project plan as provided for in [Article 12 of the Installation and Utilization of Sports Facilities Act](#);

9. Permission of the construction of private road as provided for in [Article 4 of the Private Road Act](#); and

10. Permission of the occupation and use of parks as provided for in [Article 23 of the Natural Parks Act](#).

(2) If the public official who has the authority to approve the implementation plan intends to approve an implementation plan that includes such matters as mentioned in paragraph (1), said

public official shall in advance consult with the head of the administrative agency concerned.

(3) If the head of the administrative agency concerned is requested for consultation as provided for in paragraph (2), he is authorized and directed to notify his opinion within 30 days so long as the project contents of the implementation plan complies with the Acts and subordinate statutes concerned and presents no particular cause to impair public interests to a considerable extent. <Amended by Act No. 6318, Dec. 29, 2000>

Article 13 (Support for Local Residents)

(1) If local residents are forced to be uprooted from their settlements of living due to the implementation of the Development Project (hereinafter referred to as "the unsettled residents") under the conditions as prescribed by the [Act on the Acquisition of Land, etc. for Public Works and the Compensation Therefor](#), the promoter is obligated to formulate and implement resettlement countermeasures. <Amended by Act No. 6656, Feb. 4, 2002>

(2) The promoter and enterprise that moves into the Promotion District for operation is obligated to place the priority on employing unsettled residents, local residents, or coal mine workers in the absence of particular reasons to do otherwise.

(3) The promoter and enterprise that moves into the Promotion District is obligated to place the priority on purchasing manufactured, agricultural, fishery, and livestock farming goods that are produced in the Promotion District concerned or in the neighbouring regions.

Article 14 (Support for Private Capital Inducement Project)

(1) The State or local government is authorized to support the person who carries out the private capital inducement project, as provided for in [Article 31 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#), in the Promotion District (hereinafter referred to as the "private developer").

(2) The private developer is authorized to enter into a public loan contract under the [Introduction and Management of Public Loans Act](#). <Amended by Act No. 6318, Dec. 29, 2000>

(3) The State, local government, government-invested institutions, or local public corporations that invested in a regional development juristic person as provided for in [Article 30 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act](#) (hereinafter referred to as the "public sector investors") are authorized to have the whole or a portion of the dividends, that are supposed to be paid to the public sector investors, paid to minor stockholders other than the public sector investors themselves, if it is deemed necessary to do so in order to protect the minor stockholders in allocating the profit of the juristic person concerned, notwithstanding the provision of [Article 464 of the Commercial Act](#).

Article 15 (Financial Support)

(1) In case it is necessary to grant subsidies or long-term loans to private developers in order to facilitate the implementation of the private capital inducement projects, the State or local

government is authorized to do so as provided for in the Presidential Decree.

(2) The local governments may, where deemed necessary for the smooth implementation of the private investment inducing project, grant a loan to a private developer, notwithstanding [Article 15 of the Local Finance Act](#). <Newly Inserted by Act No. 6318, Dec. 29, 2000>

(3) The Minister of Commerce, Industry and Energy may assist the whole or part of the funds required for the project for economic promotion of abandoned mines-neighboring area. <Newly Inserted by Act No. 6318, Dec. 29, 2000>

Article 16 (Support for Agri-Industrial Complex in Abandoned Mine Area)

(1) The Minister of Commerce, Industry and Energy is authorized to support, as provided for in this Act, for enterprises that moved into the Agri-Industrial complex designated, from among Agri-Industrial complexes in the abandoned mine area, as where support is necessary (hereinafter referred to as the "Agri-Industrial Complex to be Supported"). <Amended by Act No. 6318, Dec. 29, 2000>

(2) Upon designating the Agri-Industrial Complex to be Supported, the Minister of Commerce, Industry and Energy is to make a public notice of such designation. <Amended by Act No. 6318, Dec. 29, 2000>

Article 17 (Support for Substitute Industry)

(1) The Minister of Commerce, Industry and Energy shall formulate, under the conditions as prescribed by the Presidential Decree, a plan for the support to the promotion of substitute industry in the Promotion District and for the support to the Agri-Industrial Complex to be Supported, and thereupon notify publicly the said plan, and may assist the whole or part of the funds required for the fosterage of relevant substitute industry. <Amended by Act No. 6318, Dec. 29, 2000>

(2) If an enterprise in the Promotion District or in the Agri-Industrial Complex to be Supported employs the workers leaving coal mines or local residents, the State or local government is authorized to preferentially support such an enterprise with preference as provided for in Presidential Decree.

Article 18 (Appropriation of Fund for Promotion of Substitute Industry)

The Minister of Commerce, Industry and Energy is authorized to place the financial sources needed for the support for the promotion of a substitute industry as provided for in [Article 17](#) on the expenditure budget of the Special Accounts for Energy and Resources Project. <Amended by Act No. 6318, Dec. 29, 2000>

Article 19 (Increase of Support by National Treasury Subsidy)

Concerning the projects as determined by the Presidential Decree from among development projects, the national treasury subsidy may be increased for support in accordance with the subsidy rate as provided for by Presidential Decree notwithstanding the differentiated subsidy rates as provided for in [Article 10 of the Act on the Budgeting and Management of Subsidies](#)

and subsidy rates as provided for in other Acts.

Article 20 (Issue of Local Development Bond)

- (1) Do governors are authorized to issue local bonds if it is necessary to do so in order to appropriate funds needed for development projects.
- (2) Interest rate, the period of reimbursement, the method and procedure of issue, purchaser, terms of issue, and other necessary matters concerning the office work involved in the issue of local development bond shall be provided for in the Presidential Decree.

Article 21 (Investment in Local Public Enterprises)

- (1) The head of local government may, after obtaining the resolution by the Local Assembly, invest in local public enterprises established as provided for in [Article 49 of the Local Public Enterprises Act](#) if it is necessary to do so to carry out development projects. <Amended by Act No. 6318, Dec. 29, 2000>
- (2) In investing as provided for in paragraph (1), the head of local government may have the person other than local government invest one half or more of the capital stock notwithstanding the provisions of [Article 53 \(2\) of the Local Public Enterprises Act](#) and the maximum limitation of the investment shall be determined by the Municipal Ordinances of local governments. The same applies to capital increase. <Amended by Act No. 6318, Dec. 29, 2000>

Article 22 (Increase of Support by Tax Subsidy)

The Minister of Government Administration and Home Affairs is authorized, if necessary to facilitate the implementation of development projects, to support the local government that has the jurisdiction over the Promotion District concerned, by increasing subsidy tax as provided for in the [Local Subsidy Act](#). <Amended by Act No. 6318, Dec. 29, 2000>

Article 23 (Tax Reduction or Exemption)

The State or local government is authorized, if necessary to accelerate the development of Promotion District, to provide support in terms of tax system as provided by tax-related Acts and subordinate statutes.

ADDENDA

- (1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.
- (2) (Period of Application) This Act shall hold force on December 31, 2005.
- (3) (Transitional Measures for Expiration of Application Period) With respect to the development projects that are in process in accordance with the development plan for promotion district and support measures that are undergoing at the time of the expiration of

the application period of this Act, this Act shall apply continuously until the completion of the development projects and support thereof.

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

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

ADDENDA <Act No. 5654, Jan. 21, 1999>

Article 1 (Enforcement Date)

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

Articles 2 through 11

Omitted.

ADDENDA <Act No. 6318, Dec. 29, 2000>

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

(2) (Application Example to Special Cases of Environmental Impact) The amended provisions of [Article 9](#) shall apply from the development project first implemented after the enforcement of this Act.

(3) (Application Example to Special Cases of Application of the [Forestry Act](#)) The amended provisions of [Article 10](#) (2) shall apply to a person who rents or obtains permit of use of a national forest after the enforcement of this Act.

ADDENDA <Act No. 6656, Feb. 4, 2002>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2003.

Articles 2 through 12

Omitted.

ADDENDA <Act No. 6841, Dec. 30, 2002>

Article 1 (Enforcement Date)

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

Articles 2 through 12

Omitted.

ADDENDA <Act No. 7186, Mar. 11, 2004>

Article 1 (Enforcement Date)

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

Articles 2 through 5

Omitted.