

# ACT ON THE PROMOTION OF THE CONVERSION INTO ENVIRONMENT-FRIENDLY INDUSTRIAL STRUCTURE

Act No. 5085, Dec. 29, 1995

Amended by Act No. 5454, Dec. 13, 1997

Act No. 5453, Dec. 13, 1997

Act No. 5733, Jan. 29, 1999

Act No. 5772, Feb. 5, 1999

Act No. 5825, Feb. 8, 1999

Act No. 6590, Dec. 31, 2001

Act No. 6600, Jan. 14, 2002

Act No. 6846, Dec. 30, 2002

Act No. 7219, Sep. 23, 2004

Act No. 7750, Dec. 23, 2005

Act No. 8371, Apr. 11, 2007

Act No. 8852, Feb. 29, 2008

Act No. 9013, Mar. 28, 2008

Act No. 9685, May 21, 2009

Act No. 9931, Jan. 13, 2010

Act No. 10550, Apr. 5, 2011

Act No. 10717, May 24, 2011

Act No. 10893, Jul. 21, 2011

Act No. 11020, Aug. 4, 2011

Act No. 11690, Mar. 23, 2013

Act No. 12154, Jan. 1, 2014

Act No. 13747, Jan. 6, 2016

Act No. 13870, Jan. 27, 2016

Act No. 14839, Jul. 26, 2017

## Article 1 (Purpose)

The purpose of this Act is to contribute to the conservation of environment and sustainable development of the national economy by positively pushing forward industrial activities to economize energy and

resources and to reduce environmental pollution through the promotion of the construction of environment-friendly industrial structure.

## **Article 2 (Definitions)**

The definitions of terms used in this Act shall be as follows: <Amended by Act No. 9931, Jan. 13, 2010; Act No. 10717, May 24, 2011; Act No. 11020, Aug. 4, 2011>

1. The term "clean manufacturing technology" means the technology to remove or reduce environmental pollution in the course of manufacture, such as the design of goods, manufacturing process, etc. of products and the technology to manufacture green products;
- 1-2. The term "renewable resource" means any useful material that can be used as a raw material, part, etc. through all or some of the recycling processes defined in subparagraph 7 of Article 2 of the Wastes Control Act;
2. The term "environmental facility" means machinery or equipment for removing or reducing environmental pollution;
3. The term "remanufacture" means to make renewable resources defined in subparagraph 1 of Article 2 of the Act on the Promotion of Saving and Recycling of Resources into a state where they can keep their original performance after undergoing a series of processes, such as disassembly, cleansing, examination, repair, adjustment, recombination, etc. in the course of making them into a reusable and reclaimable state defined in subparagraph 7 of Article 2 of the Wastes Control Act;
4. The term "product servitization" means the provision of quality, function, etc. of products in the form of service in order to reduce environmental pollution caused by using products and to enhance the utilization efficiency thereof;
5. The term "green management" means green management defined in subparagraph 7 of Article 2 of the Framework Act on Low Carbon, Green Growth;
- 5-2. The term "environmental management" means management activities of an enterprise, public institution, organization, etc. (hereinafter referred to as "enterprise, etc.") through which its human and physical resources and management system are managed in a systematic and sustainable manner in compliance with standard procedures and techniques in order to achieve the environment-friendly management goals set by the enterprise, public institution, organization, etc.;
6. The term "ecological industrial complex" means an industrial complex designated under Article 21 among industrial complexes defined in subparagraph 8 of Article 2 of the Industrial Sites and Development Act, in order to minimize the burden to environment and to maximize the efficiency of resources by regenerating the remnants, such as by-products, etc. generated in the course of manufacture of products, and wastes into raw materials or energy;
7. The term "green management system" means a system that enables an enterprise, etc. to efficiently control environmental factors by adopting and implementing green management;
- 7-2. The term "environmental management system" means a system that enables an enterprises, etc. to efficiently control environmental factors by adopting and implementing environmental management;

8. and 8-2. Deleted; <by Act No. 13747, Jan. 6, 2016>

9. The term "international standards" means the international standards laid down by the International Organization for Standardization with regard to environmental management systems;

10. The term "green product" means any green product defined in subparagraph 5 of Article 2 of the Framework Act on Low Carbon, Green Growth.

### **Article 3 (Comprehensive Policies)**

(1) The Minister of Trade, Industry and Energy shall establish comprehensive policies to promote conversion into an environment-friendly industrial structure (hereinafter referred to as "comprehensive policies") every five years, after consultation with the head of a related central administrative agency.

<Amended by Act No. 9013, Mar. 28, 2008; Act No. 11690, Mar. 23, 2013>

(2) Comprehensive policies shall include the following: <Amended by Act No. 9013, Mar. 28, 2008; Act No. 9931, Jan. 13, 2010>

1. The present status and prospects of the industrial structure;
2. Establishment of goals to promote conversion into environment-friendly industrial structure;
3. Plans to establish environment-friendly industrial structure, such as the improvement of manufacturing processes and the development of clean manufacturing technologies;
4. Plans to foster the environmental facility industry, the remanufacturing industry and the product servitization industry to promote conversion into environment-friendly industrial structure;
5. Plans to promote green management;
6. Countermeasures to cope with the international environmental regulations;
7. Other matters necessary for the promotion of conversion into environment-friendly industrial structure and for the sustainable industrial development.

(3) When establishing goals referred to in paragraph (2) 2, the Minister of Trade, Industry and Energy may provide guidelines for promoting conversion into an environment-friendly industrial structure, such as the level of environmental friendliness and the degree of energy-consumption, the degree of industrial water-use and the recycling rate of resources of each business or of each item, after consultation with the Minister of Environment. <Amended by Act No. 9013, Mar. 28, 2008; Act No. 11690, Mar. 23, 2013>

(4) The Minister of Trade, Industry and Energy may request necessary data from a related central administrative agency, related local government, related research institution, or corporation or association involved in a national research and development project if necessary to establish comprehensive policies under paragraph (1). In such cases, any agency or institution in receipt of such a request shall comply therewith, except under extenuating circumstances. <Newly Inserted by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>

(5) The Minister of Trade, Industry and Energy may request the head of a related central administrative agency to take measures necessary to implement comprehensive policies. <Amended by Act No. 9013, Mar. 28, 2008; Act No. 11690, Mar. 23, 2013>

### **Article 3-2 (Investigation of Actual Status, such as Statistics of Industrial Environment)**

(1) The Minister of Trade, Industry and Energy may conduct an actual status survey, looking into the statistics on an environment-friendly industrial environment, etc. in order to efficiently establish and implement comprehensive policies. In such cases, the Statistics Act shall apply mutatis mutandis to the preparation of the statistics in question. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) Matters regarding the time, method, etc. of an actual status survey under paragraph (1) shall be prescribed by Presidential Decree.

### **Article 4 (Tasks to Perform for Industrial Environment)**

(1) The organization of enterprises of each business or of each item prescribed by Presidential Decree (hereinafter referred to as an "enterprises' organization") may find and carry out tasks for efficiently promoting a comprehensive policy (hereinafter referred to as "tasks to perform for industrial environment").

(2) The tasks to perform for industrial environment shall include each of the following matters: *<Amended by Act No. 9931, Jan. 13, 2010>*

1. Matters concerning the reduction of negative impact on the environment at the stage of supplying raw materials and the enhancement of using recyclable resources;
2. Matters concerning the improvement of manufacturing processes, such as saving of energy and reduction of the emission of greenhouse gases, removal or reduction of environmental pollution, effective utilization of by-products, and enlarged recycling of water at the stage of manufacturing process;
3. Matters concerning rationalization of packing and products distribution to reduce negative impact on the environment at the stage of distribution;
4. Matters concerning development of green products;
5. Matters to be carried out together in cooperation with the industries in other fields in order to promote conversion into environment-friendly industrial structure.

(3) The organization of enterprises which found the tasks to perform for industrial environment pursuant to paragraph (1) may, for an enterprise or for an organization of enterprises to carry out such tasks, select the tasks for support and, in turn, request the Government to provide the necessary support, if deemed necessary.

(4) Where an organization of enterprises requests any support pursuant to paragraph (3), the Government shall prepare necessary measures concerning such support.

### **Article 4-2**

[Previous Article 4-2 moved to Article 21 *<by Act No. 10717, May 24, 2011>*]

### **Article 5 (Subsidies for Equipment Funds, etc.)**

(1) The Government may provide subsidies, from the following Fund, Accounts, or money, to a business entity in carrying out his/her project for the improvement of manufacturing processes and the replacement, installation, or addition of facilities to implement a comprehensive policy or initiatives for industrial

environment: <Amended by Act No. 9685, May 21, 2009; Act No. 10893, Jul. 21, 2011; Act No. 13747, Jan. 6, 2016>

1. Special Accounts for Energy and Resources-Related Projects under the Act on the Special Accounts for Energy and Resources-Related Projects;
  2. Fund for the Establishment and Promotion of Small and Medium Enterprises under the Small and Medium Enterprises Promotion Act;
  3. Special Accounts for Environmental Improvement under the Framework Act on Environmental Policy;
  4. Fund for Equipment Investment Support of the Korea Development Bank under the Korea Development Bank Act;
  5. Other Funds prescribed by Presidential Decree.
- (2) The Minister of Trade, Industry and Energy may request the head of a related agency in charge of the Accounts or the Funds referred to in paragraph (1) 3 through 5 to provide cooperation necessary for subsidization under paragraph (1). <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 6 (Support for Technological Development Projects)**

(1) In order to promote conversion into environment-friendly industrial structure, the Government shall carry out the projects to develop the following technologies (hereinafter referred to as "technology development projects"): <Amended by Act No. 9931, Jan. 13, 2010; Act No. 10717, May 24, 2011>

1. Clean manufacturing technologies;
  2. Technologies for which an organization of enterprises requests support pursuant to Article 4 (3);
  3. Technologies for environmental facilities;
  4. Technologies for the design and manufacture of green products;
  5. Technologies for the construction of ecological industrial complexes;
  6. Technologies for the fostering of the product servitization industry;
  7. Technologies for the fostering of the remanufacturing industry;
  8. Technologies for the shared use of resources and energy among enterprises.
- (2) The Government may contribute funds, or provide other support, required for the technology development projects conducted by any of the following institutions, organizations, enterprises, etc.: <Amended by Act No. 11690, Mar. 23, 2013>

1. National or public research institutions;
2. Specific research institutions under the Specific Research Institutes Support Act;
3. Industrial Technology Research Association under the Industrial Technology Research Cooperatives Support Act;
4. Universities, junior colleges and open colleges under the Higher Education Act and other Acts;
5. Korea Institute of Industrial Technology established under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes, Etc. and specialized industrial technology research institutes under the Industrial Technology Innovation Promotion Act;

6. The Support Center for the Clean Manufacturing Industry prescribed in Article 7;
7. Enterprises participating in technology development projects;
8. Other corporations, organizations, or enterprises which the Minister of Trade, Industry and Energy deems necessary to promote technology development projects.

(3) In order to promote the manufacturing of green products, the fostering of the product servitization industry, etc., the Minister of Trade, Industry and Energy may formulate policies to assist the following matters and may require the agencies prescribed by Ordinance of the Ministry of Trade, Industry and Energy to provide such assistance: <Amended by Act No. 9931, Jan. 13, 2010; Act No. 11690, Mar. 23, 2013>

1. Matters regarding assistance to the start-up of an enterprise, cultivation of domestic and overseas markets, and promotion of exportation;
2. Matters regarding the provision of information, education, training, and public relations of industries;
3. Other matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy.

#### **Article 6-2 (Fostering, etc. of Green Management Consulting Business)**

(1) In order to foster businesses (hereinafter referred to as "green management consulting business") that provide enterprises, etc. with services, such as investigation, analysis, diagnosis, consultation, provision of information, education, etc. which are necessary for the enterprises, etc. to introduce and conduct green management, the Government may promote any of the following projects: <Amended by Act No. 9931, Jan. 13, 2010>

1. Education and training for the cultivation of specialized manpower;
2. Research and dissemination of consulting techniques;
3. Other projects prescribed by Presidential Decree to foster the green management consulting business.

(2) The Minister of Trade, Industry and Energy may promote projects prescribed in the subparagraphs of paragraph (1) in order to foster the business (hereinafter referred to as "clean industrial technology consulting business") that provides enterprises, etc. with services, such as investigation, analysis, diagnosis, consultation, supply of information, education, etc. which are necessary for the enterprises, etc. to apply clean industrial technology to manufacturing process. In such cases, the "green management consulting business" in paragraph (1) 3 shall be deemed "clean industrial technology consulting business."

<Amended by Act No. 9931, Jan. 13, 2010; Act No. 11690, Mar. 23, 2013>

(3) The procedures, methods and other matters necessary to conduct the projects in paragraphs (1) and (2) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 7 (Support Center for Clean Manufacturing Industry)**

(1) To promote the proliferation of clean manufacturing technologies and the green management of enterprises, and to support the clean manufacturing technologies of small and medium enterprises, etc., the Minister of Trade, Industry and Energy may designate a research institution prescribed by Presidential Decree as the Support Center for the Clean Manufacturing Industry after consultation with the head of the relevant central administrative agency. <Amended by Act No. 9931, Jan. 13, 2010; Act No. 11690, Mar. 23,

2013>

(2) The Support Center for the Clean Manufacturing Industry shall implement the following projects, and may partially entrust such projects to a specialized institution prescribed by Presidential Decree: *<Amended by Act No. 9931, Jan. 13, 2010; Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

1. Development and support of clean manufacturing technologies;
2. Exchange of clean manufacturing technologies and collaborative projects with domestic and overseas research institutions;
3. Education and training related to clean manufacturing technologies;
4. Projects to support the construction of green management systems;
- 4-2. Projects to deal with international environmental regulations;
- 4-3. Projects to facilitate conversion into resource-circulating industrial structure referred to in subparagraphs of Article 20 (2);
5. Other projects prescribed by Ordinance of the Ministry of Trade, Industry and Energy related to the support of the clean manufacturing industry.

(3) The Minister of Trade, Industry and Energy may contribute funds necessary for implementing the projects referred to in paragraph (2), or provide other necessary supports, to the Support Center for the Clean Manufacturing Industry. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Matters necessary for the operation of the Support Center for the Clean Manufacturing Industry shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 8 (Transfer or Proliferation of Clean Industrial Technology)**

(1) The Government shall prepare necessary policies in order to promote the transfer of clean industrial technology and the proliferation of its development results.

(2) The Minister of Trade, Industry and Energy may, in order to promote the transfer of clean industrial technology and the proliferation of its development results, have the institution prescribed by Ordinance of the Ministry of Trade, Industry and Energy, such as the agencies, etc. that professionally perform the business of clean industrial technology, carry out projects for the examination or guidance of manufacturing process for the practical use of clean industrial technology and projects for the proliferation of such technology, for enterprises. In such cases, it may contribute the funds required by the relevant institution, or render other necessary supports. *<Amended by Act No. 11690, Mar. 23, 2013>*

**Article 8-2 [Previous Article 8-2 moved to Article 23 <by Act No. 10717, May 24, 2011>]**

**Article 8-3 [Previous Article 8-3 moved to Article 23-2 <by Act No. 10717, May 24, 2011>]**

**Article 8-4 [Previous Article 8-4 moved to Article 23-3 <by Act No. 10717, May 24, 2011>]**

**Article 8-5 [Previous Article 8-5 moved to Article 23-4 <by Act No. 10717, May 24, 2011>]**

#### **Article 9 (Promotion of International Cooperation)**

(1) The Government shall prepare measures to promote international cooperation in the environmental facility industry and clean industrial technology between the local governments, enterprise, universities,

research institutes and other institutions and organizations, and the international organizations or foreign governments, enterprise, colleges, research institutes, and other institutions and organizations.

(2) The Minister of Trade, Industry and Energy may carry out any of the following projects in order to promote the international cooperation as referred to in paragraph (1): *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Investigation and research for international cooperation in the environmental facility industry and clean industrial technology;
2. International exchange of personnel of and information on the environmental facility industry and clean industrial technology;
3. Holding of the exhibitions and seminars on the environmental facility industry and clean industrial technology or operation of the international markets of clean industrial technology;
4. Development of overseas markets of the environmental facility industry and clean industrial technology;
5. Other projects deemed necessary for the promotion of international cooperation.

(3) Where any institution, organization or enterprise provided for in Article 6 (2) carries out any project as prescribed in paragraph (2), the Minister of Trade, Industry and Energy may give necessary support. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 9-2 (Promotion of Countermeasures against International Environmental Regulations)**

(1) In order to facilitate conversion into environment-friendly industrial structure and to prepare countermeasures against international environmental regulations, the Government may perform the following projects: *<Amended by Act No. 10717, May 24, 2011>*

1. Collection, analysis, and proliferation of information regarding international environmental regulations;
2. Construction of a system to deal with international environmental regulations and information network therefor;
3. Education, training, inspections, research, development, and public relations to deal with international environmental regulations;
4. Other projects prescribed by Presidential Decree to promote the countermeasures against the international environmental regulations.

(2) Where any institution, organization, enterprise, etc. referred to in Article 6 (2) performs any project provided for in paragraph (1), the Minister of Trade, Industry and Energy may contribute funds or grant subsidies necessary therefor, or provide other necessary support. *<Newly Inserted by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

**Article 10 [Previous Article 10 moved to Article 22 *<by Act No. 10717, May 24, 2011>*]**

**Article 11 [Previous Article 11 moved to Article 23-5 *<by Act No. 10717, May 24, 2011>*]**

**Article 12 (Payment of Subsidies)**



(1) Where any public institution, organization of enterprises or research institution prescribed by Presidential Decree carries out any of the following projects, the Government may pay subsidies for expenses needed for such projects: *<Amended by Act No. 9931, Jan. 13, 2010>*

1. Research to establish a comprehensive policy;
2. Project to find tasks to perform for industrial environment;
3. Expenses incurred for the green management promoting headquarters prescribed in Article 13 to carry out the projects prescribed in Article 13 (2);
4. Research to promote green management prescribed in Article 15.

(2) The criteria for payment of subsidies referred to in paragraph (1) and other necessary matters shall be prescribed by Presidential Decree.

### **Article 13 (Green Management Promoting Headquarters)**

(1) In order to efficiently implement the projects to propagate and proliferate green management and promote conversion into environment-friendly industrial structure and to promote voluntary participation of the private sector, the Minister of Trade, Industry and Energy may designate an organization determined by Presidential Decree as the green management promoting headquarters (hereinafter referred to as "promoting headquarters"). *<Amended by Act No. 9931, Jan. 13, 2010; Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

(2) The promoting headquarters shall perform the following projects: *<Amended by Act No. 9931, Jan. 13, 2010; Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>>*

1. Campaigns for conversion into environment-friendly industrial structure;
2. Finding problems involved in carrying out the tasks for industrial environment of each business or each item, and suggestions about them;
3. Enhancement of capability to deal with the environmental regulations through the analysis of trends of environmental regulations, propagation to the relevant enterprises, voluntary agreements, etc.;
4. Publicity and education for the improvement of an industrial environment;
5. International exchange and cooperation with related foreign institutions in green management activities;
6. Surveys and analysis to invigorate start-up companies related to green industries as defined in subparagraph 4 of Article 2 of the Framework Act on Low Carbon, Green Growth and education related thereto;
7. Development and propagation of techniques to evaluate green management;
8. Provision of guidance, counseling, education, and public relations about green management to enterprises;
9. Other projects prescribed by Ordinance of the Ministry of Trade, Industry and Energy to proliferate green management.

### **Article 14 (Local Consultation Council)**

The promoting headquarters may establish a local consultation council for each district and for each industrial complex which consists of persons related to enterprises, academic areas, research institutes, institutions supporting small and medium enterprises, etc., located in the relevant district, and, in turn, may perform activities to promote the exchange of information and to efficiently improve the industrial environment, such as finding joint tasks and consultation about plans to support them.

#### **Article 15 (Formulation, etc. of Policies for Promotion of Green Management)**

(1) The Government shall formulate policies to promote green management and induce its diffusion, and to support enterprises developing or utilizing the techniques for green management and enterprises producing or purchasing green products. *<Amended by Act No. 9931, Jan. 13, 2010>*

(2) The Minister of Trade, Industry and Energy may perform the following projects to support the green management of enterprises, etc.: *<Newly Inserted by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

1. Proliferating green management partnerships among enterprises;
2. Supporting the green management of Korean enterprises entering into overseas markets;
3. Other projects prescribed by Ordinance of the Ministry of Trade, Industry and Energy to support the establishment of green management systems.

(3) Where an institution, organization, enterprise, etc. referred to in Article 6 (2) performs any project referred to in paragraph (2), the Minister of Trade, Industry and Energy may contribute funds or grant subsidies necessary therefor, or provide other necessary support. *<Newly Inserted by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

(4) The organization of enterprises shall prepare and maintain information and relevant data for green products, and have them available to enterprises, etc. for inspection, in order to promote production or purchase of green products. *<Amended by Act No. 9931, Jan. 13, 2010; Act No. 10717, May 24, 2011>*

**Articles 16 through 16-4 Deleted.** *<by Act No. 13747, Jan. 6, 2016>*

#### **Article 17 (Creation of Information Network for Industrial Environment)**

(1) The Minister of Trade, Industry and Energy shall create and operate an information network for industrial environment containing the following information, and provide it to enterprises, etc.: *<Amended by Act No. 9931, Jan. 13, 2010; Act No. 11690, Mar. 23, 2013>*

1. Information on the clean industrial technology;
2. Information on green management;
3. Information on the exchange of by-products under subparagraph 3 of Article 2 of the Act on the Promotion of Saving and Recycling of Resources;
4. Information on enterprise producing environment facilities and remanufactured products and their products;
5. Information on the domestic and overseas industrial environments.

(2) The Minister of Trade, Industry and Energy may have an institution prescribed by Ordinance of the Ministry of Trade, Industry and Energy perform as proxy the affairs for creation and operation of the

information network for industrial environment under paragraph (1). In such cases, he/she may render such support as the funds, etc. required by the relevant institution. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 18 (Education, Public Relations, etc. for Green Management)**

(1) The Government may promote projects of education and public relations for green management in cooperation with the organization of enterprises, colleges and universities, research institutes, etc., in order to diffuse the knowledge, information and technology concerning green management. <Amended by Act No. 9931, Jan. 13, 2010>

(2) The Government may prepare policies for such supports as finding excellent enterprises of green management and awarding them, etc., in order to promote green management. <Amended by Act No. 9931, Jan. 13, 2010>

#### **Article 19 (Examination and Guidance for Green Management)**

The Minister of Trade, Industry and Energy may, if deemed necessary for green management of small and medium enterprises, perform the examination or guidance for green management, as prescribed by Presidential Decree. <Amended by Act No. 9931, Jan. 13, 2010; Act No. 11690, Mar. 23, 2013>

#### **Article 20 (Facilitating Conversion into Resource-Circulating Industrial Structure)**

(1) The Minister of Trade, Industry and Energy shall formulate and implement policies to facilitate the conversion into the resource-circulating industrial structure. <Amended by Act No. 11690, Mar. 23, 2013>

(2) The Minister of Trade, Industry and Energy may perform the following projects to facilitate the conversion into the resource-circulating industrial structure: <Amended by Act No. 11690, Mar. 23, 2013>

1. Surveys and analysis of overall status of demand for, and supply of, natural resources and renewable resources;
2. Research and development and standardization to add higher value to natural resources and renewable resources;
3. Establishing a system to facilitate exchanges of natural resources, renewable resources and energy among enterprises and evaluating economic feasibility;
4. Invigorating ecological industrial complexes and fostering the remanufacturing industry and the product servitization industry;
5. Other projects prescribed by Ordinance of the Ministry of Trade, Industry and Energy to facilitate conversion into the resource-circulating industrial structure.

(3) Where any institution, organization, enterprise, etc. referred to in Article 6 (2) performs any project provided for in paragraph (2), the Minister of Trade, Industry and Energy may contribute funds or grant subsidies necessary therefor, or provide other necessary support. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 21 (Designation, etc. of Ecological Industrial Complexes)**

(1) The Minister of Trade, Industry and Energy shall designate ecological industrial complexes through consultation with the Minister of Environment and the authority to designate industrial complexes provided for in Article 8-2 (1) of the Industrial Sites and Development Act (hereafter referred to as

“authority to designate industrial complexes” in this Article). *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Trade, Industry and Energy may perform the following projects with respect to ecological industrial complexes. In such cases, the Government may contribute funds necessary for performing the relevant projects or provide other necessary support: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Developing and propagating technologies for joint use of resources and energy among enterprises within an ecological industrial complex;
2. Building up a comprehensive management system of resources and energy within an ecological industrial complex;
3. Training and educating experts in construction of ecological industrial complexes;
4. Cooperation with local communities to construct ecological industrial complexes;
5. Other projects prescribed by Presidential Decree to construct ecological industrial complexes.

(3) The Minister of Trade, Industry and Energy may designate an exclusive organization prescribed by Presidential Decree to take charge of affairs concerning operation, etc. of ecological industrial complexes. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) If necessary for efficiently constructing an ecological industrial complex, the Minister of Trade, Industry and Energy may request the relevant authority to designate industrial complexes to review an industrial complex development plan to ensure that major business to be located in the industrial complex, the land utilization plan, and the major infrastructure plan can maximize efficiency in the use of resources and energy by enterprises located therein when establishing the industrial complex development plan under Article 6, 7, or 7-2 of the Industrial Sites and Development Act. *<Amended by Act No. 11690, Mar. 23, 2013>*

(5) Matters necessary for performing projects, methods and procedures for providing support under paragraph (2) and other matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy in consultation with the Minister of Environment. *<Amended by Act No. 11690, Mar. 23, 2013>*

[Moved from Former Article 4-2 *<by Act No. 10717, May 24, 2011>*]

## **Article 22 (Quality Certification, etc. for Environmental Facilities and Remanufactured Products)**

(1) In order to strengthen the quality and technological competitiveness of environmental facilities and remanufactured products, the Minister of Trade, Industry and Energy may certify the quality of environmental facilities and remanufactured products after the evaluation of their quality and performance, and factory inspection: Provided, That where the quality standards and certification regarding remanufactured products are prescribed by other Acts, he/she shall consult with the head of the relevant central administrative agency prescribed by such Acts about quality certification of such products. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Trade, Industry and Energy may request a public institution defined in subparagraph 2 of Article 2 of the Act on the Promotion of Purchase of Green Products, which purchases environmental facilities and remanufactured products, to preferentially purchase environmental facilities and

remanufactured products which have obtained quality certification pursuant to paragraph (1). *<Amended by Act No. 10550, Apr. 5, 2011; Act No. 11690, Mar. 23, 2013>*

(3) The Minister of Trade, Industry and Energy may have the relevant institution or organization prescribed by Ordinance of the Ministry of Trade, Industry and Energy conduct the evaluation of quality and performance, and factory inspection pursuant to paragraph (1) as proxy. In such cases, he/she may subsidize funds necessary therefor to such institution or organization. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) The Minister of Trade, Industry and Energy may request the institution or organization pursuant to paragraph (3) to submit data on the evaluation of quality and performance, and factory inspection. *<Amended by Act No. 11690, Mar. 23, 2013>*

(5) In carrying out quality certification under paragraph (1), the Minister of Trade, Industry and Energy shall determine and publicly announce the detailed standards, procedures, post-management and other matters of such quality certification. In such cases, the quality certification standards for remanufactured products shall be determined through consultation between the Minister of Trade, Industry and Energy and the Minister of Environment. *<Newly Inserted by Act No. 13870, Jan. 27, 2016>*

(6) Matters necessary for quality certification under paragraph (1) shall be determined by Presidential Decree. *<Amended by Act No. 13870, Jan. 27, 2016>*

#### **Article 23 (Products Eligible for Remanufacture)**

(1) Products eligible for remanufacture shall be jointly chosen and publicly announced by the Minister of Trade, Industry and Energy and the Minister of Environment among products or parts thereof which meet requirements and criteria prescribed by Presidential Decree, and other necessary matters, such as remanufacture processes of each product shall be prescribed and publicly announced by the Minister of Trade, Industry and Energy. *<Amended by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

(2) The warranty period, repair, exchange, refund, or other compensation methods of remanufactured products that have been quality-certified under Article 22, and matters necessary for quality guarantee shall be prescribed by Presidential Decree. *<Amended by Act No. 10717, May 24, 2011>*

(3) Enterprises, etc. that design or produce products eligible for remanufacture shall design or produce the structure or quality of such products or parts thereof in a manner that resources can be easily circulated and used through remanufacture, etc. after use of such products. *<Newly Inserted by Act No. 10717, May 24, 2011>*

#### **Article 23-2 (Indication, etc. of Remanufactured Products)**

(1) Remanufacturing enterprises that have obtained the quality certification of remanufactured products pursuant to Article 22 shall attach a label to a remanufactured product, and indicate the matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy, such as a quality certification mark, in such label. *<Amended by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013>*

(2) No person, other than a remanufacturing enterprise that has obtained the quality certification of remanufactured products pursuant to Article 22, shall indicate quality certification or other similar marks

thereto. *<Amended by Act No. 10717, May 24, 2011>*

### **Article 23-3 (Designation, Operation, etc. of Specialized Research Institutions)**

In order to support the following matters regarding the quality certification of remanufactured products, the Minister of Trade, Industry and Energy may designate and operate a specialized research institution prescribed by Ordinance of the Ministry of Trade, Industry and Energy after consultation with the Minister of Environment: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. The technological development of remanufactured products;
2. The development of methods and standards for quality evaluation of remanufactured products;
3. Other matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy related to the quality certification of remanufactured products.

### **Article 23-4 (Subsidization of Funds, etc. for Remanufacture)**

Where any remanufacturing enterprise implements research and development projects for remanufacture, etc., the State or local governments may subsidize or finance funds necessary therefor.

### **Article 23-5 (Mutual Aid Projects for Environmental Facilities)**

(1) To reduce the possible early-stage risk which can be created as a result of practical use of the domestically developed environmental facility and to provide a guarantee against the defects of the environmental facility, the Government may assign an organization determined by Presidential Decree to carry out a mutual aid project.

(2) The Government may contribute funds to a mutual aid project carried out by an organization referred to in paragraph (1).

**Article 24 Deleted.** *<by Act No. 6600, Jan. 14, 2002>*

### **Article 25 (Measures to Reduce Emissions of Greenhouse Gases)**

Where the Minister of Trade, Industry and Energy deems it necessary to promote conversion into environment-friendly industrial structure and to follow the United Nations Framework Convention on Climate Change, he/she may request the person who is required to present an energy use plan to the Minister of Trade, Industry and Energy pursuant to Article 8 of the Energy Use Rationalization Act, to take necessary measures, such as adjustment or supplementation of such plan in order to reduce the emissions of greenhouse gases, as prescribed by Presidential Decree. *<Amended by Act No. 11690, Mar. 23, 2013>*

**Article 26 Deleted.** *<by Act No. 6600, Jan. 14, 2002>*

### **Article 27 (Revocation, etc. of Designation of Support Center for Clean Manufacturing Industry, etc.)**

(1) Where the Support Center for the Clean Manufacturing Industry established under Article 7 (1) and a specialized research institution designated under Article 23-3 fall under any of the following cases, the Minister of Trade, Industry and Energy may revoke the designation thereof or order the suspension of business for a fixed period of up to one year: Provided, That in cases falling under subparagraph 1, he/she shall revoke the designation thereof: *<Amended by Act No. 10717, May 24, 2011; Act No. 11690, Mar. 23, 2013; Act No. 13747, Jan. 6, 2016>*

1. Where it has been designated by fraudulent or other improper means;
  2. Where it fails to conduct business for at least one year without good cause;
  3. Deleted. <by Act No. 13747, Jan. 6, 2016>
- (2) Deleted. <by Act No. 13747, Jan. 6, 2016>
- (3) Where the Minister of Trade, Industry and Energy intends to revoke designation pursuant to paragraph (1), he/she shall hold a hearing. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 28 (Delegation or Entrustment of Authority)**

- (1) Part of the authority of the Minister of Trade, Industry and Energy under this Act may be delegated to the heads of agencies under his/her jurisdiction, as prescribed by Presidential Decree. <Amended by Act No. 11690, Mar. 23, 2013; Act No. 14839, Jul. 26, 2017>
- (2) Part of the authority of the Minister of Trade, Industry and Energy under this Act may be entrusted to the Minister of SMEs and Startups, as prescribed by Presidential Decree. <Newly Inserted by Act No. 14839, Jul. 26, 2017>
- (3) The Minister of Trade, Industry and Energy may entrust the organization of enterprises prescribed by Presidential Decree with the business of examination and guidance for green management of small and medium enterprises under Article 19. <Amended by Act No. 9931, Jan. 13, 2010; Act No. 11690, Mar. 23, 2013; Act No. 14839, Jul. 26, 2017>

#### **Article 29 (Penalty Provisions)**

Any person who indicates a quality certification mark or a similar mark in violation of Article 23-2 (2) shall be punished by imprisonment with labor for up to two years or by a fine of up to 20 million won.

#### **Article 30 (Joint Penalty Provisions)**

- (1) When the representative of a corporation, agent, employee or other worker of a corporation commits an act prescribed in Article 29 in connection with the affairs of the said corporation, not only shall such an actor be punished accordingly, but the corporation shall be punished by a fine under the same Article: Provided, That the same shall not apply where the corporation is not negligent in paying due care or supervision to the relevant businesses in order to prevent such a violation.
- (2) When an agent, employee or other worker of an individual commits such an act as prescribed in Article 29 in connection with the affairs of the said individual, not only shall such actor be punished accordingly, but the individual shall be punished by a fine under the same Article: Provided, That the same shall not apply where the individual is not negligent in paying due care or supervision to the relevant businesses in order to prevent such a violation.

#### **Article 31 (Deemed Public Officials for Purposes of Penalty Provisions)**

Any executive or employee of an organization engaged in proxy business pursuant to Article 22 (3) shall be deemed a public official for the purposes of penalty provisions under Articles 129 through 132 of the Criminal Act. <Amended by Act No. 10717, May 24, 2011; Act No. 13747, Jan. 6, 2016>

**Article 32 Deleted.** <by Act No. 13747, Jan. 6, 2016>

## ADDENDA

(1) (Enforcement Date) This Act shall enter into force on July 1, 1996.

(2) (Preparatory Activities for Projects Certifying Environmental Management System) Even before this Act enters into force, the Administrator of the Industrial Advancement Administration may perform the preparatory activities or may have a related organization perform the preparatory activities, such as designation of the certifying institution and the training institution, training of inspectors and other preparation activities necessary for the certification projects of the environmental management system. In such cases, the preparatory activities shall be deemed performed pursuant to this Act.

## ADDENDA <Act No. 5453, Dec. 13, 1997>

### **Article 1 (Enforcement Date)**

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

**Article 2 Omitted.**

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

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

## ADDENDA <Act No. 5733, Jan. 29, 1999>

### **Article 1 (Enforcement Date)**

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

**Articles 2 through 11 Omitted.**

## ADDENDUM <Act No. 5772, Feb. 5, 1999>

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

## ADDENDA <Act No. 5825, Feb. 8, 1999>

### **Article 1 (Enforcement Date)**

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

**Articles 2 through 10 Omitted.**

## ADDENDA <Act No. 6590, Dec. 31, 2001>

### **Article 1 (Enforcement Date)**

This Act shall enter into force on March 1, 2002. (Proviso Omitted.)

**Articles 2 through 6 Omitted.**



ADDENDA <Act No. 6600, Jan. 14, 2002>

(1) (Enforcement Date) This Act shall enter into force on July 1, 2002.

(2) (Transitional Measures for Certifying Institution and Training Institution) The certifying institution and training institution designated under the previous provisions of Articles 16 and 20 as at the time this Act enters into force, shall be deemed to have obtained certification from the certifying institution as the person operating the business under the amended provisions of Article 16 (1) 1 and 2, respectively.

(3) (Transitional Measures for Certification of Environmental Management System) Any person who has obtained certification of environmental management system from a certifying institution under the previous provisions of Article 18 as at the time this Act enters into force, shall be deemed to have obtained certification of environmental management system from the person who has obtained authorization for certification projects under the amended provisions of Article 16 (1) 1.

(4) (Transitional Measures for Certifying Institutions) Any person operating the designation business of the certifying institution of environmental management system subject to an entrustment of the Minister of Commerce, Industry and Energy under the previous provisions of Article 28 as at the time this Act enters into force, shall be deemed to have obtained designation as the certifying institution under the amended provisions of Article 16 (1) and (2).

(5) (Transitional Measures for Application for Designation as Certifying Institution and Training Institution) The previous provisions shall govern any designation of the certifying institution and training institution with regard to an applicant for designation of certifying institution and training institution under the previous provisions as at the time this Act enters into force.

ADDENDA <Act No. 6846, Dec. 30, 2002>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 7219, Sep. 23, 2004>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 7750, Dec. 23, 2005>

(1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation: Provided, That the amended part regarding remanufactured products from among the quality certification pursuant to the provisions of Articles 8-2 (2), 8-3 and 10, and the amended provisions of Articles 29 and 30 shall enter into force 1 year after the date of its promulgation.

(2) (Transitional Measures concerning Center for Assistance of Development of Clean Manufacturing Technology) The Center for Assistance with the Development of Clean Manufacturing Technology having been designated as at the time this Act enters into force shall be deemed as the Center for Support of Clean Industry designated under this Act.

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

**Article 1 (Enforcement Date)**

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

**Articles 2 through 10 Omitted.**

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

**Article 1 (Enforcement Date)**

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

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 9013, Mar. 28, 2008>

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

(2) Omitted.

ADDENDA <Act No. 9685, May 21, 2009>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 8 Omitted.**

ADDENDA <Act No. 9931, Jan. 13, 2010>

**Article 1 (Enforcement Date)**

This Act shall enter into force enter into force three months after the date of its promulgation: Provided, That the change of certification of environmental management system into certification of green management systems under Article 4 (12) and (13) of the Addenda shall enter into force one year and six months after the date of its promulgation.

**Articles 2 through 4 Omitted.**

ADDENDA <Act No. 10550, Apr. 5, 2011>

**Article 1 (Enforcement Date)**

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

**Article 2 Omitted.**

ADDENDA <Act No. 10717, May 24, 2011>

**Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of subparagraphs 5-2, 7-2, 8, 8-2, and 9 of Article 2, Articles 16, 16-2 through 16-4, 27, 29 (limited to provisions on certification of green management systems or environmental management system (EMS)), 31, and 32 shall enter into force on July 14, 2011.

**Article 2 (Transitional Measures concerning Environmental Management System (EMS) Certification, etc.)**

(1) Any domestic accreditation institution or certifying institution granting environmental management system (EMS) certification, which was designated or accredited under Article 16 of the former Act on the Promotion of the Conversion into Environment-Friendly Industrial Structure (prior to the amendment made pursuant to the Addenda to the Framework Act on Low Carbon, Green Growth (Act No. 9931); hereinafter referred to as the “former Act”) before the enforcement date provided for in the proviso to Article 1 of the Addenda shall be deemed a domestic accreditation institution or certifying institution designated or accredited under the amended provisions of Article 16-4.

(2) An environmental management system (EMS) certification granted under the former Act before the enforcement date provided for in the proviso to Article 1 of the Addenda shall be deemed an environmental management system (EMS) certification granted under the amended provisions of Article 16-4.

(3) An application for environmental management system (EMS) certification filed under the former Act before the enforcement date provided for in the proviso to Article 1 of the Addenda shall be deemed an application for environmental management system (EMS) certification filed under the amended provisions of Article 16-4.

(4) Any person designated as a management agent of projects to enhance reliability in environmental management systems under the former Act before the enforcement date provided for in the proviso to Article 1 of the Addenda shall be deemed a management agent designated under the amended provisions of Article 16-4.

(5) The former Act shall apply to administrative fines imposed for a violation committed before the enforcement date provided for in the proviso to Article 1 of the Addenda.

(6) Except as otherwise expressly provided for in paragraphs (1) through (5), any act performed under the former Act with respect to environmental management system (EMS) certification shall be deemed an act performed under this Act.

ADDENDA <Act No. 10893, Jul. 21, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 6 Omitted.**

ADDENDA <Act No. 11020, Aug. 4, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 11 Omitted.**

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

**Article 1 (Enforcement Date)**

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

(2) Omitted.

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 12154, Jan. 1, 2014>

**Article 1 (Enforcement Date)**

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

**Article 2 Omitted.**

ADDENDA <Act No. 13747, Jan. 6, 2016>

**Article 1 (Enforcement Date)**

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

**Article 2 (Transitional Measures concerning Penalties and Administrative Fines)**

The former provisions shall apply to the imposition of penalties or administrative fines for any act committed before this Act enters into force.

**Article 3 Omitted.**

ADDENDUM <Act No. 13870, Jan. 27, 2016>

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

ADDENDA <Act No. 14839, Jul. 26, 2017>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation: Provided, That the amendments to the Acts amended under Article 5 of the Addenda, which were promulgated before this Act enters into force but enforcement dates of which have yet to arrive, shall enter into force on their respective enforcement dates.

**Articles 2 through 6 Omitted.**

Last updated : 2017-11-14

