

# SPECIAL ACT ON THE DEVELOPMENT OF EAST, WEST, AND SOUTH COAST AREAS

Act No. 8823, Dec. 27, 2007  
Amended by Act No. 9050, Mar. 28, 2008  
Act No. 9313, Dec. 31, 2008  
Act No. 9366, Jan. 30, 2009  
Act No. 9401, Jan. 30, 2009  
Act No. 9598, Apr. 1, 2009  
Act No. 9758, jun. 9, 2009  
Act No. 9763, jun. 9, 2009  
Act No. 9774, jun. 9, 2009  
Act No. 10267, Apr. 15, 2010  
Act No. 10331, May 31, 2010  
Act No. 10599, Apr. 14, 2011  
Act No. 10758, May 30, 2011  
Act No. 10892, Jul. 21, 2011  
Act No. 10898, Jul. 25, 2011  
Act No. 11020, Aug. 4, 2011  
Act No. 11690, Mar. 23, 2013

## Article 1 (Purpose)

The purpose of this Act is to provide for matters necessary to develop the east, west, and south coast areas as well as the inland areas as new economic zones and international tourist attractions for Northeast Asia, thus contributing to the enhancement of national competitiveness and balanced national development by stimulating the regional economy, culture, tourism as well as other industries and increasing regional exchanges and international cooperation. <Amended by Act No. 10267, Apr. 15, 2010>

## Article 2 (Definitions)

The terms used in this Act shall be defined as follows: <Amended by Act No. 10267, Apr. 15, 2010>

1. The term "east, west, and south coast areas (hereinafter referred to as "coast areas")" means lower-level local governments contiguous to the east, west, and/or south coastline, which refers to the areas designated under a comprehensive plan to develop the coast areas prescribed in Articles 5 (3) and 6;

- 1-2. The term "inland areas" means zones, other than the coast areas, suited for local governments to jointly promote cross-regional and cooperative projects with a view to increasing regional competitiveness, and designated under a comprehensive plan to develop the inland areas formulated and determined under Articles 5 and 6;
2. The term "comprehensive plan to develop the coast areas and inland areas (hereinafter referred to as "comprehensive plan")" means a comprehensive and basic plan jointly formulated and determined for each coast area or inland area under Article 6 to achieve the purpose set forth in Article 1 by the relevant Metropolitan City Mayors and Do Governors (hereinafter referred to as "Mayors/Do Governors")" in accordance with Article 5;
3. The term "coast area or inland area development zone (hereinafter referred to as "development zone")" means an area designated and publicly announced under Article 7 to implement a development project for the coast areas or inland areas;
4. The term "development project for the coast areas or inland areas (hereinafter referred to as "development project")" means a project implemented pursuant to a comprehensive plan.

### **Article 3 (Relations to other Plans)**

Each comprehensive plan shall be established with due consideration of plans established under other Acts and subordinate statutes influencing the coast areas or inland areas and shall ensure harmony and equilibrium between the plans. *<Amended by Act No. 10267, Apr. 15, 2010>*

### **Article 4 (Obligations of State, etc.)**

- (1) The State shall establish and implement a comprehensive plan to develop the coast areas and inland areas, and take supporting measures therefor. *<Amended by Act No. 10267, Apr. 15, 2010>*
- (2) Each Metropolitan City and Do (hereinafter referred to as "City/Do") shall establish and implement a plan and policies to develop the coast areas and inland areas with local residents' participation and other local governments' cooperation involved therein. *<Amended by Act No. 10267, Apr. 15, 2010>*
- (3) The State and Cities/Dos shall endeavor to realize environment-friendly and sustainable development of the coast areas and inland areas. *<Amended by Act No. 10267, Apr. 15, 2010>*

### **Article 5 (Drafting of Comprehensive Plans)**

(1) Mayors/Do Governors having jurisdiction over the coast areas or inland areas shall jointly formulate a draft comprehensive plan to develop the coast areas or inland areas (hereinafter referred to as "draft comprehensive plan"), which includes the following, for each coast areas or inland areas: *<Amended by Act No. 10267, Apr. 15, 2010>*

1. Matters concerning the basic policies to develop the coast areas or inland areas;
2. Matters concerning the conservation of the natural environment and the prevention of pollution;
3. Matters concerning the establishment of tourism and recreation bases in Northeast Asia;
4. Matters concerning the fostering of future-oriented port logistics industries;
5. Matters concerning the innovation of manufacturers, such as main local industries;

6. Matters concerning the structural upgrade of agriculture and fisheries;
7. Matters concerning the maintenance and expansion of infrastructure, such as roads, ports, harbors, airports, and information and communications;
8. Matters concerning the procurement of finances necessary for development projects, etc.;
9. Matters concerning the invitation and holding of, and assistance in, international events;
  - 9-2. Matters concerning cross-regional and cooperative projects in fields, such as industry, culture, tourism, and transportation, with areas adjacent to the relevant coast areas or inland areas;
10. Other matters that Mayors/Do Governors deem necessary.

(2) Where Mayors/Do Governors formulate a draft comprehensive plan pursuant to paragraph (1), they shall seek opinions from residents and experts in advance and hold a public hearing, as prescribed by Presidential Decree.

(3) Procedures and methods for formulating draft comprehensive plans, the criteria for, and the scope of, the designation of the coast areas or inland areas under paragraph (1), and other necessary matters shall be prescribed by Presidential Decree. *<Amended by Act No. 10267, Apr. 15, 2010>*

#### **Article 6 (Finalization of Comprehensive Plans)**

(1) The Minister of Land, Infrastructure and Transport shall finalize a draft comprehensive plan, subject to prior consultation with the heads of relevant central administrative agencies and deliberation by the National Land Policy Committee referred to in Article 26 of the Framework Act on the National Land (hereinafter referred to as the "National Land Policy Committee"). The foregoing shall also apply to any revision (excluding any revision to insignificant matters prescribed by Presidential Decree) to the finalized comprehensive plan. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 10267, Apr. 15, 2010; Act No. 10758, May 30, 2011; Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Land, Infrastructure and Transport shall publicly announce the comprehensive plan finalized or revised pursuant to paragraph (1), as prescribed by Presidential Decree, and shall notify the heads of relevant administrative agencies and the heads of local governments thereof. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>*

#### **Article 7 (Designation, etc. of Development Zones)**

(1) To implement the development projects reflected in a comprehensive plan, the Minister of Land, Infrastructure and Transport may, upon receiving a request from the Mayors/Do Governors, designate a development zone, subject to prior consultation with the heads of relevant central administrative agencies and deliberation by the Central Urban Planning Committee referred to in Article 106 of the National Land Planning and Utilization Act, the National Park Committee referred to in Article 9 (1) of the Natural Parks Act (limited to cases where any park area defined in Article 2 of the aforesaid Act is involved), the Building Committee established within the Ministry of Land, Infrastructure and Transport pursuant to Article 4 of the Building Act, and the National Land Policy Committee, taking the following matters into consideration. The foregoing shall also apply to any revision (excluding any revision to insignificant matters prescribed by Presidential Decree) to any designated development zone: Provided, That

deliberation by the Building Committee shall be deemed completed where the Central Urban Planning Committee referred to in Article 106 of the National Land Planning and Utilization Act, which is attended by at least two members representing the field of architecture, deliberates on matters subject to deliberation by the Building Committee under Article 4 of the Building Act: *<Amended by Act No. 9050, Mar. 28, 2008; Act No. 9313, Dec. 31, 2008; Act No. 9598, Apr. 1, 2009; Apr. 15, 2010; Act No. 10758, May 30, 2011; Act No. 11690, Mar. 23, 2013>*

1. The development projects involved shall meet public interest objectives, leading to the unification of the coast areas and inland areas and contributing to the enhancement of national competitiveness by establishing economic axes;
  2. The development projects involved shall be environmentally sustainable;
  3. The development projects involved shall conform to the characteristics and conditions of the relevant localities;
  4. The investment plan, etc. for the development projects involved shall be feasible;
  5. The development projects involved shall meet other requirements prescribed by Presidential Decree.
- (2) Where Mayors/Do Governors intend to request the designation of a development zone pursuant to paragraph (1), they shall prepare and submit a plan to develop the coast areas or inland areas (hereinafter referred to as "development plan"): Provided, That where any area specified by Presidential Decree is designated as a development zone, the relevant development plan may be prepared after the designation of the development zone. *<Amended by Act No. 10267, Apr. 15, 2010>*
- (3) Mayors/Do Governors may request the designation of a development zone pursuant to paragraph (1) upon receiving a proposal from a person falling under any subparagraph of Article 11 (1). In such cases, any person who proposes the designation of a development zone shall prepare and submit the documents specified by Ordinance of the Ministry of Land, Infrastructure and Transport. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>*
- (4) Where Mayors/Do Governors request the designation or revision of a development zone pursuant to paragraph (1), they shall seek opinions in advance from residents and the heads of the relevant Sis/Guns/Gus (referring to the heads of autonomous Gus; hereinafter the same shall apply), as prescribed by Presidential Decree: Provided, That the foregoing shall not apply to any revision to insignificant matters specified by Presidential Decree.
- (5) Where the Minister of Land, Infrastructure and Transport designates or revises a development zone pursuant to paragraph (1), he/she shall give public notice thereof, as prescribed by Presidential Decree, and shall notify the heads of relevant administrative agencies and the heads of local governments thereof. In such cases, when a development zone is designated and publicly announced, the public announcement of the topographic maps and other relevant materials shall also be given pursuant to Article 8 of the Framework Act on the Regulation of Land Use. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>*

(6) If any area subject to designation stretches over two or more Cities/Dos when a development zone under paragraphs (1) through (4) is designated or revised, a request for designation shall be made jointly by the relevant Mayors/Do Governors.

(7) Matters necessary for the scale of development zones, procedures for requesting the designation or revision thereto, and other relevant matters in the designation and revision of a development zone under paragraphs (1) through (5) shall be prescribed by Presidential Decree.

(8) Where Mayors/Do Governors intend to request the designation of a development zone pursuant to paragraph (1), they shall make such request with the materials specified by Presidential Decree, of the materials listed in the subparagraphs of Article 71 (1) of the Building Act, and the development zone so designated shall be deemed a special building zone specified in Article 69 of the Building Act. In such cases, Article 69 (2) 2 of the Building Act shall not apply only when a development zone includes a park area defined in Article 2 of the Natural Parks Act. *<Newly Inserted by Act No. 9050, Mar. 28, 2008>*

(9) Any construction works of a building specified by Presidential Decree within a development zone shall be subject to deliberation by the Building Committee established by the relevant Mayors/Do Governors or the heads of the relevant Sis/Guns/Gus pursuant to Article 4 (1) of the Building Act. *<Newly Inserted by Act No. 9050, Mar. 28, 2008>*

#### **Article 8 (Consultation on Strategic Environmental Assessment)**

(1) If a development plan submitted for the designation of a development zone pursuant to Article 7 includes a development project subject to consultation on strategic environmental assessment as specified in Article 9 of the Environmental Impact Assessment Act, the Minister of Land, Infrastructure and Transport shall consult thereon with the Minister of Environment at the time of consultation under Article 7 (1). *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 10892, Jul. 21, 2011; Act No. 11690, Mar. 23, 2013>*

(2) Where Mayors/Do Governors submit a development plan which includes a development project subject to consultation on strategic environmental assessment as specified in Article 9 of the Environmental Impact Assessment Act, he/she shall submit documents necessary for assessment of environmental impacts together pursuant to Article 16 of the aforesaid Act. *<Amended by Act No. 10892, Jul. 21, 2011>*

#### **Article 9 (Cancellation of Designation of Development Zones)**

(1) If a development zone designated under Article 7 falls under any of the following subparagraphs, the designation thereof may be cancelled, subject to deliberation by the National Land Policy Committee: Provided, That deliberation by the National Land Policy Committee may be waived for any case falling under subparagraph 3: *<Amended by Act No. 10758, May 30, 2011>*

1. The third anniversary of the date on which the relevant development plan was established and publicly announced, if no application has been filed for approval of an implementation plan under Article 14, or if an implementation plan has not been finalized with the opinions of the relevant Mayors/Do Governors reflected therein, by the third anniversary of the date on which the relevant development plan was established and publicly announced;

2. The second anniversary of the date on which the relevant implementation plan under Article 14 was approved and publicly announced, if parcels of the land involved have not been purchased up to the ratio prescribed by Presidential Decree, by the second anniversary of the date on which the relevant implementation plan was approved and publicly announced;

3. The date of public notice of the completion of the development project.

(2) If the designation of a development zone is cancelled pursuant to paragraph (1) 1 or 2, the specific use area, specific use zone, or district unit planning zone specified in the National Land Planning and Utilization Act shall be deemed to have been reinstated to the former specific use area, specific use zone, or district unit planning zone designated prior to the designation to the relevant development zone or have been abolished.

(3) When the designation of a development zone is cancelled pursuant to paragraph (1), the Minister of Land, Infrastructure and Transport shall publicly announce the cancellation, as prescribed by Presidential Decree, and notify the heads of relevant administrative agencies thereof. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>*

#### **Article 10 (Restriction on Activities, etc.)**

(1) Any person who intends to engage in any activity specified by Presidential Decree within a development zone, such as the construction of a building, the installation of a structure, the change of the form or quality of land, the collection of rocks and soil, the division of land, the storage of goods, shall obtain permission of the head of the competent Si/Gun/Gu. The foregoing sentence shall also apply to any planned change in any permitted activity.

(2) Notwithstanding paragraph (1), any person may engage in any of the following activities without permission:

1. Engaging in any activity as an emergency measure necessary for disaster recovery or emergency relief;

2. Other activities specified by Presidential Decree.

(3) Any person who has already commenced any construction work or project that constitutes any activity subject to permission under paragraph (1) with permission for such an activity pursuant to any relevant Act and subordinate statutes (including cases for which no permission is required, or cases that may be carried out only by filing a report, pursuant to any relevant Act and subordinate statutes) at the time a development zone is designated and publicly notified but has failed to complete such work or project shall report it to the head of the competent Si/Gun/Gu, as prescribed by Presidential Decree.

(4) The head of the competent Si/Gun/Gu may order any person who has failed to obtain permission or amended permission in violation of paragraph (1) to restore the site to its original state.

(5) If a person to whom the restoration to the original state was ordered pursuant to paragraph (4) fails to comply with the order, the head of the competent Si/Gun/Gu may execute such restoration vicariously pursuant to the Administrative Vicarious Execution Act.

## **Article 11 (Project Implementers, etc.)**

(1) The project implementer of a development project (hereinafter referred to as "project implementer") shall be designated by the relevant Mayors/Do Governors from among any of the following entities:

*<Amended by Act No. 10267, Apr. 15, 2010>*

1. The State;
  2. A local government;
  3. A public institution under the Act on the Management of Public Institutions;
  4. A local public enterprise under the Local Public Enterprises Act;
  5. A corporation or individual who intends to perform the development project.
- (2) The documentation and procedures for application for the designation as a project implementer under paragraph (1) shall be prescribed by Presidential Decree.
- (3) Mayors/Do Governors may replace a project implementer with another if the project implementer falls under any of the following subparagraphs:

1. If the project implementer fails to commence the project within two years since the implementation plan for the development project was authorized;
2. If the designation of the project implementer or the authorization for the implementation plan was revoked by an administrative disposition;
3. If it is deemed difficult for the project implementer to accomplish the objectives of the development project due to its bankruptcy or insolvency or due to any other similar reason.

## **Article 12 (Approval, etc. of Development Plans)**

(1) Mayors/Do Governors shall prepare a development plan and obtain approval thereof from the Minister of Land, Infrastructure and Transport. The foregoing shall also apply to any revision to the development plan so approved: Provided, That excluded herefrom is a modification to any insignificant matter specified by Presidential Decree. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>*

(2) Each development plan shall include the following matters: Provided, That a project within any natural park specified by Presidential Decree included in a park area defined in subparagraph 5 of Article 2 of the Natural Parks Act shall be limited to the one for the installation of facilities that meet the type and scale of park facilities prescribed by Presidential Decree, such as pleasure boat piers and esplanade: *<Amended by Act No. 9313, Dec. 31, 2008; Act No. 10267, Apr. 15, 2010>*

1. The name, location, and area of the development zone;
2. Purposes of designation of the development zone and the implementation period of the development project;
3. Matters concerning the division of the development zone, if the development zone is divided into two or more project sections to perform the development project;
4. Matters concerning the project implementer and the method of implementation;
5. A plan for environmental conservation and the prevention of pollution;

6. A plan for accommodation of population, traffic management, and land use;
7. A plan for installation of facilities for public health, medical service, education, and welfare;
8. A plan for installation of major infrastructure, such as roads, waterworks, and sewerage systems;
9. A plan for procurement of finances and an annual investment plan;
10. A plan for compensation and matters concerning the disposition of developed land;
11. A detailed list of the property subject to expropriation or use under Article 16 (1), if any;
12. A plan for apportionment of expenses necessary for establishing infrastructure in an area outside the development zone, if it is necessary to install such infrastructure outside the development zone;
13. Matters concerning the designation of an investment promotion district in the coast areas or inland areas;
14. Other matters specified by Presidential Decree.

(3) Where the Minister of Land, Infrastructure and Transport intends to approve a development plan pursuant to paragraph (1), he/she shall undergo deliberation thereon by the National Land Policy Committee; and where he/she approves such plan, he/she shall publicly announce it as prescribed by Presidential Decree and notify the heads of relevant administrative agencies and the heads of local governments thereof. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 10758, May 30, 2011; Act No. 11690, Mar. 23, 2013>*

(4) When a development plan is publicly announced, the following approval, determination, designation, formulation, etc. (hereinafter referred to as "approval, determination, etc.") shall be deemed to have been granted or made on the date of the public announcement, with regard to matters on which prior consultations with the heads of relevant central administrative agencies have been conducted: *<Amended by Act No. 10267, Apr. 15, 2010; Act No. 10599, Apr. 14, 2011>*

1. Determination of an Urban/Gun management plan under Article 30 of the National Land Planning and Utilization Act to change the area involved in an urban area under subparagraph 1 of Article 6 of the aforesaid Act or to be designated as a district unit planning zone under Article 51 of the aforesaid Act (limited to an area designated as the one in which development is permitted under an Urban/Gun basic plan);
2. Determination of an Urban/Gun management plan under Article 30 of the National Land Planning and Utilization Act to change and release from a fisheries-resources protection zone pursuant to Article 40 of the aforesaid Act;
3. Formulation of, or amendment to, an Urban/Gun basic plan under Article 18, 22 or 22-2 of the National Land Planning and Utilization Act, and approval thereof (where a development zone is designated in a Si/Gun, limited to cases where an amendment to the Urban/Gun basic plan for areas other than the development zone has been formulated and submitted to the relevant Si/Gun);
4. Designation of an urban development zone under Article 3 of the Urban Development Act, and formulation of, or amendment to, an urban development plan under Article 4 of the aforesaid Act;



5. Designation of a prearranged area under Article 3 of the Housing Site Development Promotion Act, and formulation of a housing site development plan under Article 8 of the aforesaid Act;
6. Designation of a national industrial complex, general industrial complex, up-to-date city industrial complex under Article 6, 7, or 7-2 of the Industrial Sites and Development Act, and designation of an agricultural and industrial complex under Article 8 of the aforesaid Act;
7. Designation of a logistics complex under Article 22 of the Act on the Development and Management of Logistics Facilities;
8. Formulation of a plan for integrated coastal management under Article 6 of the Coast Management Act, formulation of a plan for local coastal management under Article 9 of the aforesaid Act, and amendment to a plan for integrated or local coastal management under Article 12 of the aforesaid Act;
9. Formulation of, or amendment to, a basic plan to reclaim public waters under Article 22 or 27 of the Public Waters Management and Reclamation Act;
10. Formulation of, or amendment to, a basic river plan under Article 25 of the River Act;
11. Formulation of, or amendment to, a framework plan for sewerage management under Article 5 or 6 of the Sewerage Act;
12. Amendment to a park planning under Article 15 of the Natural Parks Act;
13. Formulation of, or amendment to, a basic harbor plan under Article 5 or 7 of the Harbor Act;
14. Formulation of a traffic impact analysis and improvement plan under Article 15 of the Urban Traffic Improvement Promotion Act.

(5) Mayors/Do Governors shall commission an expert in the area of urban planning, urban design, or architecture to a general planner to take charge of comprehensively conducting and coordinating the entire course of establishing a development plan. In such cases, Mayors/Do Governors who intend to commission such general planner shall hear the opinions of the heads of the relevant Sis/Guns/Gus in advance and seek advice from the joint council for the development of the coast areas or inland areas referred to in Article 22. *<Newly Inserted by Act No. 9050, Mar. 28, 2008; Act No. 10267, Apr. 15, 2010>*

(6) Article 9 (3) of the Special Act on the Promotion of Urban Renewal shall apply mutatis mutandis to the eligibility requirements for, and duties and authority of, general planners under paragraph (5), and other matters concerning the operation thereof. *<Newly Inserted by Act No. 9050, Mar. 28, 2008; Act No. 10267, Apr. 15, 2010>*

### **Article 13 (Basic Surveys)**

(1) Mayors/Do Governors may conduct basic surveys for formulating a draft comprehensive plan under Article 5, while any person falling under any subparagraph of Article 11 (1) may conduct basic surveys for the designation of a development zone under Article 7 or for the establishment of a development plan under Article 12 or an implementation plan under Article 14, as prescribed by Presidential Decree.

(2) Basic surveys under paragraph (1) shall include the impact of the relevant development project on the natural ecosystem and scenery of the land and waters involved and other matters specified by Presidential Decree.

(3) If deemed necessary for a person falling under any subparagraph of Article 11 (1) to conduct basic surveys under paragraph (1), Mayors/Do Governors may enter the land owned or occupied by any other person or temporarily use such land as a storage yard for materials, passage, or temporary road.

(4) Articles 130 and 131 of the National Land Planning and Utilization Act shall apply mutatis mutandis to the compensation for losses incurred by the access to, or the temporary use of, land under paragraph (3).

#### **Article 14 (Approval for Implementation Plans)**

(1) Each project implementer shall prepare an implementation plan for the relevant development project, along with the following documents and drawings attached thereto, for approval by the relevant Mayors/Do Governors: Provided, That if the project implementer is the State, it shall hear opinions from the relevant Mayors/Do Governors:

1. A financial plan (including annual plans for investment and procurement of financial resources);
2. The location map and cadastral map of the project site;
3. Ground plans and overview drawings;
4. Development plans by phases (limited to cases where it is necessary to implement a development project in phases due to the conditions of the project);
5. A plan for the disposition of developed land and other property;
6. Other documents or drawings specified by Presidential Decree.

(2) If a development zone stretches over two or more Cities/Dos, the Mayor/Do Governor whose administrative jurisdiction included in the development zone exceeds one-half of the area of the development zone shall have the authority to approve the implementation plan, or the right to present an opinion, under paragraph (1). In such cases, the Mayor/Do Governor shall consult with the Mayors/Do Governors involved.

(3) When a Mayor/Do Governor approves an implementation plan or when the State finalizes the implementation plan after hearing the opinion from a Mayor/Do Governor, he/she shall publicly announce the plan, as prescribed by Presidential Decree, and shall also notify heads of appropriate administrative agencies and heads of local governments thereof.

(4) Paragraphs (1) through (3) shall apply mutatis mutandis to any proposed revision to an implementation plan: Provided, That the foregoing sentence shall not apply to any modification to any insignificant matter specified by Presidential Decree.

#### **Article 15 (Constructive Authorization, Permits, etc.)**

(1) When a project implementer has obtained approval of or approval of any revision to an implementation plan under Article 14 or heard opinions thereon, the following permits, authorization, designation, approval, consultations, reporting, etc. (hereinafter referred to as "authorization, permits, etc.") shall be deemed to have been granted, made, given, or completed with regard to matters on which consultations with the heads of relevant central administrative agencies have been conducted; and when the implementation plan is publicly announced pursuant to Article 14 (3), the authorization, permits, etc. under the Acts mentioned in the following subparagraphs shall be deemed to have been publicly notified

or announced: <Amended by Act No. 9366, Jan. 30, 2009; Act No. 9401, Jan. 30, 2009; Act No. 9758, Jun. 9, 2009; Act No. 9774, Jun. 9, 2009; Act No. 10267, Apr. 15, 2010; Act No. 10331, May 31, 2010; Act No. 10599, Apr. 14, 2011>

1. A permit under Article 11 of the Building Act, reporting under Article 14 of the aforesaid Act, change of matters permitted or reported under Article 16 of the aforesaid Act, a permit for, or reporting on, a temporary building under Article 20 of the aforesaid Act, and consultation on building works under Article 29 of the aforesaid Act;
2. Approval of an implementation plan under Article 9 of the Special Act on Designation and Management of Free Economic Zones;
3. A permit to occupy and use public waters under Article 8 of the Public Waters Management and Reclamation Act, and approval of, or reporting on, an implementation plan for occupancy and use under Article 17 of the aforesaid Act, a reclamation license under Article 28 of the aforesaid Act, consultation or approval under Article 35 of the aforesaid Act, and approval of an implementation plan for reclamation of public waters under Article 38 of the aforesaid Act;
4. Deleted; <by Act No. 10267, Apr. 15, 2010>
5. Approval of a business plan under Article 15 of the Tourism Promotion Act, designation of tourist destinations and a tourism complex under Article 52 of the aforesaid Act, approval of a plan to develop tourist destinations and a tourism complex under Article 54 of the aforesaid Act, and a permit to implement a development project under Article 55 of the aforesaid Act;
6. A permit to use State property under Article 30 of the State Property Act;
7. Determination of an Urban/Gun management plan under Article 30 of the National Land Planning and Utilization Act (limited to cases where it conforms to the Urban/Gun basic plan), a permit for development activities under Article 56 of the aforesaid Act, designation of a project implementer for planned urban facilities under Article 86 of the aforesaid Act, and authorization of an implementation plan under Article 88 of the aforesaid Act;
8. Approval to use any purpose, other than that of infrastructure for agricultural production under Article 23 of the Rearrangement of Agricultural and Fishing Villages Act, and approval of a business plan for a tourism and resort complex in an agricultural or fishing village under Article 82 of the aforesaid Act;
9. A permit for, or consultation on, the diversion of farmland under Article 34 of the Farmland Act and reporting on the diversion of farmland under Article 35 of the aforesaid Act;
10. Consultation with, or approval of, the relevant road management agency under Article 5 of the Road Act, a permit to implement a road project under Article 34 of the aforesaid Act, and a permit to occupy and use a road under Article 38 of the aforesaid Act;
11. Designation of a project implementer for an urban development project under Article 11 of the Urban Development Act and authorization of an implementation plan for an urban development project under Article 17 of the aforesaid Act;

12. Authorization to implement a project under Article 28 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents;
13. A permit to open a private road under Article 4 of the Private Road Act;
14. A permit to fell trees, etc. under Article 14 of the Work against Land Erosion or Collapse Act, and cancellation of the designation of an erosion control area under Article 20 of the aforesaid Act;
15. A permit to divert a mountainous district under Article 14 of the Management of Mountainous Districts Act, and reporting on the diversion of a mountainous district under Article 15 of the aforesaid Act, and a permit for, or reporting on the temporary use of a mountainous district under Article 15-2 of the aforesaid Act;
16. A permit for, or reporting on, cutting standing trees, etc. under Article 36 (1) or (4) of the Forest Resources Creation and Management Act, a permit for, or reporting on, activities inside a reserved forest under Article 9 (1) and (2) 1 and 2 of the Forest Protection Act (excluding protected areas for forest genetic resources), and cancellation of the designation of a reserved forest under Article 11 (1) 1 of the aforesaid Act;
17. A permit to implement a small river project under Article 10 of the Small River Maintenance Act, and a permit to occupy and use a small river under Article 14 of the aforesaid Act;
18. Authorization for a general waterworks project or an industrial waterworks project under Article 17 or 49 of the Water Supply and Waterworks Installation Act, and authorization for the installation of private-use waterworks or private-use industrial waterworks under Article 52 or 54 of the aforesaid Act;
19. A permit to implement a fishery harbor development project under Article 23 of the Fishing Villages and Fishery Harbors Act;
20. Consultation on an energy use plan under Article 8 of the Energy Use Rationalization Act;
21. Approval of an implementation plan for a logistics complex development project under Article 28 of the Act on the Development and Management of Logistics Facilities;
22. A permit to implement a park project by a person, other than a park management agency under Article 20 of the Natural Parks Act (limited to the natural parks specified by Presidential Decree and the facilities that meet the criteria concerning the types and scale of park facilities prescribed by Presidential Decree, such as pleasure boat piers and esplanade, for which the determination of, or a revision to, the park plan has been publicly announced after deliberation by the park committee in the relevant park management agency);
23. A permit to open a grave under Article 27 of the Act on Funeral Services, etc.;
24. Approval of a business plan under Article 16 of the Housing Act;
25. A permit to use and make profits under Article 20 of the Public Property and Commodity Management Act;
26. Reporting on the commencement, alteration, or completion of a project under Article 86 (1) of the Act on Land Survey, Waterway Survey and Cadastral Records;

27. Consultation on the feasibility of integrated energy supply under Article 4 of the Integrated Energy Supply Act;
28. Approval of a business plan under Article 12 of the Installation and Utilization of Sports Facilities Act;
29. A permit to change the form and quality of land under Article 21-2 of the Grassland Act, and a permit to divert grassland under Article 23 of the aforesaid Act;
30. Examination of the publication of maps, etc. under Article 15 (3) of the Act on Land Survey, Waterway Survey and Cadastral Records;
31. Approval of an implementation plan for a housing site development project under Article 9 of the Housing Site Development Promotion Act;
32. Approval for, or reporting on, the installation of a wastes disposal facility under Article 29 of the Wastes Control Act;
33. Authorization for the installation of a public sewerage system (limited to a night soil treatment facility for the public sewerage system) under Article 11 of the Sewerage Act, a permit to implement a public sewerage project under Article 16 of the aforesaid Act, and a permit to occupy and use a public sewerage system under Article 24 of the aforesaid Act;
34. Consultation with, or approval of, the river management agency under Article 6 of the River Act, a permit to implement a river project under Article 30 of the aforesaid Act, and a permit to occupy, use, etc. a river under Article 33 of the aforesaid Act;
35. A permit to implement a port or harbor project under Article 9 (2) of the Harbor Act, and approval of an implementation plan under Article 10 (2) of the aforesaid Act;
36. Approval of an implementation plan for national industrial complex development under Article 17 of the Industrial Sites and Development Act, approval of an implementation plan for general industrial complex development under Article 18 of the aforesaid Act, approval of an implementation plan for up-to-date city industrial complex development under Article 18-2 of the aforesaid Act, and approval of an implementation plan for agricultural and industrial complex development under Article 19 of the aforesaid Act;
37. A business license under Article 7 of the Electric Utility Act, and approval of, or reporting on a plan for works for setting up electric installations for private use under Article 62 of the aforesaid Act;
38. A permit to extract aggregate under Article 22 of the Aggregate Extraction Act;
39. Authorization of an implementation plan under Article 16 of the Development and Management of Deep Sea Water Act, and a permit to engage in manufacturing deep sea drinking water under Article 27 of the aforesaid Act;
40. Approval for the establishment, etc. of a factory under Article 13 of the Industrial Cluster Development and Factory Establishment Act, and approval for the new establishment, etc. of a factory under Article 20 of the aforesaid Act;

41. Registration for the opening of a superstore under Article 8 of the Distribution Industry Development Act;

42. A permit to do acts in a protected zone under Article 9 of the Protection of Military Bases and Installations Act, and consultation on a disposition by an administrative agency under Article 13 of the aforesaid Act;

43. Prior consultation for development activities under Article 8 of the Baekdudaegan Protection Act.

(2) Any person who intends to obtain constructive authorization, permits, etc. under paragraph (1) shall submit relevant documents specified by the relevant Acts together, when he/she intends to file an application for the approval of or approval of any revision to an implementation plan or seek opinions thereon.

(3) When Mayors/Do Governors intend to approve an implementation plan or present their opinions thereon pursuant to Article 14, they shall consult in advance with the heads of relevant administrative agencies, if the implementation plan includes any matter falling under any subparagraph of paragraph (1).

(4) Upon receiving a request for consultation from the Mayors/Do Governors pursuant to paragraph (3), the heads of relevant administrative agencies shall present their opinions within 30 days from the date of receiving such request for consultation, in the absence of justifiable reasons to the contrary.

#### **Article 16 (Expropriation and Use of Land, etc.)**

(1) If necessary for the implementation of a development project, any project implementer may expropriate or use any parcel of land, goods, or rights under Article 3 of the Act on Acquisition of and Compensation for Land, etc. for Public Works (hereinafter referred to as "land, etc."): Provided, That any project implementer under Article 11 (1) 5 shall purchase parcels of land amounting to at least two-thirds of the area of land subject to the relevant development project and obtain consent of at least one-half of the total number of landowners.

(2) When a detailed list of parcels of land, etc. subject to the expropriation or use under paragraph (1) is publicly announced pursuant to Article 12 (3), the approval for the project and the public announcement of approval for the project shall be deemed to have been given or made pursuant to Articles 20 (1) and 22 of the Act on Acquisition of and Compensation for Land, etc. for Public Works, and a petition for adjudication may be filed during the implementation period stipulated in the development plan under Article 12 (1) and (2) hereof for the development project, notwithstanding Articles 23 (1) and 28 (1) of the aforesaid Act.

(3) The Central Land Tribunal shall have jurisdiction over the adjudication on the expropriation or use of land, etc. under paragraph (1).

(4) Any project implementer may entrust the Mayors/Do Governors, the heads of Sis/Guns/Gus, or any other person specified by Presidential Decree with the affairs pertinent to the acquisition of land, etc. for the relevant development project and the compensation therefor, as prescribed by Presidential Decree.

(5) Except as otherwise provided for expressly by this Act, the Act on Acquisition of and Compensation for Land, etc. for Public Waters shall apply mutatis mutandis to the expropriation or use of land, etc. under

paragraph (1).

#### **Article 17 (Direct Use of Land)**

(1) Any project implementer under Article 11 (1) 5 shall directly use the land amounting to at least 30/100, in area and in value, of the land used for the main purpose of the relevant development project (including cases where the land is used by an enterprise that has invested in the capital of a project implementer under Article 11 (1) 5).

(2) If any project implementer fails to perform or neglects his/her obligation to use the land that was planned for the direct use under paragraph (1) in accordance with the relevant project promotion plan without any justifiable reason, the Mayors/Do Governors may issue an order to comply with the project promotion plan or an order that places a restriction on the disposal of the developed land.

#### **Article 18 (Restrictions on Disposition of State-Owned or Public Land)**

(1) Any parcel of land owned by the State or a local government and located within an area for which a development plan was approved pursuant to Article 12 shall not be sold or otherwise transferred to any third party for any purpose other than the relevant development project, if the parcel of land is required for the project.

(2) Any property owned by the State or a local government and located within an area for which an implement plan was approved pursuant to Article 14 may be sold to the relevant project implementer under a negotiated contract, notwithstanding the State Property Act, the Public Property and Commodity Management Act or any other Act and subordinate statutes. In such cases, the Mayors/Do Governors shall consult in advance with the head of the relevant administrative agency about the disuse and sale of the property.

(3) Upon receiving a request for consultation under the latter sentence of paragraph (2), the head of the relevant administrative agency shall take measures necessary for the disuse, sale, and other matters within 90 days from the date on which he/she was so requested.

(4) If it is not known which administrative agency is responsible for the management of State-owned property included in the property that is intended to be sold to a project implementer pursuant to paragraph (2), the Minister of Strategy and Finance shall take responsibility for the management of such property or dispose of it, notwithstanding provisions of other Acts and subordinate statutes. *<Amended by Act No. 9598, Apr. 1, 2009>*

(5) In executing a sale contract under paragraph (2), the Minister of Strategy and Finance, the authorities responsible for the management of State-owned property, or the head of each local government may make a special agreement that if the use of the property does not commence within an agreed period or the property is not used for a specific project he/she may cancel the contract. *<Amended by Act No. 9598, Apr. 1, 2009>*

#### **Article 19 (Vesting of Ownership of Public Facilities)**

(1) In cases where the State or a local government, as a project implementer, installs any public facility, either new or as a replacement for a pre-existing public facility, as part of the development project

implemented by it, the ownership of pre-existing public facility shall vest in the project implementer, while the ownership of the newly installed public facility shall vest in the State or the competent local government, whichever shall be responsible for the management of the facility, notwithstanding the State Property Act, the Public Property and Commodity Management Act, or any other Act and subordinate statutes.

(2) The ownership of any public facility newly installed by a project implementer, other than the State or a local government, as part of the development project implemented by him/her shall vest in the State or the competent local government, whichever shall be responsible for the management of the facility, while the property owned by the State or the competent local government and disused as a consequence of the replacement for the functions of the public facility as part of the development project implemented by him/her may be transferred to the relevant project implementer without charge to the extent that it covers the cost and expenses incurred in installation of the new public facility, notwithstanding the State Property Act, the Public Property and Commodity Management Act, or any other Act and subordinate statutes: Provided, That the value of the property owned by the State or the competent local government shall be appraised as on the day immediately following the approval date of the project, and if the appraised value of the disused property of the State or the competent local government is greater the project implementer shall be required to pay the difference.

(3) When a Mayor/Do Governor intends to approve the implementation of a development project in which the matters concerning the vesting and transfer of ownership of public facilities under paragraphs (1) and (2) are included or present his/her opinion thereon, he/she shall hear the opinions from the competent management authorities or local government in advance.

(4) Each project implementer shall notify the competent management authorities or local government, before the completion of the relevant development project, of the type and detailed list of assets with regard to the public facilities, the ownership of which shall vest in the State or the competent local government under paragraphs (1) and (2) and assets, the ownership of which shall vest in, or shall be transferred to, the project implementer, and the ownership of such public facilities and assets shall be deemed to be vested or transferred to the State, the local government, or the project implementer at the time when a notice of approval for completion is given to the management authorities or the local government upon completion of the project.

(5) For the purpose of the registration of public facilities and property under paragraph (4), a letter of approval for the relevant implementation plan (referring to a document certifying the fact that an opinion on the implementation of the relevant development project has been heard, if the project implementer is the State) and a letter of authorization for completion may serve as substitutes for documents certifying the cause of registration under the Registration of Real Estate Act.

## **Article 20 (Final Inspection)**

(1) Upon whole or partial completion of construction works of the development project, each project implementer (excluding the State or Mayors/Do Governors) shall prepare a project completion report for



the final inspection of Mayors/Do Governors, as prescribed by Presidential Decree.

(2) Upon receiving the project completion report under paragraph (1), the Mayors/Do Governors shall conduct the final inspection without delay.

(3) If a Mayor/Do Governor recognizes as a result of the final inspection under paragraph (2) that the development project has been completed in conformity with the implementation plan, he/she shall issue a certificate of completion of final inspection to the project implementer and publicly announce the completion of the project, while if the project has not been completed in accordance with the implementation plan, he/she shall take necessary measures, such as corrective works, without delay.

(4) If the State or Mayors/Do Governors are project implementers, the State or Mayors/Do Governors shall publicly announce the completion of the project upon whole or partial completion of construction works of the development project. In such cases, if the project implementer is the State but is not the Minister of Land, Infrastructure and Transport, the project implementer shall consult in advance with the Minister of Land, Infrastructure and Transport and the Mayors/Do Governors, while if the project implementer is the Minister of Land, Infrastructure and Transport, he/she shall consult in advance with the Mayors/Do Governors. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>*

(5) In conducting final inspections pursuant to paragraph (2) or in publicly announcing the completion of projects pursuant to paragraph (4), the matters about which the State or Mayors/Do Governors have already consulted with heads of relevant administrative agencies pursuant to paragraph (7) in connection with the final inspection and the authorization for completion for the constructive authorization, permission, etc. under Article 15 shall be deemed to have passed or obtained the relevant final inspection and the authorization for completion.

(6) If a project implementer (excluding the State or Mayors/Do Governors) intends to be entitled to the constructive final inspection and authorization for completion under paragraph (5), he/she shall submit the relevant documents specified by relevant Acts together, when he/she files an application for the final inspection under paragraph (1).

(7) In conducting final inspections pursuant to paragraph (2) or in publicly announcing the completion of projects pursuant to paragraph (4), the State or Mayors/Do Governors shall, if an inspection or public announcement involves any matter pertinent to the final inspection and authorization for completion for the constructive authorization, permission, etc. under Article 15, consult in advance with heads of relevant administrative agencies.

**Article 21 Deleted.** *<by Act No. 10758, May 30, 2011>*

**Article 22 (Joint Councils for Development of East, West, and South Coast Areas, or Inland Areas)**

(1) In order to deliberate on the following matters concerning the development of the coast areas or inland areas, a joint council for the development of the coast areas shall be established for each coast area, and a joint council for the development of the inland areas for each inland area, respectively: *<Amended by Act No. 10267, Apr. 15, 2010>*

1. Development of major policies on the development of the coast areas or inland areas;
  2. Search for, and consultation on, joint development projects for the coast areas or inland areas;
  3. Other matters necessary for the joint development of the coast areas or inland areas.
- (2) The organization and operation of the joint councils for the development of the coast areas or inland areas and other necessary matters shall be prescribed by Presidential Decree. *<Amended by Act No. 10267, Apr. 15, 2010>*

#### **Article 23 (Planning Team for Development of East, West, and South Coast Areas, and Inland Areas)**

(1) In order to conduct business affairs on the development of the coast areas or inland areas, a planning team for the development of the east, west, and south coast areas, and inland areas (hereinafter referred to as the "Planning Team") shall be established under the jurisdiction of the Minister of Land, Infrastructure and Transport. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 10267, Apr. 15, 2010; Act No. 10758, May 30, 2011; Act No. 11690, Mar. 23, 2013>*

(2) The Planning Team shall undertake the following affairs: *<Amended by Act No. 10267, Apr. 15, 2010; Act No. 10758, May 30, 2011>*

1. Drafting and planning policies on and systems for the development of the coast areas and inland areas;
  2. Consultation on and adjustment of the development plans for the coast areas and inland areas;
  3. Assistance in preparing agendas, etc. for deliberation by the National Land Policy Committee under Article 6 (1), 7 (1), 9 (1), 12 (3), 24 (1), 25 (1), or 26 (1);
  4. Other matters necessary for the development of the coast areas and inland areas.
- (3) The organization and operation of the Planning Team and other necessary matters shall be prescribed by Presidential Decree. *<Amended by Act No. 10267, Apr. 15, 2010>*

#### **Article 23-2 (Establishment of Organization Exclusively in Charge of Developing East, West, and South Coast Areas, or Inland Areas)**

Mayors/Do Governors related to the coast areas or inland areas may establish under Cities/Dos an organization exclusively in charge of the following business affairs:

1. Matters on the formulation of a draft comprehensive plan;
2. Matters on the implementation of the development projects reflected in the development plan;
3. Consultation on, and coordination of, the development plan;
4. Assistance in operating the joint councils for the development of the east, west, and south coast areas or inland areas;
5. Other matters necessary to develop the coast areas or inland areas.

#### **Article 24 (High-Tech Science and Technology Complexes)**

(1) Mayors/Do Governors may develop a high-tech science and technology complex in the coast areas or inland areas under subparagraph 8 of Article 2 of the Industrial Sites and Development Act (hereinafter referred to as "science and technology complex") within a development zone, after deliberation thereon by the National Land Policy Committee, in order to foster primary high-tech industries, encourage research

on related technology, and nurture professional human resources. In such cases, deliberation by the National Land Policy Committee shall be deemed deliberation by the Industrial Location Policy Deliberation Committee and a Local Industrial Location Deliberation Committee under Article 3 of the Industrial Sites and Development Act. *<Amended by Act No. 10267, Apr. 15, 2010; Act No. 10758, May 30, 2011; Act No. 11020, Aug. 4, 2011>*

(2) The State and each local government may formulate policies necessary to develop and boost science and technology complexes and provide appropriate support therefor.

(3) Except as otherwise provided in this Act, the Industrial Sites and Development Act and the Act on Special Cases concerning the Simplification of Authorization and Permission Procedures for Industrial Complexes shall apply with regard to the designation and creation of science and technology complexes.

*<Newly Inserted by Act No. 10267, Apr. 15, 2010>*

#### **Article 25 (Designation, etc. of Investment Promotion Districts)**

(1) Mayors/Do Governors may designate an area necessary for inviting investments that meet the criteria prescribed by Presidential Decree in a development zone as an investment promotion district in the coast areas or inland areas (hereinafter referred to as "investment promotion district"), after deliberation thereon by the National Land Policy Committee. *<Amended by Act No. 10267, Apr. 15, 2010; Act No. 10758, May 30, 2011>*

(2) When Mayors/Do Governors designate an investment promotion district pursuant to paragraph (1), they shall publicly announce the following matters:

1. The name, location, and area of the investment promotion district;
2. The method of development or management;
3. Details of major projects.

(3) Matters necessary for procedures for, and method of designating investment promotion districts, the management thereof, and other relevant matters shall be prescribed by Presidential Decree.

#### **Article 26 (Cancellation of Designation of Investment Promotion Districts)**

(1) Where investment under Article 25 fails to meet the criteria prescribed by Presidential Decree, Mayors/Do Governors shall cancel the designation of the relevant investment promotion district, after deliberation thereon by the National Land Policy Committee. *<Amended by Act No. 10758, May 30, 2011>*

(2) Matters necessary for procedures for cancelling designation of an investment promotion district under paragraph (1) and other relevant matters shall be prescribed by Presidential Decree.

#### **Article 27 (Financial Support to Moving-in Enterprises)**

(1) The State or each local government shall provide the utmost support to enterprises that move into a science and technology complex or an investment promotion district (hereinafter referred to as "moving-in enterprises") upon receiving a request from such enterprises for a loan for the purchase price for land, the abatement or exemption of rent for land or other property, or support for the funds required for the development project.

(2) The Minister of Strategy and Finance, the management authorities responsible for State-owned property, or the head of each local government may allow moving-in enterprises to use, for profit, the land or a factory owned by the State or the local government or any other State-owned or public property or lease or sell such property to moving-in enterprises under a negotiated contract, notwithstanding the State Property Act and the Public Property and Commodity Management Act. *<Amended by Act No. 9598, Apr. 1, 2009>*

(3) In granting permission for use for profit, or in executing a contract for lease or sale, under paragraph (2), the Minister of Strategy and Finance, the authorities responsible for the management of State-owned property, or the head of each local government may make a special agreement that if the use of the property does not commence within an agreed period or the property is not used for a specific project he/she may cancel the contract. *<Amended by Act No. 9598, Apr. 1, 2009>*

#### **Article 28 (Promotion of Marine Tourism Industry)**

(1) Mayors/Do Governors related to the coast areas shall formulate and implement policies necessary to promote the marine tourism industry in the coast areas. *<Amended by Act No. 10267, Apr. 15, 2010>*

(2) The State may formulate policies necessary to promote the marine tourism industry in the coast areas under paragraph (1) and provide appropriate support therefor. In such cases, the following matters shall be reflected therein: *<Amended by Act No. 10267, Apr. 15, 2010>*

1. Measures for the conservation and reinstatement of marine tourism resources;
2. Methods for the protection of the marine environment and fishers' participation in the marine tourism industry;
3. The use of marine tourism resources specified by Presidential Decree.

#### **Article 29 (Promotion of Cultural Tourism Industry)**

(1) Mayors/Do Governors shall formulate and implement policies necessary to promote the cultural tourism industry in the coast areas or inland areas and activities for the development of local cultural tourism products. *<Amended by Act No. 10267, Apr. 15, 2010>*

(2) The State may formulate policies necessary to promote the cultural tourism industry in the coast areas or inland areas and activities for the development of local cultural tourism products under paragraph (1) and provide appropriate support therefor. *<Amended by Act No. 10267, Apr. 15, 2010>*

#### **Article 30 (Special Cases in Application of the Installation and Utilization of Sports Facilities Act)**

Each project implementer may, if necessary for a development project, install the facilities specified in the relevant implementation plan under Article 14 hereof and implement the development project depending on the area of the site, notwithstanding Article 11 of the Installation and Utilization of Sports Facilities Act.

#### **Article 30-2 (Application Mutatis Mutandis)**

Where any project directly related to a development project is performed in an area outside the coast areas or inland areas under Article 5 (3), part of this Act shall apply mutatis mutandis to such project, as prescribed by Presidential Decree.

### **Article 31 (Grant, etc. of Subsidies from National Treasury)**

(1) Subsidies granted by the State for the projects specified by Presidential Decree, among development projects, may be increased according to the subsidization rate prescribed by Presidential Decree, notwithstanding the differential subsidization rates specified in Article 10 of the Subsidy Management Act and the subsidization rate specified in any other Act. *<Amended by Act No. 10898, Jul. 25, 2011>*

(2) The State or each local government may give priority to investing in public facilities related to development projects, such as roads, waterworks, sewerage systems, energy supply systems, information and communications systems, water supply facilities, airports, ports, harbors, ships, and basic environmental facilities.

(3) The State may grant subsidies from the National Treasury to each project, as provided by the Subsidy Management Act, in order to effectively promote resolutions passed by the National Land Policy Committee on the governmental support in accordance with an annual investment plan established pursuant to Article 12. *<Amended by Act No. 10758, May 30, 2011; Act No. 10898, Jul. 25, 2011>*

(4) The Minister of Culture, Sports and Tourism may grant the Tourism Promotion and Development Fund under the Tourism Promotion and Development Fund Act, as loans or subsidies, to local governments or project implementers for the development of the marine tourism industry and the cultural tourism industry in the coast areas, the cultural tourism industry in the inland areas, etc. *<Amended by Act No. 9598, Apr. 1, 2009; Act No. 10267, Apr. 15, 2010>*

### **Article 31-2 (Tax Exemption or Reduction)**

(1) If necessary to ensure the efficient implementation of a development project for a development zone, the State and local governments may grant to the relevant project implementer the reduction of, or exemption from corporate tax, income tax, customs, acquisition tax, registration tax, property tax, or other taxes, as prescribed by tax-related Acts, including the Restriction of Special Taxation Act, the Customs Act, and the Local Tax Act.

(2) The State and local governments may grant to domestic and foreign moving-in enterprises the reduction of, or exemption from corporate tax, income tax, customs, acquisition tax, registration tax, property tax, or other taxes, as prescribed by tax-related Acts, including the Restriction of Special Taxation Act, the Customs Act, and the Local Tax Act.

### **Article 32 (Abatement of and Exemption from Charges)**

The State or each local government may, if necessary for the implementation of development projects, grant project implementers the abatement of, or the exemption from, the development charge, the farmland conservation charge, the cost of development of substitute grassland, or the rent for occupancy and use of public waters or river, as prescribed by the Restitution of Development Gains Act, the Farmland Act, the Grassland Act, the Public Waters Management Act, or the River Act.

### **Article 33 (Measures for Stabilization of Real Estate Prices and Deterrence of Reckless Development)**

(1) The Minister of Land, Infrastructure and Transport and Mayors/Do Governors shall take measures necessary to stabilize real estate prices in development zones and neighboring areas. *<Amended by Act No.*

9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>

(2) Mayors/Do Governors shall request the heads of relevant central administrative agencies to take the following measures for areas in which speculative investment in real estate or a sudden rise in real estate prices is likely to occur due to a suggestion on the designation of a development zone:

1. Designation of an area under Article 104-2 (1) of the Income Tax Act;
2. Designation of an overheated speculation district under Article 41 of the Housing Act;
3. Designation of an area subject to permission for land sale contracts under Article 117 of the National Land Planning and Utilization Act;
4. Other measures necessary for the stabilization of real estate prices.

(3) Mayors/Do Governors shall take measures necessary to deter reckless development of areas neighboring a development zone, such as revisions to an Urban/Gun management plan under Article 30 of the National Land Planning and Utilization Act. <Amended by Act No. 10599, Apr. 14, 2011>

#### **Article 34 (Supervision)**

(1) If any project implementer under this Act falls under any of the following subparagraphs, the Mayors/Do Governors may cancel authorization, approval, permission, registration, or designation under this Act, suspend the validity thereof, suspend construction works, issue an order to rebuild, alter, relocate, or demolish a building or structure, or take any other necessary measure:

1. If a project implementer obtains authorization, approval, permission, registration, or designation under this Act by deceit or in any other fraudulent means;
2. If the continued implementation of a development project due to any change in circumstances is deemed impossible or if public interest is deemed likely to be undermined;
3. If a project implementer violates this Act or an order or a disposition issued or made pursuant to this Act.

(2) When a Mayor/Do Governor makes any disposition under paragraph (1), he/she shall give public notice thereof through the official bulletin of the City/Do.

#### **Article 35 (Hearings)**

When the Mayors/Do Governors intend to cancel authorization, approval, permission, registration, or designation pursuant to Article 34 (1), they shall hold a hearing.

#### **Article 36 (Delegation of Authority)**

The Minister of Land, Infrastructure and Transport or Mayors/Do Governors may delegate part of his/her or their authority under this Act to the Mayors/Do Governors or heads of Sis/Guns/Gus, as prescribed by Presidential Decree. <Amended by Act No. 9598, Apr. 1, 2009; Act No. 11690, Mar. 23, 2013>

#### **Article 37 (Penal Provisions)**

Any person falling under any of the following subparagraphs shall be punished by imprisonment for not more than five years or by a fine not exceeding 50 million won:

1. A person who conducts any activity specified in Article 10 (1) without obtaining the permission or amended permission under the aforesaid paragraph;

2. A person who has obtained the approval or amended approval for a development plan under Article 12 (1) by deceit or in any other fraudulent way;
3. A person who has obtained the approval or amended approval for an implementation plan under Article 14 (1) by deceit or in any other fraudulent way;
4. A person who implements a development project without obtaining the approval or amended approval for the relevant implementation plan under Article 14 (1).

#### **Article 38 (Joint Penal Provisions)**

If the representative of a legal entity or an agent, an employee, or a servant of a legal entity or a private individual committed an offense under Article 37 in the scope of the business of the legal entity or the private individual, not only shall such an offender be punished accordingly, but the legal entity or the private individual shall also be punished by the fine prescribed in the relevant Article: Provided, That the foregoing sentence shall not apply to cases where a legal entity or a private individual had not neglected reasonable care and supervision in connection with the relevant matter in order to prevent such offense.

#### **Article 39 (Fines for Negligence)**

(1) Any person falling under any of the following subparagraphs shall be punished by a fine for negligence not exceeding ten million won:

1. A person who fails to comply with an order issued by the head of the competent Si/Gun/Gu pursuant to Article 10 (4);
2. A person who fails to comply with an order issued by the competent Mayor/Do Governor pursuant of Article 17 (2);
3. A person who fails to comply with a disposition made or an order issued by the competent Mayor/Do Governor pursuant to Article 34 (1).

(2) Fines for negligence under paragraph (1) shall be imposed and collected by the head of the competent Si/Gun/Gu or the competent Mayor/Do Governor, as prescribed by Municipal Ordinance of Si/Gun/Gu or City/Do.

(3) through (5) Deleted. <by Act No. 9598, Apr. 1, 2009>

#### **ADDENDA**

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

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

#### **Article 2 (Effective Period)**

This Act shall remain in effect until December 31, 2020.

#### **Article 3 (Transitional Measure concerning Existing Projects)**

In cases where any existing project that has already passed through any procedure similar to the one under this Act pursuant to any other Act in force at the time when this Act enters into force is determined and publicly notified to be included in the comprehensive plan for the development of the east, west, and south coast areas under Article 6 of this Act, such a project shall be deemed to have been

designated, approved, and publicly notified to be included in a development zone for the development of the east, west, or south coastal area and the plan for the development of the east, west, or south coastal area under this Act.

**Article 4 (Transitional Measure concerning Development Projects in Progress at End of Effective Period)**

Any development project for which an implementation plan under Article 14 is approved at the end of the period of effectiveness this Act shall remain governed by this Act until such projects is completed.

**Article 5 (Transitional Measure concerning Penal Provisions)**

In applying penal provisions to, or imposing fines for negligence for, any act committed before the end of the effective period of this Act, such act shall be governed by the provisions applicable at the time when such an act is committed.

**Article 6 Omitted.**

ADDENDUM <Act No. 9050, Mar. 28, 2008>

This Act shall enter into force on June 28, 2008.

ADDENDA <Act No. 9313, Dec. 31, 2008>

**Article 1 (Enforcement Date)**

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

**Articles 2 and 3 Omitted.**

ADDENDA <Act No. 9366, Jan. 30, 2009>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 9 Omitted.**

ADDENDA <Act No. 9401, Jan. 30, 2009>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 11 Omitted.**

ADDENDUM <Act No. 9598, Apr. 1, 2009>

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

ADDENDA <Act No. 9758, Jun. 9, 2009>

**Article 1 (Enforcement Date)**



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

**Articles 2 through 23 Omitted.**

ADDENDA <Act No. 9763, Jun. 9, 2009>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 8 Omitted.**

ADDENDA <Act No. 9774, Jun. 9, 2009>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 19 Omitted.**

ADDENDA <Act No. 10267, Apr. 15, 2010>

**Article 1 (Enforcement Date)**

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

**Article 2 (Transitional Measures concerning Finalization of Comprehensive Plans, Designation of Development Zones, Designation of Project Implementers, Approval of Development Plans, Approval of Implementation Plans, etc.)**

Where the finalization of a comprehensive plan, designation of a development zone, designation of a project implementer, approval of a development plan, approval of an implementation plan, etc. has been made under the former provisions as at the time this Act enters into force, such finalization of the comprehensive plan, designation of the development zone, designation of the project implementer, approval of the development plan, approval of the implementation plan, etc. shall be deemed to have been made under this Act, respectively.

**Article 3 (Transitional Measures concerning Public Announcement, Dispositions, and Acts in Progress)**

Any public announcement, administrative disposition, and other acts by an administrative agency, and any application, reporting, and act in regard to an administrative agency made or done under the former provisions as at the time this Act enters into force, shall be deemed to have been made or done by or with regard to the administrative agency under the corresponding provisions of this Act.

**Article 4 (Transitional Measures Following Establishment of Committee for Development of East, West, and South Coast Areas, and Inland Areas)**

The committee for development of the east, west, and south coast areas, the joint councils for the development of the east, west, and south coast areas, and the planning team for the development of the east, west, and south coast areas established under the former provisions as at the time this Act enters into force, shall be deemed the committee for development of the east, west, and south coast areas, and

inland areas, the joint councils for the development of the coast areas or inland areas, and the planning team for the development of the east, west, and south coast areas, and inland areas, established under this Act, respectively.

**Article 5 Omitted.**

**Article 6 (Relations with other Acts and Subordinate Statutes)**

Where the former Special Act on the Development of East, West, and South Coast Areas or the provisions thereof are cited in other Acts or subordinate statutes as at the time this Act enters into force, this Act or the corresponding provisions of this Act shall be deemed to have been cited in place of the former provisions, if provisions corresponding thereto exist herein.

ADDENDA <Act No. 10331, May 31, 2010>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 13 Omitted.**

ADDENDA <Act No. 10599, Apr. 14, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 9 Omitted.**

ADDENDA <Act No. 10758, May 30, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 4 Omitted.**

ADDENDA <Act No. 10892, Jul. 21, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 10 Omitted.**

ADDENDA <Act No. 10898, Jul. 25, 2011>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 5 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.**

