

FORESTRY AND MOUNTAIN VILLAGES DEVELOPMENT PROMOTION ACT

Wholly Amended by Act No. 8353, Apr. 11, 2007

Amended by Act No. 8852, Feb. 29, 2008

Act No. 9177, Dec. 26, 2008

Act No. 10025, Feb. 4, 2010

Act No. 10949, May 16, 2012

Act No. 11352, Feb. 22, 2012

Act No. 11429, May 23, 2012

Act No. 11504, Oct. 22, 2012

Act No. 11690, Mar. 23, 2013

Article 1 (Purpose)

The purpose of this Act is to contribute to enhancing the quality of life for residents in underdeveloped mountain villages and promoting the balanced development of national land and the sound development of the national economy by promoting rights and interests of forest managers, strengthening the competitiveness of forestry and developing the underdeveloped mountain villages through structural improvement of forestry.

Article 2 (Definitions)

The terms used in this Act shall be defined as follows: *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9177, Dec. 26, 2008; Act No. 10025, Feb. 4, 2010; Act No. 11690, Mar. 23, 2013>*

1. The term "forestry" means any afforestation business (including the creation, management and operation of natural recreational forests and arboretums under the Forestry Culture and Recreation Act and the Creation and Furtherance of Arboretums Act), forest product manufacturing business, forest product distribution and processing business, wildlife breeding business and other incidental businesses, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs;
2. The term "forest manager" means any person engaged in forestry, as prescribed by Presidential Decree;
3. The term "forest product" means any forest product provided for in subparagraph 7 of Article 2 of the Creation and Management of Forest Resources Act;
- 3-2. The term "special forest product" means any cultivated mountain ginseng and other forest products (including dried products) prescribed by Presidential Decree, subject to special management in terms of

the protection of consumers and improvement of quality;

4. The term "forestry successor" means any person who has the will and capacity to engage in forestry for the succession and development of forestry, meeting the requirements prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs;

5. The term "model manager of forests" means any person who sets an example to others in forest management, meeting the requirements prescribed by Presidential Decree;

6. The term "mountain village" means any area provided for in subparagraph 2 of Article 3 of the Framework Act on Forestry;

7. The term "mountain village development district" means any area designated pursuant to Article 28 (1) of the Framework Act on Forestry;

8. The term "project for development of mountain villages" means any project for developing mountain villages in an eco-friendly manner to transform them to villages with improved residential environments as well as to support their residents to secure income sources.

Article 3 (Basic Principles of Forestry Management and Mountain Village Development)

(1) Forestry management shall be carried out according to the following basic principles so as to maintain a balance between forest preservation and use:

1. Forests shall be systematically managed according to classification of mountainous districts under Article 4 of the Management of Mountainous Districts Act;
2. Forests shall be developed and managed in order to maintain the self-purifying capacity of natural ecosystems, biodiversity, wildlife habitat conditions and natural landscape features;
3. Forests shall be developed and managed in order to promote health and recreation for citizens;
4. Forests shall be reasonably managed in order to increase productivity and the production of value-added products in forestry.

(2) Mountain villages shall be developed according to the following basic principles:

1. Mountain villages shall be developed into a hub of forest management to actively promote the preservation and proliferation of forest resources;
2. Mountain villages shall be developed in an eco-friendly manner in consideration of impacts on the environment including the conservation, etc. of forest ecosystems and animals and plants;
3. Mountain villages shall be developed to ensure the succession and development of the culture and tradition of their own.

Article 4 (Financial Support)

For the purposes of the structural improvement and promotion of forestry, the State and local governments may provide loans or subsidies for operators of the following projects to cover all or some expenses incurred in performing such projects. In such cases, the characteristics of forestry, such as the public nature of forests, need for long-term investment and low profitability, shall be taken into consideration:

<Amended by Act No. 10949, Jul. 25, 2011>

1. Forestry planting or growing;
2. Production of seedlings for forestry;
3. Production, distribution, use, processing or storage of forest products;
4. Development, maintenance or management of forest roads;
5. Support to facilities or equipment to forest managers to help them settle down into mountain villages;
- 5-2. Development and distribution of, and education about machinery or equipment used for forestry;
6. Acquisition of forests to enlarge the scale of forestry management;
7. Other projects prescribed by Presidential Decree, with respect to forestry management and increase in forestry income.

Article 5 (Improvement of Ownership Structure)

- (1) The Minister of the Korea Forest Service or the heads of local governments shall formulate and implement policies necessary to increase productivity of the forestry industry, including the improvement of forest ownership structure.
- (2) The Minister of the Korea Forest Service or the heads of local governments may provide necessary support for private forest owners when they seek to exchange or purchase forests to increase their forest holdings.

Article 6 (Improvement to Management Structure)

- (1) The Minister of the Korea Forest Service or the heads of local governments shall formulate and implement policies on collaborative or proxy forestry management to promote efficient management of private forests, as prescribed by Presidential Decree. *<Amended by Act No. 11504, Oct. 22, 2012>*
- (2) The Minister of the Korea Forest Service or the heads of local governments shall formulate and implement policies on the concurrent, professional or commercialized management of forestry to increase competitiveness through optimum-scale forestry management, as prescribed by Presidential Decree.

Article 7 (Improvement of Distribution Structure)

- (1) The Minister of the Korea Forest Service or the heads of local governments may take necessary measures to improve the distribution structure of forest products, including the establishment, operation, etc. of forest product distribution facilities, if deemed necessary to facilitate the supply and demand of forest products and promote the direct transactions and price stability of forest products.
- (2) The Minister of the Korea Forest Service or the heads of local governments may provide facility funds and other necessary support for those who establish and operate forest product distribution facilities, such as an integrated facility for gathering wood, if deemed necessary to improve the distribution structure of forest products. *<Amended by Act No. 11504, Oct. 22, 2012>*
- (3) The Minister of the Korea Forest Service or the heads of local governments may allow those provided with support under paragraph (2) to provide information on the distribution of forest products, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11504, Oct. 22, 2012; Act No. 11690, Mar. 23, 2013>*

Article 8 (Support for Developing and Promoting Different Sources of Income concerning Forest Products)

(1) The Minister of the Korea Forest Service or a Special Metropolitan City Mayor, Metropolitan City Mayor, Do Governor or the Governor of a Special Self-Governing Province or the Mayor of a Special Self-Governing City (hereinafter referred to as "Mayor/Do Governor") may formulate and implement policies to support the development and promotion of different sources of income concerning forest products other than earth and stone upon designating items and areas, if deemed necessary to increase forest income. *<Amended by Act No. 10949, Jul. 25, 2011>*

(2) The designation of items and areas subject to support for the sources of income concerning forest products under paragraph (1), the revision and revocation of such designation and other necessary matters shall be prescribed by Presidential Decree.

Article 9 (Support for Combined Management of Forests)

(1) The Minister of the Korea Forest Service or a Mayor/Do Governor may provide support necessary for combined management of the production of wood and short-term income business so that forest managers may secure a sustainable and stable forest income.

(2) To facilitate support under paragraph (1), the Minister of the Korea Forest Service or a Mayor/Do Governor shall develop and disseminate various management models, crops suitable for forest land, mountainous district-specific cultivation techniques, etc.

Article 9-2 (Support for Education, Training, etc. on Forest Management)

(1) To increase forestry income and invigorate forest management, the Minister of the Korea Forest Service or a Mayor/Do Governor shall formulate and implement a plan to support the business affairs concerning education, training, consultation, advice and guidance (hereinafter referred to as "education, training, etc.") on an increase in forestry income and forest management for forest managers and other persons intending to manage forests.

(2) To efficiently conduct education, training, etc., the Minister of the Korea Forest Service may designate institutions specialized in education, training, etc. (hereinafter referred to as "specialized educational institutions") according to the criteria and procedures prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) The Minister of the Korea Forest Service may entrust education, training, etc. to specialized educational institutions, which may be reimbursed for all or some expenses incurred therein.

(4) If a specialized educational institution intends to be entrusted with education, training, etc. under paragraph (3), it shall obtain prior accreditation for its education and training programs from the Minister of the Korea Forest Service, as prescribed by Presidential Decree.

Article 10 (Support, etc. for Forest Product Processing Business)

(1) To facilitate the supply, demand and price stability of forest products, the Minister of the Korea Forest Service or a Mayor/Do Governor may provide necessary support, including processing facility funds for forest product processing business operators.

(2) Methods of and persons eligible for support under paragraph (1) and other matters necessary for support shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 11 (Preferential Purchase of Products to Promote Sustainable Forest Management)

(1) To promote sustainable forest management, the Minister of the Korea Forest Service or a Mayor/Do Governor shall devise necessary policies, such as promoting the sale of products made of indigenous materials.

(2) To promote the sale of products under paragraph (1), the Minister of the Korea Forest Service or a Mayor/Do Governor may request public institutions to take necessary measures, such as preferential purchasing of such products.

(3) The heads of public institutions shall, upon receipt of a request under paragraph (2), comply with such request unless extenuating circumstances exist.

Article 12 Deleted. *<by Act No. 11429, May 23, 2012>*

Article 13 (Contract for Reserve of Standing Timber, etc.)

(1) If necessary to increase timber resources and, thus, ensure a long-term and stable supply of timber by protecting and fostering standing timber in forest land, a Mayor/Do governor may conclude contracts with forest owners (excluding the owners of forests subject to mortgages or other restrictions on rights to standing timber; hereinafter the same shall apply) to refrain from felling standing timber for a specified period (hereinafter referred to as "standing timber reserve contracts"). *<Amended by Act No. 11504, Oct. 22, 2012>*

(2) The scope of forests and the accumulation and age of standing timber for which standing timber reserve contracts may be concluded, and other necessary matters, shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(3) A Mayor/Do governor may revise or cancel a standing timber reserve contract if the relevant standing timber is damaged by a forest fire, flood, blight or harmful insects, etc. or otherwise there arises any cause prescribed by Presidential Decree. *<Amended by Act No. 11504, Oct. 22, 2012>*

(4) A Mayor/Do governor may reimburse a forest owner who has concluded a standing timber reserve contract for all or some of the expenses incurred in fulfilling the contract. *<Amended by Act No. 11504, Oct. 22, 2012>*

(5) With respect to the reimbursement of expenses under paragraph (4), a Mayor/Do governor may have the relevant forest owner take out an insurance policy and place a mortgage on the standing timber for which a standing timber reserve contract is concluded, pursuant to the Standing Timber Act. *<Amended by Act No. 11504, Oct. 22, 2012>*

(6) Matters necessary for the conclusion, change and cancellation of standing timber reserve contracts, the procedures for establishing mortgages and taking out insurance policies, etc. shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 8852, Feb. 29, 2008;*

Act No. 11690, Mar. 23, 2013>

Article 14 (Announcement, etc. of Timber Reserve Forests)

If a standing timber reserve contract is concluded, the Mayor/Do governor shall announce the owner, location, size, etc. of a forest within which the relevant standing timber is located (hereinafter referred to as "timber reserve forest"), as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. The same shall also apply where a standing timber reserve contract is revised or cancelled pursuant to Article 13 (3). *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11504, Oct. 22, 2012; Act No. 11690, Mar. 23, 2013>*

Article 15 (Restriction on Activities)

No change in the form and quality of a forest, felling of standing timber, or extraction or gathering of forest products shall be made within a timber reserve forest: Provided, That the foregoing shall not apply to any of the following cases: *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11504, Oct. 22, 2012; Act No. 11690, Mar. 23, 2013>*

1. Where standing timber is cut for uses designated by the Mayor/Do governor in case of emergency, such as a war or other equivalent disaster;
2. Where necessary for the prevention of disasters, such as a landslide or forest fire and the restoration of damaged areas, the protection of standing timber against blight or harmful insects, subject to the consent of any person prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs;
3. Where necessary for the removal of dead trees, the gathering of branches and leaves, and for other cases prescribed by Presidential Decree.

Article 16 (Use of Forests and Support)

(1) The Minister of the Korea Forest Service or a Mayor/Do Governor may provide support for the owner of a public or private forest who intends to perform any of the following projects to the extent that such projects do not impede the purpose of classifying mountainous districts pursuant to Article 4 of the Management of Mountainous Districts Act:

1. A project to develop a forest bathing field;
2. A project to develop a parking and recreational complex on forest land;
3. A project to develop a suburban wooden housing complex;
4. Other projects prescribed by Presidential Decree as necessary to promote the development of forestry.

(2) The scope of support under paragraph (1) and other matters necessary for support shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 17 (Nurturing Successors, etc. to Forestry)

(1) The Minister of the Korea Forest Service or a Mayor/Do Governor shall select successors to forestry and provide them with necessary assistance to lead the development of forestry in the relevant community, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No.*

11690, Mar. 23, 2013>

(2) The Minister of the Korea Forest Service or a Mayor/Do Governor shall select model managers of forest and provide them with necessary support, as prescribed by Presidential Decree.

(3) The Minister of the Korea Forest Service or a Mayor/Do Governor may revoke the selection of a forestry successor or a model manager of forests under paragraph (1) or (2) if he/she falls under any of the following cases: Provided, That if he/she falls under subparagraph 2, 4 or 5, the selection shall be revoked:

1. Where the forestry successor or model manager of forests ceases to meet the selection requirements;
2. Where the forestry successor or model manager of forests dies;
3. Where the forestry successor or model manager of forests is sentenced to imprisonment without prison labor or a heavier punishment for a violation of this Act, the Management of Mountainous Districts Act, the Forest Resources Creation and Management Act, or the State Forest Administration and Management Act;
4. Where the forestry successor or model manager of forests wishes his/her selection to be revoked;
5. Where the forestry successor or model manager of forests is selected as such by deceit or other fraudulent means.

Article 18 (Training of Forestry Technicians and Mechanization of Forestry)

(1) To secure forestry-related technical personnel, the Minister of the Korea Forest Service or the Mayor/Do Governor may formulate and implement policies to train technicians and enhance their status, such as job placement, employment stabilization and improvement of labor conditions, as prescribed by Presidential Decree. <Amended by Act No. 10949, Jul. 25, 2011>

(2) The Minister of the Korea Forest Service shall formulate and implement a plan for the development, distribution, education, and utilization of forestry machinery and equipment (hereinafter referred to as "plan for mechanization of forestry") that includes the following details in order to increase productivity in forestry, and a Mayor/Do Governor may, where necessary, establish a plan for mechanization of forestry which matches with regional characteristics: <Amended by Act No. 10949, Jul. 25, 2011>

1. Goals of and direction-setting for long-term measures of mechanization of forestry;
2. Matters concerning expansion of forestry machinery and equipment;
3. Matters concerning improvement of systems, including the modification of Acts and subordinate statutes;
4. Matters concerning nurturing human resources related to forestry machinery and equipment and education and training thereof;
5. Matters concerning research and development of forestry machinery and equipment;
6. Matters concerning the promotion of utilization of forestry machinery and equipment;
7. Other matters necessary for the development, distribution, education, and utilization of forestry machinery and equipment.

Article 18-2 (Production of Special Forest Products)

(1) Any person intending to produce special forest products (including production of seeds and seedlings of special forest products; hereinafter the same shall apply) shall report thereon to the Minister of the Korea Forest Service, attaching the results of examination of production feasibility conducted by an institution or organization specializing in quality control of forest products prescribed by Presidential Decree (hereinafter referred to as "specialized institution"): Provided, That the results of examination of production feasibility need not be attached in cases prescribed by Presidential Decree.

(2) Upon receipt of the reporting, the Minister of the Korea Forest Service shall accept it where the results of examination of production feasibility meet the criteria prescribed by Presidential Decree.

(3) Where a person who has reported pursuant to paragraph (1) intends to make any modification to important matters prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs among reported details, he/she shall report thereon to the Minister of the Korea Forest Service. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Matters necessary for the reporting, modifications to reported matters or acceptance of the reporting under paragraphs (1) through (3) shall be prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 18-3 (Confirmation, etc, of Production Process)

(1) Any person producing special forest products (hereinafter referred to as "producer") shall keep and manage records of the production process of such special forest products, as prescribed by Presidential Decree.

(2) No producer shall use agricultural chemicals or fertilizers prescribed by Presidential Decree in the process of producing special forest products.

(3) Producers shall obtain confirmation from a specialized institution in each period prescribed by Presidential Decree, with respect to the correctness of the production process recorded in accordance with paragraph (1).

Article 18-4 (Quality Inspections)

(1) Any producer intending to distribute or sell special forest products or any person importing special forest products (hereinafter referred to as "importer") intends to clear such products, his/her products shall undergo the quality inspections conducted by a specialized institution prior to customs clearance.

(2) When a person whose products have undergone the quality inspections pursuant to paragraph (1) is dissatisfied with the results of the inspection, he/she may raise an objection to request re-inspection of the relevant products, as prescribed by Presidential Decree.

(3) The standards and procedures for and the term of validity of the quality inspections under paragraphs (1) and (2) and other necessary matters shall be prescribed by Presidential Decree.

Article 18-5 (Order of Destruction, etc.)

(1) Where certain products are found to be in violation of Article 18-3 (2) or fail to meet the quality inspections standards under Article 18-4 (3) as a result of quality inspections under Article 18-4 (1) and (2), the Minister of the Korea Forest Service shall order the relevant producer or importer to destroy or

return such products in accordance with the following classifications:

1. For producers: Destruction of all or some special forest products cultivated within an area of production reported;
 2. For importers: Destruction or return of all or some special forest products the importation of which is reported.
- (2) A producer or importer who receives an order for destruction or return under paragraph (1) shall destroy or return the special forest products as ordered.
- (3) Destruction under paragraph (2) shall be made in the presence of the relevant public officials in such a way as prescribed by Presidential Decree.
- (4) Where a producer or importer fails to comply with an order of destruction or return under paragraph (2), the Minister of the Korea Forest Service may destroy relevant special forest products by applying mutatis mutandis the Administrative Vicarious Execution Act.

Article 18-6 (Quality Labelling, etc.)

- (1) Where a producer or importer intends to distribute, sell, or clear special forest products meeting the standards for quality inspections under Article 18-4 (3), he/she shall package them according to the standards prescribed by Presidential Decree. The foregoing shall also apply to a person reselling the special forest products purchased (hereinafter referred to as "seller").
- (2) When a producer, importer or seller intends to distribute, sell, or clear special forest products, he/she shall put labels bearing the results of quality inspections under Article 18-4 (1) and (2) on conspicuous parts of such products (hereinafter referred to as "quality labelling").
- (3) The details and methods of quality labelling and other necessary matters shall be prescribed by Presidential Decree.

Article 18-7 (Distribution Management of Special Forest Products)

- (1) If deemed necessary for the quality control of special forest products, the Minister of the Korea Forest Service may request a specialized institution to collect products on the market for inspections and examination on the following matters or to peruse relevant documents:
1. Whether such products have undergone the quality inspections under Article 18-4 (1) or (2);
 2. Whether such products meet the quality inspections standards under Article 18-4 (3);
 3. Whether such products satisfy the standards and quality labelling requirements under Article 18-6 (1) and (2).
- (2) No person who owns, occupies or manages special forest products shall refuse, interfere with, or evade the collection, inspection, examination or perusal under paragraph (1), without any reasonable ground.

Article 18-8 (Disclosure of Information)

The Minister of the Korea Forest Service shall disclose the following information or have specialized institutions disclose such information, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Details of confirmation of production process under Article 18-3;
2. Results of quality inspections under Article 18-4 (1) and (2);
3. Details of an order for destruction or return under Article 18-5.

Article 18-9 Deleted. <by Act No. 10949, Jul. 25, 2011>

Article 18-10 (Fees)

The following persons shall pay a fee to a specialized institution, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs: <Amended by Act No. 11690, Mar. 23, 2013>

1. Deleted; <by Act No. 11429, May 23, 2012>
2. A person filing an application for the examination of production feasibility under Article 18-2 (1);
3. A person filing an application for quality inspections under Article 18-4 (1) and (2).

Article 19 (Designation of Forestry Promotion Zones)

(1) To facilitate the promotion of forestry, the Minister of the Korea Forest Service or a Mayor/Do Governor shall designate an area which requires facilities for afforestation, forest cultivating and forest roads that form the infrastructure for forest production and other facilities for the distribution and processing of forest products, as a forestry promotion zone for each region in accordance with the following classifications, after consultation with the head of the relevant administrative agency: <Amended by Act No. 10949, Jul. 25, 2011>

1. The Minister of the Korea Forest Service: State forest, public or private forests of at least 500,000 square meters in size;
 2. A Mayor/Do Governor: Public or private forests of not exceeding 500,000 square meters in size.
- (2) Requirements for designation of forestry promotion zones under paragraph (1) and other necessary matters shall be prescribed by Presidential Decree.

Article 20 (Revision or Revocation of Designation of Forestry Promotion Zones)

If a forestry promotion zone designated under Article 19 (1) falls under any of the following cases, the Minister of the Korea Forest Service or a Mayor/Do Governor may revise or revoke the designation thereof in accordance with the classifications referred to in the provisions of Article 19 (1): <Amended by Act No. 11352, Feb. 22, 2012>

1. Where the purposes of designation are achieved;
2. Where deemed impossible to achieve the purposes of the designation due to any natural disaster or other unavoidable grounds;
3. Where necessary to install any facility prescribed in Article 12 (1) 1 through 13 of the Management of Mountainous Districts Act in a mountainous district located within the forestry promotion zone;
4. Where necessary to revise or revoke the designation of the forestry promotion zone for the development of the relevant community and industries at the request of the competent Mayor/Do Governor.

Article 21 (Formulation of Forestry Promotion Plan)

(1) The Minister of the Korea Forest Service shall formulate a plan to promote the forestry industry within a forestry promotion zone in consultation with the head of the relevant administrative agency, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs, and then notify the competent Mayor/Do Governor thereof. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9177, Dec. 26, 2008; Act No. 11690, Mar. 23, 2013>*

(2) A Mayor/Do Governor shall formulate a regional promotion plan in accordance with the forestry promotion plan formulated under paragraph (1) and notify the head of a Si (including an administrative Si under the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City; hereinafter the same shall apply), Gun or Gu (referring to an autonomous Gu; hereinafter the same shall apply) thereof. *<Amended by Act No. 9177, Dec. 26, 2008>*

(3) The head of a Si/Gun/Gu shall formulate and implement an implementation plan in accordance with the regional promotion plan formulated under paragraph (2) after hearing opinions of the owners of private forests. In such cases, the implementation plan shall be construed as a forest management plan formulated under Article 13 of the Forest Resources Creation and Management Act.

Article 21-2 (Designation, Revocation of Designation, etc. of Specific-Use Timber Production Zones)

(1) If necessary to invigorate forestry, the Minister of the Korea Forest Service may designate specific-use timber production zones, as prescribed by Presidential Decree.

(2) Specific-use timber production zones designated pursuant to paragraph (1) shall be managed in a way that serves the purposes of the designation by exploiting, planting and cultivating forests, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 11690, Mar. 23, 2013>*

(3) The Minister of the Korea Forest Service may revise or revoke the designation of a specific-use timber production zone, if it falls under any of the following cases: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Where the purposes of designation of the specific-use timber production zone are accomplished, which makes it unnecessary to maintain such designation;
2. Where deemed impossible to attain the purposes of designation of the specific-use timber production zone because such zone is damaged by a natural disaster, etc.;
3. Where the specific-use timber production zone is used as a site for military installations or other facilities for official or public use prescribed by Presidential Decree or it is otherwise deemed inevitable to revoke the designation thereof in the interest of the public;
4. Where any cause prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs arises.

(4) The Minister of the Korea Forest Service may take measures to have timber produced in specific-use timber production zones used for its designated uses, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 11690, Mar. 23, 2013>*

Article 22 (Basic Direction of Development of Mountain Villages)

The State and local governments shall endeavor to develop mountain villages including the development of income sources for residents in mountain villages, the improvement of their residential environment, etc.

Article 23 (Formulation of Basic Plan, etc. for Development of Mountain Villages)

(1) The Minister of the Korea Forest Service shall formulate a basic plan for the development of mountain villages (hereinafter referred to as "basic plan") every ten years after hearing opinions of the head of the competent central administrative agency and the Mayor/Do Governor.

(2) The basic plan shall include the following matters: <Amended by Act No. 11690, Mar. 23, 2013>

1. Matters concerning the comprehensive maintenance of forests, including the expansion of infrastructure for the development and management of forest resources around mountain villages;
2. Matters concerning the increase of income for residents in mountain villages through the production, processing and sale of agricultural, forest and fishery products and the utilization of forest recreational resources;
3. Matters concerning the development and maintenance of residential environment in mountain villages, including roads, houses, water supply and drainage systems, etc.;
4. Matters concerning the succession and development of culture and tradition indigenous to mountain villages;
5. Matters concerning the promotion of exchange with cities;
6. Matters concerning the promotion of green and ecological tourism around mountain villages;
7. Other matters prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs concerning the development of mountain villages.

(3) The Mayor/Do Governor shall formulate a mountain village development plan for the relevant Special Metropolitan City, Metropolitan City, Do and Special Self-Governing Province (hereinafter referred to as "City/Do plan") in compliance with the basic plan, taking into consideration the characteristics of his/her jurisdiction.

(4) The head of a Si/Gun/Gu shall formulate a plan for promoting the development of mountain villages for the relevant Si (including an administrative Si under the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City; hereinafter the same shall apply), Gun or Gu (referring to an autonomous Gu) (hereinafter referred to as "Si/Gun/Gu plan") in compliance with the relevant City/Do plan, taking into consideration the characteristics of his/her jurisdiction.

(5) Matters necessary for the formulation and implementation of the basic plans, City/Do plans and Si/Gun/Gu plans shall be prescribed by Presidential Decree.

Article 24 (Surveys on Mountain Villages)

(1) The Minister of the Korea Forest Service shall conduct a basic survey on nationwide mountain villages every ten years to establish a basic plan.

(2) A Mayor/Do Governor or the head of a Si/Gun/Gu shall conduct a detailed survey on mountain villages in his/her jurisdiction when he/she intends to establish a City/Do plans or Si/Gun/Gu plans, respectively.

(3) Matters necessary for the details, methods, etc. of basic surveys or detailed surveys under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

(4) The Minister of the Korea Forest Service, a Mayor/Do Governor or the head of a Si/Gun/Gu may entrust basic surveys or detailed surveys to an agency or organization prescribed by Presidential Decree, if necessary to efficiently conduct such surveys.

Article 25 (Formulation, etc. of Project Plans for Development of Mountain Villages)

(1) The head of a Si/Gun/Gu shall formulate a project plan for the development of mountain villages (hereinafter referred to as "development plan") where deemed that a project for the development of mountain villages needs to be conducted among mountain village development districts within his/her jurisdictional area and then request the relevant Mayor/Do Governor to approve such plan, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(2) The head of a Si/Gun/Gu shall, in formulating a development plan, hear opinions of relevant residents and incorporate them into such plan.

(3) The Mayor/Do Governor shall, upon receipt of a request for approval under paragraph (1), grant approval for the relevant development plan after consultation with the head of the competent administrative agency and announce such fact, as prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(4) The Mayor/Do Governor shall, upon approval of a development plan under paragraph (3), report thereon to the Minister of the Korea Forest Service.

(5) With respect to changes to development plans, paragraphs (1) through (3) shall apply mutatis mutandis: Provided, That changes to insignificant matters prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs may be effected by the head of the competent Si/Gun/Gu. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

Article 26 (Operators of Projects for Development of Mountain Villages)

The head of a Si/Gun/Gu may directly implement a project for development of mountain villages or entrust a person prescribed by Presidential Decree with the whole or part of such project.

Article 27 (Financial Support, etc. for Projects for Development of Mountain Villages)

(1) The State or local governments may provide subsidies or loans to cover all or some expenses incurred in operating projects for development of mountain villages.

(2) To administer forests in areas within which projects for development of mountain villages are operated, the heads of Sis/Guns/Gus may provide preferential support for the operators of forest projects prescribed by Presidential Decree.

Article 28 (Utilization of State or Public Forest Products)

To administer forests in mountain village development districts, the Minister of the Korea Forest Service, Mayors/Do Governors or the heads of Sis/Guns/Gus may transfer all or some of State or public forest products generated within the mountain village development districts gratuitously to residents in such districts, as prescribed by Presidential Decree.

Article 29 (Follow-Up Management, etc. of Areas within which Projects for Development of Mountain Villages are Operated)

- (1) The State or local governments may, if necessary, subsidize expenses incurred in operating projects for the development of mountain villages for areas within which such projects are complete.
- (2) The heads of Sis/Guns/Gus shall take measures necessary to efficiently manage facilities, equipment, etc. installed following the operation of projects for development of mountain villages.

Article 29-2 (Establishment of the Korean Forestry Promotion Institute)

- (1) The Minister of the Korea Forest Service shall establish the Korean Forestry Promotion Institute in order to increase forestry income and promote industrialization by providing forest managers with support in relation to information on forestry management and the production and circulation of forestry products and assistance of information, etc.
- (2) The Korea Forestry Promotion Institute shall be a corporation.
- (3) Details necessary for the establishment of Korea Forestry Promotion shall be prescribed by Presidential Decree.

Article 29-3 (Projects of the Korea Forestry Promotion Institute)

- (1) The Korea Forestry Promotion Institute shall conduct the following projects:
 1. Assistance to forestry managers regarding information on forestry management and information on the production and circulation of forestry products;
 2. Deleted; <by Act No. 11429, May 23, 2012>
 3. Quality control of the special forest products under Articles 18-2 through 18-4 and 18-7;
 4. Experiments, analyses, surveys, appraisal and technological support related to forestry;
 5. Assistance on the promotion of the commercialization of outcomes of forestry research as new technology and transfer of such technology;
 6. Surveys, design and evaluation of forest resources and their location;
 7. Other projects prescribed by Presidential Decree as necessary for developing forestry.
- (2) The State or the head of a local government may entrust or require the Korea Forestry Promotion Institute to perform the projects falling under the provisions of paragraph (1) on its behalf.
- (3) The State or the head of a local government may contribute or subsidize some expenses incurred in establishing and operating the Korea Forestry Promotion Institute within budgetary limits, and may gratuitously transfer or lease State or public property or commodity to the Korea Forestry Promotion Institute or permit it to use or profit from such property or commodity, where deemed necessary for its establishment and operation, notwithstanding the provisions of the State Property Act, the Commodity

Management Act, and the Public Property and Commodity Management Act.

(4) Matters necessary for the terms and conditions of and procedure for transfer, lease, use, making profits as provided in paragraph (3) shall be prescribed by Presidential Decree.

Article 29-4 (Operation, etc. of the Korea Forestry Promotion Institute)

(1) The Minister of the Korea Forest Service shall guide and supervise the Korea Forestry Promotion Institute on the following matters, and may have the said Institute to report on the matters regarding its business affairs, accounting and property or have an affiliated public official investigate its ledgers, documents, facilities and other things, if deemed necessary to do so:

1. Matters concerning business affairs in relation to Article 29 (3) 1;
2. Matters concerning the performance according to the management guidelines under Article 50 of the Act on the Management of Public Institutions;
3. Establishment and execution of project plans, and compilation of budget and settlement of accounts for each fiscal year;
4. Other matters prescribed by Presidential Decree.

(2) The Minister of the Korea Forest Service may, upon the request from the Korea Forestry Promotion Institute, dispatch some of the public officials from the Korea Forest Service or an affiliated agency thereof to the Korea Forestry Promotion Institute.

(3) Except as otherwise prescribed in this Act, provisions concerning incorporated foundations referred to in the Civil Act shall apply mutatis mutandis to the Korea Forest Promotion Institute.

Article 29-5 (Legal Fiction as Public Official In Applying Penal Provisions)

Any employee of the Korea Forestry Promotion Institution, who performs the business affairs referred to in Article 29-3 (1) 2 through 4 shall be deemed a public official in applying penal provisions of the Criminal Act and other Acts.

Article 30 (Hearings)

The Minister of the Korea Forest Service shall hold a hearing when he/she intends to take any of the following measures:

1. Deleted; <by Act No. 11429, May 23, 2012>
2. Revocation of a selected forestry successor or model manager of forests under Article 17 (3) 1, 3 and 5.

Article 31 (Delegation and Entrustment of Authority)

(1) The Minister of the Korea Forest Service may delegate part of his/her authority under this Act to Mayors/Do Governors or the head of an affiliated agency, as prescribed by Presidential Decree.

(2) Mayors/Do Governors may re-delegate part of authority delegated to him/her under paragraph (1) to the heads of Sis/Guns/Gus, subject to approval of the Minister of the Korea Forest Service.

(3) The Minister of the Korea Forest Service may entrust part of his/her authority under this Act to forestry cooperatives prescribed in the Forestry Cooperatives Act or other persons prescribed by Presidential Decree.

Article 32 (Penal Provisions)

The following persons shall be punished by imprisonment for not exceeding three years or by a fine not exceeding 30 million won:

1. A person who has distributed, sold, or cleared any special forest product without having the quality of such product inspected under Article 18-4 (1) or (2);
2. A person who has willfully committed an error in the quality inspections under Article 18-4 (1) or (2), or given false notice of the results of such quality inspections;
3. A person who has failed or neglected to fulfill the duty to destroy or return products under Article 18-5 (2);
4. A person who has distributed, sold, or clear any special forest product without labelling its quality under Article 18-6 (2), or put a false label with respect to the quality of such products.

Article 33 (Penal Provisions)

The following persons shall be punished by imprisonment for not exceeding one year or by a fine not exceeding ten million won: *<Amended by Act No. 10025, Feb. 4, 2010>*

1. and 2. Deleted; *<by Act No. 11429, May 23, 2012>*
3. Deleted; *<by Act No. 10025, Feb. 4, 2010>*
4. Producers of special forest products without filing a report or having a report accepted under Article 18-2 (1).

Article 34 (Fines for Negligence)

(1) The following persons shall be subject to a fine for negligence not exceeding ten million won:

1. A person who has failed to keep and manage records of a production process or makes a false entry of such production process, in violation of Article 18-3 (1);
2. A person who has distributed, sold, or cleared special forest products without packaging them according to the standards under Article 18-6 (1);
3. A person who has refused, interfered with, or evaded any collection, inspection, examination or perusal, in violation of Article 18-7 (2).

(2) A fine for negligence under paragraph (1) shall be imposed and collected by the Minister of the Korea Forest Service, Mayors/Do Governors or the heads of Sis/Guns/Gus, as prescribed by Presidential Decree.

ADDENDA

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

(2) (General Transitional Measures concerning Disposition, etc.) An act done by or in relation to an administrative agency under the previous provisions as at the time this Act enters into force shall be deemed an act done by or in relation to an administrative agency corresponding thereto under this Act.

(3) (Transitional Measures concerning Penal Provisions) In applying penal provisions to any act done before this Act enters into force, the previous provisions shall prevail.

(4) (Relationship to other Acts and Subordinate Statutes) A citation of the former Forestry and Mountain Villages Development Promotion Act or a provision thereof by any other Act or subordinate statute in force as at the time this Act enters into force shall be deemed a citation of this Act or the corresponding provision of this Act in lieu of the provision, if such provision corresponding thereto exists in this Act.

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. 9177, Dec. 26, 2008>

(1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of Article 20 shall enter into force on the date of its promulgation.

(2) Omitted.

ADDENDA <Act No. 10025, Feb. 4, 2010>

(1) (Enforcement Date) This Act shall enter into force on January 1, 2011: Provided, That the amended provisions of Article 18-9 shall enter into force on September 1, 2010.

(2) (Transitional Measures concerning Reporting on Production of Special Forest Products) A producer producing special forest products as at the time this Act enters into force shall file a report thereon under the amended provisions of Article 18-2 (1) within one year from the date on which this Act enters into force.

(3) (Transitional Measures concerning Quality Inspections, Quality Labeling, etc.) A person intending to re-sell special forest products purchased before this Act enters into force shall undergo a quality inspection of such products pursuant to the amended provisions of Article 18-4 (1) and (2) within three months from the date on which this Act enters into force, and distribute and sell such products after packaging them according to the standards and labelling their quality under the amended provisions of Article 18-6 (1) and (2).

(4) (Transitional Measures concerning Penal Provisions) In applying penal provisions to any act done before this Act enters into force, the previous provisions shall prevail.

ADDENDA <Act No. 10949, Jul. 25, 2011>

Article 1 (Enforcement Date)

This Act shall enter into force after six months after the date of its promulgation: Provided, That the amended provisions of Articles 8 (1) and 23 (3) regarding the Mayor of a Special Self-Governing City and a Special Self-Governing City shall enter into force on July 1, 2012.

Article 2 (Preliminary Acts for Enforcement of this Act)

Preliminary acts done in order to establish the Korea Forestry Promotion Institute under this Act shall be done before this Act enters into force.

Article 3 (Preparation for Establishment of the Korea Forestry Promotion Institute)

- (1) The Minister of the Korea Forest Service shall appoint not exceeding seven incorporators to manage the affairs related to the establishment of the Korea Forestry Promotion Institute under this Act, within three months from the date of promulgation of this Act.
- (2) Incorporators shall prepare articles of incorporation of the Korea Forestry Promotion Institute, and obtain approval from the Minister of the Korea Forest Service.
- (3) Upon obtaining approval from the Minister of the Korea Forest Service under paragraph (2), incorporators shall file for registration for establishment of the Korea Forest Promotion Institute under their joint signatures, and then transfer the duties to the head of the Korea Forest Promotion Institute.
- (4) Incorporators shall be deemed dismissed when the transfer of the duties prescribed in paragraph (3) is completed.
- (5) Expenses incurred in preparing for the establishment of the Korea Forestry Promotion Institute shall be borne by the Government.

Article 4 (Transitional Measures concerning Forest Product Quality Control Association)

- (1) The Forest Product Quality Control Association established under the previous provision of Article 18-9 as at the time this Act enters into force shall be deemed dissolved simultaneously with the establishment of the Korea Forestry Promotion Institute, and all property and rights, obligations of the Forest Product Quality Control Association shall be comprehensively succeeded to the Korea Forestry Promotion Institute.
- (2) The title of the Forest Product Quality Control Association entered in the registry of all property and articles comprehensively succeeded to the Korea Forestry Promotion Institute pursuant to paragraph (1) and other official documents shall be deemed transferred to the Korea Forestry Promotion Institute simultaneously with the establishment thereof.
- (3) The value of the property deemed that of the Korea Forestry Promotion Institute shall be the book value on the date preceding the registration date of establishment under Article 3 (3) of the Addenda.
- (4) Any act done by the Forest Product Quality Control Association before this Act enters into force shall be deemed an act done by the Korea Forestry Promotion Institute, and any act done with respect to the Forest Product Quality Control Association shall be deemed an act done with respect to the Korea Forestry Promotion Institute.
- (5) Any executive or employee (referring to full-time working executives and employees; hereinafter the same shall apply) shall be deemed appointed or employed as an executive or employee of the Korea Forestry Promotion Institute. In such cases, the term of office of such executive shall be calculated from the date of his/her appointment as an executive of the Forest Product Quality Control Association, and the retirement age of employees shall be determined separately by the articles of incorporation.
- (6) A citation of the Forest Product Quality Control Association in other Acts or subordinate statutes as at the time this Act enters into force shall be deemed a citation of the Korea Forestry Promotion Institute in lieu of the Forest Product Quality Control Association.

Article 5 (Special Cases concerning Employment of Employees of the Korea Forestry Promotion Institute)

(1) Any public official of the Korea Forest Service or its affiliated agencies whose status has changed as an employee of the Korea Forestry Promotion Institute shall be deemed employed by the Korea Forestry Promotion Institute.

(2) Any employee of the Korea Forestry Promotion Institute employed as prescribed in paragraph (1) shall be deemed retired from the status as a public official.

(3) When any public official is employed by the Korea Forestry Promotion Institute as prescribed in paragraph (2), his/her age of retirement shall be in accordance with the age of retirement applied for his/her grade under the State Public official Act as at the time of his/her retirement.

ADDENDA <Act No. 11352, Feb. 22, 2012>

Article 1 (Enforcement Date)

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

Articles 2 through 14 Omitted.

ADDENDA <Act No. 11429, May 23, 2012>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDUM <Act No. 11504, Oct. 22, 2012>

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

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

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.