

SPECIAL ACT ON THE DEVELOPMENT OF TRADITIONAL MARKETS AND SHOPPING DISTRICTS

Wholly Amended by Act No. 7945, Apr. 28, 2006

Amended by Act No. 8352, Apr. 11, 2007

Act No. 8370, Apr. 11, 2007

Act No. 8460, May 17, 2007

Act No. 8803, Dec. 27, 2007

Act No. 8852, Feb. 29, 2008

Act No. 8970, Mar. 21, 2008

Act No. 8974, Mar. 21, 2008

Act No. 8976, Mar. 21, 2008

Act No. 9159, Dec. 19, 2008

Act No. 9401, Jan. 30, 2009

Act No. 9774, jun. 9, 2009

Act No. 9887, Dec. 30, 2009

Act No. 10220, Mar. 31, 2010

Act No. 10331, May 31, 2010

Act No. 10356, jun. 8, 2010

Act No. 10503, Mar. 30, 2011

Act No. 10599, Apr. 14, 2011

Act No. 11037, Aug. 4, 2011

Act No. 11177, Jan. 17, 2012

Act No. 11537, Dec. 11, 2012

Act No. 11847, May 28, 2013

Article 1 (Purpose)

The purpose of this Act is to seek the revitalization of local business districts and balanced development of the distribution industry through facilitating the modernization of facilities and business management of traditional markets and shopping districts in order to contribute to the growth of the national economy.

Article 2 (Definitions)

The definitions of terms used in this Act shall be as follows: <Amended by Act No. 11537, Dec. 11, 2012; Act No. 11847, May 28, 2013>

1. The term "traditional market" means a place created spontaneously or according to socioeconomic needs in which commodities or services are traded mainly in traditional methods based on mutual trust and which is recognized by Governors of Special Self-Governing Doses or by heads of Sis/Guns/Gus (in cases of Gus, referring to heads of autonomous Gus; hereinafter referred to as heads of Sis/Guns/Gus) to satisfy the following requirements:

(a) A place where shops are densely aggregated in the number prescribed by Presidential Decree in the relevant district or building;

(b) The number of shops falling into the scope of service providing places referred to in Article 2 of the Enforcement Decree of the Distribution Industry Development Act accounts for less than 1/2 of the total number of shops;

(c) A place satisfying other criteria prescribed by Presidential Decree;

2. The term "shopping district" means a commercial district under subparagraph 6 of Article 2 of the Distribution Industry Development Act;

3. The term "merchants' organization" means a corporation, organization, etc. prescribed by Presidential Decree, which is comprised of merchants engaging in their own business on a regular basis at a shop in a traditional market (hereinafter referred to as "market") or shopping district;

3-2. The term "culture and tourism-type market" means a market or shopping district designated by heads of Sis/Guns/Gus under Article 13 (1) in order to develop it into a place where not only commodities and services are traded in connection with local history, culture, tourism resources, etc. but also people can see and enjoy its unique characteristics;

4. The term "business district revitalization zone" means a place satisfying the following conditions and designated by the heads of Sis/Guns/Gus:

(a) A place including at least one market or shopping district;

(b) A place including commercial areas in the ratio of not less than 50/100 under the National Land Planning and Utilization Act;

(c) A place which forms a business district with a concentration of wholesalers, retailers or service providers, the number of which shall be not less than the number prescribed by Presidential Decree;

(d) A place the major commercial activity of which is declining or likely to decline in light of the standards prescribed by Presidential Decree, such as reduction of sales, according to the findings of the survey under Article 9;

5. The term "commercial infrastructure" means commercial facilities, common-use facilities, convenience facilities, etc. used directly by merchants of markets, shopping districts or business district revitalization zones (hereinafter referred to as "markets, etc.") or by customers;

6. The term "market improvement project" means all the acts of improving commercial infrastructure, and the infrastructure subject to improvement under subparagraph 4 of Article 2 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents, performed by a market improvement project developer under Article 41 in order to modernize a market, and all the acts

of improving a market as prescribed by this Act and the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents, etc. in order to construct buildings containing superstores;

7. The term "market improvement project promotion plan" means a plan established by a person falling under any of the subparagraphs of Article 33 (2) in order to promote a market improvement project;

8. The term "market improvement zone" means a zone approved or announced by Special Metropolitan City Mayors, Metropolitan City Mayors, Do Governors or Governors of Special Self-Governing Provinces (hereinafter referred to as "Mayors/Do Governors") pursuant to Article 37 in order to promote a market improvement project;

9. The term "market improvement project cooperative" means a partnership established by the landowners, etc. in Article 32 (1) pursuant to Article 16 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents to promote a market improvement project;

10. The term "commercial building" means a building having sales and business facilities, and other neighborhood facilities therein;

11. The term "multi-use commercial building" means a building having apartment units or office facilities in addition to sales facilities, and other neighborhood facilities therein;

12. The term "Onnuri gift certificate" means a security issued by the administrator of the Small and Medium Business Administration, which can be used by the holder in the way of presenting or delivering it to an individual member shop referred to in subparagraph 13 (a) or in other ways for the provision of commodities or services equivalent to the face value from the relevant individual member shop;

13. The term "member shop" means a person registered under Article 26-4 and falling under the following items:

(a) Merchants in markets, etc. selling commodities or providing services through transactions in which Onnuri gift certificates are used (hereinafter referred to as "individual member shop");

(b) Merchants' organizations exchanging Onnuri gift certificates for money under the proviso to Article 26-3 (2) for individual member shops receiving Onnuri gift certificates (hereinafter referred to as "exchange member shop")

Article 3 (Fostering of Markets by Specialities)

(1) The administrator of the Small and Medium Business Administration and the heads of local governments shall foster markets systematically, considering whether they are registered, how often and by whom they are opened, scope of business district, specialities, etc.

(2) The classification of markets by specialities, establishment, management and operation of markets, and other necessary matters shall be prescribed by Municipal Ordinance of each Si/Gun/Gu (referring to autonomous Gu in cases of Gu; hereinafter referred to as "Si/Gun/Gu") as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

Article 4 (Relations to Other Acts)

(1) The provisions pertaining to urban environment improvement projects in the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents shall apply mutatis mutandis to matters concerning market improvement projects which are not prescribed by this Act, while the relevant provisions of the said Act and the Act on the Ownership and Management of Aggregate Buildings shall apply mutatis mutandis to matters other than the aforementioned matters.

(2) Every local government may enact ordinances to prescribe matters necessary for the development of market improvement projects within the scope of this Act, the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents, the Housing Act, the Building Act, and the Act on the Ownership and Management of Aggregate Buildings.

Article 5 (Formulation of Market and Shopping District Revitalization Master Plan)

(1) The administrator of the Small and Medium Business Administration shall, in consultation with the heads of relevant administrative agencies of the central government and Mayors/Do Governors, formulate and implement a master plan every three years for the revitalization of markets and shopping districts (hereinafter referred to as "master plan"), which shall include the following matters in connection with the basic directions of policy for the distribution industry in Article 3 of the Distribution Industry Development Act: *<Amended by Act No. 11847, May 28, 2013>*

1. Matters concerning the basic directions and policies for the revitalization of markets and shopping districts;
2. Matters concerning the promotion of major projects;
3. Matters concerning the procurement and management of financial resources;
4. Matters concerning the fostering of merchants' organizations;
5. Other matters deemed necessary for the revitalization of markets and shopping districts.

(2) The administrator of the Small and Medium Business Administration may request the heads of relevant administrative agencies of the central government and the heads of local governments to provide information necessary for the establishment of the master plan.

(3) The administrator of the Small and Medium Business Administration shall, when formulating a master plan, inform the heads of relevant administrative agencies of the central government and Mayors/Do Governors thereof.

(4) Matters necessary for the formulation and implementation of the master plan besides the matters prescribed in paragraphs (1) through (3) shall be prescribed by Presidential Decree.

Article 6 (Formulation of City/Do's Supporting Plan)

(1) Every Mayor/Do Governor shall formulate and implement a supporting plan (hereinafter referred to as "supporting plan") which reflects the master plan and regional promotion plan in Article 7.

(2) For the formulation of supporting plan, every Mayor/Do Governor may request the administrator of the Small and Medium Administration and heads of Sis/Guns/Gus to provide necessary materials for the formulation of supporting plan. *<Newly Inserted by Act No. 11847, May 28, 2013>*

(3) When completing the formulation of supporting plan, the Mayor/Do Governor shall notify the administrator of the Small and Medium Administration and the head of the Si/Gun/Gu thereof. <Newly Inserted by Act No. 11847, May 28, 2013>

(4) Matters necessary for the formulation and implementation of the supporting plan besides the matters prescribed in paragraphs (1) through (3) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013; Act No. 11847, May 28, 2013>

Article 7 (Formulation of Regional Promotion Plan)

(1) In order to smoothly promote the master plan, the head of each Si/Gun/Gu shall formulate and implement a market and shopping district revitalization promotion plan (hereinafter referred to as "regional promotion plan") in consultation with relevant Mayor/Do Governor, which shall include the following matters: <Amended by Act No. 11690, Mar. 23, 2013>

1. Matters concerning the yearly implementation of the regional promotion plan;
2. Matters concerning the direction of revitalization of markets and shopping districts in connection with urban plans;
3. Matters concerning plans for the development of markets and shopping districts;
4. Matters concerning major supporting projects for markets and shopping districts;
5. Matters concerning financing plans for the revitalization of markets and shopping districts;
6. Other matters requested by the Minister of Trade, Industry and Energy or the administrator of the Small and Medium Business Administration.

(2) The head of each Si/Gun/Gu shall, when formulating a regional promotion plan, collect the opinions of local residents and merchants, and submit the formulated regional promotion plan to the administrator of the Small and Medium Business Administration and relevant Mayor/Do Governor.

(3) The central government and Mayors/Do Governors may provide financial or administrative support as necessary for the formulation and implementation of a regional implementation plan, or preferentially support the market and shopping district revitalization projects of Sis/Guns/Gus which are promoted according to a regional promotion plan.

(4) Matters necessary for the formulation and implementation of the regional promotion plan besides the matters prescribed in paragraphs (1) through (3) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

Article 8 (Evaluation on Effects of Support)

(1) The administrator of the Small and Medium Business Administration and the heads of local governments shall evaluate the effects of the projects supported in accordance with master plans, supporting plans and regional promotion plans and make the results of the evaluation reflected in the plans concerned.

(2) The head of each local government that evaluates the effects of a supporting project pursuant to paragraph (1) shall submit the results thereof to the administrator of the Small and Medium Business Administration.

(3) Matters concerning the scope of subjects of evaluation, procedure for evaluation, etc. shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>.

Article 9 (Survey on Action Condition of Markets and Shopping Districts)

(1) The administrator of the Small and Medium Business Administration and the heads of local governments may, when necessary for the formulation, etc. of master plans, supporting plans and regional promotion plans, survey the actual condition of markets and shopping districts (hereinafter referred to as "survey of actual condition").

(2) The survey of actual condition shall include the matters in the following subparagraphs:

1. Matters concerning the current state of markets and shopping districts;
2. Matters concerning the actual condition of commercial infrastructure in markets and shopping districts;
3. Matters concerning the actual condition of business management of merchants of markets and shopping districts;
4. Other matters necessary for understanding the actual condition of business districts.

(3) The administrator of the Small and Medium Business Administration and the heads of local governments may, when they deem necessary for the survey of actual condition, request the heads of relevant administrative agencies of the central government, heads of local governments, heads of corporations or organizations which are owning or managing markets or shopping districts, and those who represent merchants' organizations to submit data or render cooperation necessary for the conduct of the survey. In such cases, those who are requested to render cooperation shall do so unless any special ground exists to the contrary.

(4) The head of each local government shall, when completing a survey of actual condition, submit the results thereof to the administrator of the Small and Medium Business Administration.

Article 10 Deleted <by Act No. 9887, Dec. 30, 2009>

Article 11 (Support for Revitalization of Shopping Districts)

(1) When a merchants' association under Article 65 or a shopping district promotion association under Article 18 of the Distribution Industry Development Act promotes a shopping district revitalization project, the central and local governments may provide support therefor through applying mutatis mutandis Articles 20, 21, 25 through 27, 29 and 30.

(2) The subjects and procedure of the support for shopping district facility modernization projects, post-management of commercial infrastructure installed with support from the central or local governments, and other necessary matters shall be prescribed by Presidential Decree.

Article 12 (Supports for Weekend Markets)

When the merchants of a market which opens regularly every five days intend to convert the market into a market which opens on weekends, the central and local governments may provide necessary support.

Article 13 (Designation and Development of Culture and Tourism-Type Markets)

(1) The head of each Si/Gun/Gu may designate culture and tourism-type markets directly or at the request of persons representing merchants' organizations under the approval of the Mayor/Do Governor. In such cases, the Mayor/Do Governor shall determine approval or disapproval through consulting with the administrator of the Small and Medium Business Administration and the Minister of Culture, Sports and Tourism.

(2) The head of each Si/Gun/Gu shall, when completing to designate a culture and tourism-type market under paragraph (1), submit the details of such designation, and development plan to the administrator of the Small and Medium Business Administration and to the Mayor/Do Governor.

(3) The central and local governments may support the following matters for the development of culture and tourism-type markets designated under paragraph (1):

1. Installation and improvement of public facilities and convenience facilities which are necessary for the development of culture and tourism-type markets;
2. Development of and installation of sales facilities for souvenirs and well-known local products;
3. Holding of and public relations for festivals, events, cultural performances and cultural environments reflecting local characteristics;
4. Development of and public relations for products and cultural/tourism contents in connection with markets, shopping districts and local cultural and tourism resources;
5. Education for merchants and merchants' organizations of culture and tourism-type markets;
6. Other matters the administrator of the Small and Medium Business Administration deems necessary for the development of culture and tourism-type markets.

(4) Procedure for application for culture and tourism-type markets, objects of designation and procedure for designation and other necessary matters shall be prescribed by municipal ordinance under the conditions prescribed by Ordinance of the Ministry of Trade, Industry and Energy.

Article 13-2 (Cancellation of Designation of Culture and Tourism-Type Markets)

(1) When a culture and tourism-type market designated under Article 13 (1) falls under any of the following subparagraphs, the Mayor/Do Governor may cancel the designation thereof:

1. When the details of the designation and development plan are not submitted under Article 13 (2) within three months from the date on which the culture and tourism-type market is designated;
2. When no development plan referred to in Article 13 (2) is promoted within two years from the date on which the culture and tourism-type market is designated;
3. When the designation becomes no longer appropriate due to circumstantial changes.

(2) When a Mayor/Do Governor intends to cancel the designation of a culture and tourism-type market under paragraph (1), he/she shall offer an opportunity to make a statement of opinion to the head of the Si/Gun/Gu and other interested persons.

(3) When a Mayor/Do Governor completes to cancel the designation of a culture and tourism-type market under paragraph (1), he/she shall notify the administrator of the Small and Medium Business

Administration, the Minister of Culture, Sports and Tourism and the head of the Si/Gun/Gu of the details thereof.

Article 14 (Opening of Temporary Markets)

(1) Notwithstanding the provisions of Article 14 of the Distribution Industry Development Act, the head of each Si/Gun/Gu may, when falling under any of the following subparagraphs, open a market to function as a market for a certain period of time (hereinafter referred to as "temporary market") : Provided, That in cases where a temporary market has an area larger than the area prescribed by Presidential Decree, the person who intends to open such a temporary market shall report it to the head of relevant Si/Gun/Gu: *<Amended by Act No. 11537, Dec. 11, 2012>*

1. Where necessary for the temporary business of shop-occupying merchants during the period of a market improvement project pursuant to Article 49 (1) 1;
2. Where opening a market is urgently needed because an existing market is unable to function normally due to a natural disaster or a situation similar thereto;
3. When necessary for local residents, farmers and fishermen in neighboring areas, merchants of markets and shopping districts, or public institutions or organizations to sell, purchase or exchange agricultural, livestock and fishery products, living goods, used goods, etc. on a specific date;
4. When a selling place is needed for the spectators, tourists, etc. who are participating in a large-scale event;
5. When a selling place is needed for the increase of income of the low-income class, the unemployed, the elderly, farmers, fishermen, etc.

(2) When necessary, the head of each Si/Gun/Gu may provide support for the opening and management of temporary markets, such as requesting the central government or Mayors/Do Governors to permit the use of state-owned land or public land or allowing the temporary use of public property, public places, places where there is no risk of interfering with traffics, etc. which are under his/her control.

(3) Procedures for reporting, guidelines for opening, and operation and management of temporary markets and other necessary matters shall be prescribed by ordinance of each Si/Gun/Gu under the conditions prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11537, Dec. 11, 2012; Act No. 11690, Mar. 23, 2013>*

Article 15 (Support for Installation of Shops under Direct Management of Farmers and Fishermen)

(1) Every local government may support the installation of counters in vacant stores or surplus space in markets opened and managed by the local government (hereinafter referred to as "public market") , in which farmers and fishermen can sell directly to consumers the agricultural products, forestry products, livestock products and fishery products they produce (including processed or cooked products) (hereinafter referred to as "shop under direct management of farmers and fishermen")

(2) The installation and operation of the shops under direct management of farmers and fishermen, collection of rental fees, qualifications of farmers and fishermen eligible to occupy such shops, and other necessary matters shall be prescribed by ordinance of each Si/Gun/Gu.

Article 16 Deleted. <by Act No. 9887, Dec. 30, 2009>

Article 17 (Encouragement of Utilization of Vacant Shops)

(1) The central and local governments may support non-profit corporations, organizations or individuals to utilize vacant shops in markets, etc. as the places in the following subparagraphs: <Act No. 10503, Mar. 30, 2011; Act No. 11847, May 28, 2013>

1. A place for education, events, civil grievance counselling, etc. for merchants and local residents;
2. A place for customer information facilities, convenience facilities or collaborative works;
- 2-2. A place for installation of breast-feeding rooms and public nurseries for customers and merchants;
- 2-3. A place for operation of cultural and educational programs for persons with disabilities, elderly persons, pregnant women, low-income people and other customers;
3. A place for advertisement, display and sale of local specialties;
4. A place for start-up business incubation for young merchants;
5. A place for the development of model shops for the modernization of commercial transactions in Article 25;
6. A place for the installation of shops under direct management of farmers and fishermen.

(2) The central and local governments may, when a non-profit corporation, organization or individual utilizes a vacant shop for the purposes in the subparagraphs of paragraph (1), support or provide subsidies for the expenses for repairing and leasing facilities, etc. within budgetary limits.

(3) The central and local governments may provide persons with disabilities, elderly persons, pregnant women, low-income people and other customers using cultural and educational programs referred to in paragraph (1) 2-3 with subsidies to cover some or all of the costs incurred therefrom. <Newly Inserted by Act No. 10503, Mar. 30, 2011>

Article 18 (Reduction of Fees for State and Public Land)

(1) The central and local governments may reduce the use fees, lease fees or occupation fees (hereafter referred to as "fees" in this Article) as described in the following subparagraphs when a public facility under paragraph (2) (limited only to those installed through facility modernization projects under Article 20 in cases of shopping districts and business district revitalization zones) is installed on state-owned property under Article 5 of the State Property Act, on public property under Article 4 of the Public Property and Commodity Management Act, on roads under Article 2 of the Road Act, on rivers under Article 2 of the River Act, or on public waters under Article 2 of the Public Waters Management Act (hereinafter referred to as "state and public land") which are located in a market, etc. under the permission of the government agency in charge: <Amended by Act No. 11847, May 28, 2013>

1. Fees, etc. for the use of state property and public property: The reduction rate prescribed by Presidential Decree, notwithstanding the State Property Act and the Public Property and Commodity Management Act;
2. Fees, etc. for the use of roads, rivers and public waters: The reduction rate prescribed by ordinance of each local government, notwithstanding the Road Act, River Act and Public Waters Management Act.

(2) The facilities subject to the reduction of fees, etc. for the use of state and public land pursuant to paragraph (1) shall be the following facilities, which are used by merchants or customers in common:

1. Facilities to promote customers' convenience, such as parking lots, access roads, passages, toilets and customer information centers;
2. Facilities used commonly by merchants, such as rain canopies, common warehouses, logistics centers, merchant education facilities and the offices of merchants' associations under Article 65;
3. Other public facilities prescribed by Presidential Decree.

Article 19 (Reduction of Parking Fees of Public Parking Areas, etc.)

(1) When the merchants and customers of a market, etc. usually use a parking lot established or managed by the concerned local government (limited only to those located in markets or business district revitalization zones or in neighborhood), the head of each Si/Gun/Gu may reduce parking fees under the conditions prescribed by ordinance of the local government concerned, notwithstanding the Parking Lot Act and the Public Property and Commodity Management Act. *<Amended by Act No. 11847, May 28, 2013>*

(2) Notwithstanding the Parking Lot Act and the Public Property and Commodity Management Act, the head of each local government may entrust the management of parking lots subject to the reduction of fees pursuant to paragraph (1) and parking lots established through facility modernization projects under Article 20 to superstore operators under Article 12 of the Distribution Industry Development Act, persons conducting the duties of superstore operators, merchants' associations under Article 65 or market managers under Article 67.

Article 19-2 (Designation and Modification of Commercial Area Revitalization Zones)

(1) The head of each Si/Gun/Gu may directly or at the request of any person that represents a merchants' organization, designate or modify commerce area revitalization zones subject to the approval of Mayor/Do Governor. In such cases, the Mayor/Do Governor shall determine whether to grant approval through consulting with the administrator of the Small and Medium Business Administration.

(2) When the head of each Si/Gun/Gu has obtained approval for the designation or modification of a commerce area revitalization zone pursuant to paragraph (1), he/she publish the details of designation or modification in an official report published by the concerned local government (hereinafter referred to as "official report") and report it to the Mayor/Do Governor and administrator of the Small and Medium Business Administration.

(3) Procedures for the designation and modification of business district revitalization zones and other necessary matters shall be prescribed by ordinance of each Si/Gun/Gu under the conditions prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11690, Mar. 23, 2013>*.

Article 19-3 (Cancellation of Designation of Commercial Area Revitalization Zones)

(1) Any business district revitalization zone designated pursuant to Article 19-2 shall be considered to be cancelled in the following cases:

1. Where the business district revitalization zone fails to apply for approval for a project plan under Article 19-5 within three years from the date on which it is designated and published;

2. Where the business district revitalization zone fails to apply for approval for a new project plan within one year from the date on which approval for a project plan is cancelled pursuant to Article 19-6.
- (2) When a business district revitalization zone is cancelled pursuant to paragraph (1) , the head of each Si/Gun/Gu shall publish the details of the cancellation of designation in an official report and report it to the administrator of the Small and Medium Business Administration.

Article 19-4 (Formulation of Commercial Area Revitalization Project Plan)

(1) When the head of each Si/Gun/Gu has designated a business district revitalization zone, he/she shall formulate a project plan for the revitalization of business districts in which the following matters are included (hereinafter referred to as "project plan") to smoothly carry out the business district revitalization project and obtain approval from relevant Mayor/Do Governor therefor: *<Amended by Act No. 11690, Mar. 23, 2013>*

1. Name, location and scope of the business district revitalization zone;
2. Objective of the business district revitalization project;
3. Yearly plan and project period of the business district revitalization project;
4. Details and promotion methods of the business district revitalization project;
5. Plan for the procurement and operation of financial resources for the business district revitalization project;
6. Other matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy for the formulation of a project plan.

(2) Every project plan shall not contradict a City/Do's supporting plan, and regional promotion plan under Articles 6 and 7.

(3) Other matters necessary for the formulation and implementation of the project plan shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11690, Mar. 23, 2013>*.

Article 19-5 (Approval for Project Plan)

(1) When the head of a Si/Gun/Gu files an application to obtain approval for a project plan, every Mayor/Do Governor shall determine whether to grant approval through consulting with the administrator of the Small and Medium Business Administration. The same shall apply when modifying the project plan pursuant to paragraph (3) .

(2) When the head of each Si/Gun/Gu has obtained approval for a project plan pursuant to paragraph (1) , he/she shall publish the details of the project plan in an official report and report the details to the Mayor/Do Governor and administrator of the Small and Medium Business Administration. The same shall apply when modifying the project plan pursuant to paragraph (3) .

(3) When the head of each Si/Gun/Gu shall deems it necessary to modify an approved project plan due to changes in circumstances, he/she shall file an application for approval for modification with the Mayor/Do Governor, stating the cause of such modification and attaching related documents: Provided, That the same shall not apply when modifying insignificant matters determined by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Matters necessary for approval for a project plan shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

Article 19-6 (Cancellation of Approval for Project Plan)

(1) Every Mayor/Do Governor may cancel approval for a project plan under Article 19-5 in the following cases. In such cases, he/she shall consult with the administrator of the Small and Medium Business Administration:

1. Where a business district revitalization project is not implemented until three years after the date on which approval for the project plan is published;
2. Where an order for correction which is issued by the administrator of the Small and Medium Business Administration or Mayor/Do Governor with respect to the development of a business district revitalization project fails to be fulfilled within the period of correction;
3. Where the progress of the project or results of the project are found considerably insufficient as a result of the evaluation under Article 19-9;
4. Other cases where the head of a Si/Gun/Gu requests for the cancellation of approval as he/she deems it necessary.

(2) In cases described in paragraph (1) 1 and 2, the administrator of the Small and Medium Business Administration may recommend Mayors/Do Governors to cancel approval for a project plan.

(3) When a Mayor/Do Governor has cancelled approval for a project plan pursuant to paragraph (1), he/she shall publish the details of the cancellation of approval in an official report and report the details to the administrator of the Small and Medium Business Administration.

(4) Other matters necessary for the cancellation of approval for a project plan shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

Article 19-7 (Support for Revitalization of Commercial Areas)

(1) When a business district management organization, etc. under Article 19-8 promotes a business district revitalization project, the central and local governments may provide support pursuant to Articles 20, 21, and 23 through 30 within budgetary limits.

(2) The subjects of support for business district revitalization projects, limitation of support by projects, procedures and other necessary matters shall be prescribed by Presidential Decree.

Article 19-8 (Establishment of Commercial Area Management Organization)

(1) The head of each Si/Gun/Gu may establish a business district management organization to fulfill the following duties to promote business district revitalization projects efficiently: <Amended by Act No. 11690, Mar. 23, 2013>

1. Supportive work, such as provision of data necessary for establishing plans for business district revitalization projects;
2. Commercial area revitalization projects;
3. Businesses related to the revitalization of business districts, which are entrusted by the head of the Si/Gun/Gu;

4. Other businesses that the Minister of Trade, Industry and Energy, administrator of the Small and Medium Business Administration or Mayor/Do Governor deems necessary for the revitalization of business districts.

(2) The business district management organization shall be a non-profit corporation under the Civil Act.

(3) Every business district management organization may, for the efficient promotion of and provision of advice on a business district revitalization project, operate a business district revitalization council comprised of the owners of land, etc. in the business district revitalization zone, merchants, residents, distribution-related experts, etc.

(4) The central and local governments may provide assistance or subsidies to business district management organizations to cover the whole or part of expenses for the development of business district revitalization projects within budgetary limits.

(5) Other matters necessary for the establishment and operation of business district management organizations shall be prescribed by ordinance of each Si/Gun/Gu under the conditions prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

Article 19-9 (Evaluation of Effects of Support for Commercial Area Revitalization Projects)

The provisions of Article 8 shall apply mutatis mutandis to the evaluation of the effects of support for business district revitalization projects.

Article 20 (Support for Commercial Infrastructure Modernization Projects)

(1) The central and local governments may provide assistance or subsidies to cover the expenses for the following projects for modernizing commercial infrastructure, promoted by the merchants' organizations of markets or market managers under Article 67 (hereinafter referred to as "facility modernization project") within budgetary limits. In such cases, any project that installs or renovates a parking lot may be supported preferentially: <Amended by Act No. 10503, Mar. 30, 2011>

1. Commercial facilities: Renovation and repairing of buildings, facilities, etc. which are directly used for business;

2. Public facilities: Installation and improvement of rain canopies, warehouses, merchants education facilities, safety facilities for electricity, gas, fire, etc. and creation of tourist (theme) streets, etc., which are used by merchants or customers in common;

3. Customer convenience facilities: Installation, expansion, repairing, etc. of parking lots, access roads, toilets, customer information centers, etc. mostly used by customers;

3-2. Installation, expansion, repairing, etc. of convenience facilities referred to in subparagraph 2 of Article 2 of the Act on Guarantee of Promotion of Convenience of Persons with Disabilities, the Aged, Pregnant Women, etc.;

4. New construction, remodelling, etc. of facilities under subparagraphs 1 through 3 and 3-2 which pertain to public markets.

(2) The subjects of support for facility modernization projects, limitation of support by projects, procedures, post-management and other necessary matters shall be prescribed by Presidential Decree.

(3) The central and local governments may support places not recognized as traditional markets but satisfying criteria prescribed by Presidential Decree for installation and improvement of safety facilities, etc. for electricity, gas, fire, etc. among public facilities referred to in paragraph (1) 2. <Newly Inserted by Act No. 11537, Dec. 11, 2012>

Article 21 (Use of State and Public Land, etc. for Facility Modernization Projects)

When supporting a facility modernization project, the central and local governments may have any facility under the subparagraphs of Article 20 (1) installed on state or public land or may provide state or public land as a yard for such facility.

Article 22 (Special Provisions for Allocation of Expenses for Moving Utility Poles)

When requesting an electricity supplier under subparagraph 2 of Article 2 of the Electric Utility Act to move a utility pole installed along the road to other place or install it underground because it hinders the promotion of a facility modernization project, the head of each Si/Gun/Gu may have the person leading the development of the facility modernization project and the electricity supplier each bear one half the expenses for moving, etc., notwithstanding the provisions of Article 72 (1) of the same Act.

Article 23 (Efficient Layout of Shops)

When the merchants of a market promotes a joint project, such as the combination or rearrangement of shops, or reorganization of a selling space comprised of several shops, the central and local governments may provide subsidies to cover part of the expenses therefor within budgetary limits.

Article 24 (Protection of Shop Lessees, and Shop Occupants of Public Markets)

(1) When supporting facility modernization projects, the central and local governments may support preferentially the markets on which supporting shop lessees is expected to have great effect because of mutual cooperation between shop owners and shop lessees for the adjustment of rents, etc.

(2) The head of each Si/Gun/Gu shall, when supporting a facility modernization project, make efforts not to hurt the interests of shop lessees.

(3) When implementing a public market modernization project, the head of each Si/Gun/Gu shall take measures to ensure the merchants, who operated their business at the shops, etc. in the market before the project started, are given priority in returning, etc. after the completion of the project unless any special cause exists to the contrary.

Article 25 (Facilitation of Modernization of Commercial Transactions)

(1) The central and local governments shall facilitate the modernization of commercial transactions through the introduction of merchants' electronic commerce, credit card payment system, point-of-sale information management system, ordering by means of communication, establishment of market-to-market information networks, etc.

(2) The central and local governments may provide assistance or subsidies to cover expenses for the facilitation of modernization of commercial transactions under paragraph (1) within budgetary limits.

Article 26 (Activation of Joint Projects)

When merchants conducts any of the following joint projects for the reduction of transaction costs and increase of sales, the central and local governments may provide assistance or subsidies to cover the expenses therefor within budgetary limits: *<Amended by Act No. 11847, May 28, 2013>*

1. A project for developing products, trademarks and packing containers and improving designs, etc.;
2. A project for installing public facilities and systems which are necessary for purchasing, logistics and delivery;
3. A project for supporting the development of sales channels, such as the installation of collaborative stores;
4. Other projects that the administrator of the Small and Medium Business Administration considers necessary.

Article 26-2 (Issuance of Onnuri Gift Certificates)

- (1) The administrator of the Small and Medium Business Administration may issue Onnuri gift certificates to promote sales in markets, etc.
- (2) The validity of Onnuri gift certificates shall be five years from the date of issuance.
- (3) Other matters necessary for the issuance of Onnuri gift certificates, such as types, face values and matters to be indicated in Onnuri gift certificates shall be prescribed by Presidential Decree.

Article 26-3 (Exchange of Onnuri Gift Certificates)

- (1) The administrator of the Small and Medium Business Administration shall designate financial institutions to exchange Onnuri gift certificates for cash when requested by member shops. In such cases, he/she shall put the facts of such designation in the homepage of the Small and Medium Business Administration, etc.
- (2) No one other than individual member shops shall exchange Onnuri gift certificates at the financial institutions designated by the administrator of the Small and Medium Business Administration: Provided, That exchange member shops may vicariously exchange for individual member shops affiliated thereto.

Article 26-4 (Registration of Member Shops)

- (1) Any merchant or any merchants' organization intending to be registered as a member shop shall prepare a membership application and submit it to the administrator of the Small and Medium Business Administration under the conditions prescribed by the Minister of Trade, Industry and Energy.
- (2) When a merchant or a merchants' organization which has submitted a membership application under paragraph (1) engages in a type of business not fit to the purpose of this Act and of which registration is restricted by Presidential Decree, the administrator of the Small and Medium Business Administration may reject the registration thereof.
- (3) The administrator of the Small and Medium Business Administration shall determine registration or non-registration within seven days from the date on which a membership application is submitted under paragraph (1) and notify the applicant of the results thereof.

Article 26-5 (Matters to Be Observed by Member Shops)

(1) No member shop shall conduct the following acts:

1. Refusing to settle Onnuri gift certificates or treating Onnuri gift certificate holders disadvantageously;
2. Exchanging or requesting exchange member shops to exchange the following Onnuri gift certificates:
 - (a) Onnuri gift certificates received without selling commodities or providing services;
 - (b) Onnuri gift certificates received through transactions exceeding the actual sales amount.

(2) When an Onnuri gift certificate holder requests to redeem the balance after purchasing commodities or being provided with services in an amount equivalent to or above the rate of the face value prescribed by Presidential Decree, the individual member shop shall comply therewith immediately.

(3) No exchange member shop shall conduct the following acts:

1. Vicariously exchanging Onnuri gift certificates for persons who are not individual member shops;
2. Vicariously exchanging Onnuri gift certificates in awareness that the Onnuri gift certificates fall under the items of paragraph (1) 2.

Article 26-6 (Cancellation of Registration of Member Shops)

When a member shop falls under any of the following subparagraphs, the administrator of the Small and Medium Business Administration may cancel the registration of the relevant member shop: Provided, That he/she must cancel registration when falling under subparagraph 1 or 2:

1. When the member shop is registered by false or other unjust methods;
2. When the member shop engages in a type of business of which registration is restricted under Article 26-4 (2);
3. When the member shop conducts acts violating Article 26-5.

Article 26-7 (Support for Issuance of Onnuri Gift Certificates)

When the administrator of the Small and Medium Business Administration has entrusted part of authority over the issuance of Onnuri gift certificates referred to in Article 26-2 under Article 71 (2), he/she may provide subsidies to cover the costs for the promotion of the entrusted business within budgetary limits.

Article 27 (Development of Sales Channels and Support for Public Relations)

The central and local governments may provide aid or subsidies to cover expenses for marketing, such as merchants' market development inside and outside Korea, hosting exhibitions and expositions, and events and fairs for sales promotion.

Article 28 (Education of Merchants and Fostering of Professionals)

(1) The central and local governments may support education and consulting which are necessary for the modernization of merchants' business management, improvement of sales technique, facilitation of informatization, etc. and support the fostering of professionals necessary therefor.

(2) When necessary to effectively provide support under paragraph (1), the central and local governments may designate universities under subparagraph 1 of Article 2 of the Higher Education Act (including industrial colleges and junior colleges under subparagraph 2 and 4 of the same Article; hereinafter the same shall apply), research institutes, corporations, organizations, etc. as educational, consulting and

training institutions.

(3) With respect to the educational, consulting and training institutions designated pursuant to paragraph (2), the central and local governments may provide subsidies to cover expenses for education, consulting and training within budgetary limits.

Article 29 (Support for Industry-Academic Cooperative Projects, etc.)

When a university, or a non-profit corporation or organization provides advice or guides for the revitalization of business districts of a market or seeks merchants' business management modernization, product development, etc. in joint with a merchants' organization, the central and local governments may provide assistance or subsidies to cover the expenses therefor.

Article 30 (Cooperation between Superstore and Market)

(1) The head of each Si/Gun/Gu may request those running a superstore (excluding groups of shops which are operated in a form mixed with wholesalers, retailers and service providers; hereafter the same shall apply in this Article) to cooperate with neighboring markets.

(2) The head of each Si/Gun/Gu may provide support necessary for the promotion of cooperative projects under paragraph (1).

(3) Matters necessary for cooperation between superstore and market shall be prescribed by Presidential Decree.

Article 31 (Markets Subject to Development of Market Improvement Project)

(1) Every market improvement project shall be implemented for markets and places which were once selected and have lost status as districts for market redevelopment and rebuilding projects or market improvement projects pursuant to Article 6 of the previous Act on Special Measures for Supporting the Structural Improvement and Managerial Stabilization of Small and Medium Enterprises (referring to the Act repealed by Act No. 6639), Article 12 of the previous Act on Special Measures for the Structural Improvement of Small and Medium Enterprises and Vitalization of Customary Markets (referring to the Act repealed by Act No. Act No. 7235) or Article 18 of the previous Special Act on the Nurturing of Traditional Markets (referring to the Act before wholly amended by Act No. 7945).

(2) Any market for which a market improvement project is to be implemented pursuant to paragraph (1) shall fulfill the following requirements: Provided, That the area of state and public land (excluding roads under Article 2 of the Road Act, rivers under Article 2 of the River Act, and public waters under Article 2 of the Public Waters Management Act; hereinafter the same shall apply in Articles 41 and 47) in a market improvement project zone shall be not less than one half the area of the entire land in size: <Amended by Act No. 11537, Dec. 11, 2012>

1. A market which is unsafe or uncompetitive because its commercial infrastructure is old and in a bad condition;

2. A market which is unable to function normally because its commercial infrastructure is destroyed by fire, flood, storm, heavy snow or other natural disasters or is unable to recover its function even with repairing;

3. Other markets that the heads of Sis/Guns/Gus deem necessary for the revitalization of business districts or for urban development.

(3) Notwithstanding the provisions of paragraph (2) , markets belonging to an urban renewal acceleration district designated pursuant to Article 5 of the Special Act on the Promotion of Urban Renewal, for which the head of relevant Si/Gun/Gu deems it difficult to promote a market improvement project and other markets prescribed by Presidential Decree to restrict market improvement projects therefor shall be excluded from market improvement projects.

Article 32 (Market Improvement Project Promotion Committee)

(1) In cases where the owners of the land or buildings in a market improvement zone and the holders of superficies on such land or buildings (hereinafter referred to as "landowners, etc.") intend to implement a market improvement project through establishing a market improvement project cooperative, they shall establish a market improvement project promotion committee (hereinafter referred to as "promotion committee") by a majority vote of the landowners, etc. and obtain approval from the head of relevant Si/Gun/Gu pursuant to Article 13 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents therefor.

(2) Every promotion committee shall be comprised of not less than five members including one chairperson.

(3) Every promotion committee shall perform the following duties:

1. Establishment and submission of market improvement project promotion plan;
2. Selection of a rearrangement project-specialized manager under Article 69 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents;
3. Preparatory works for the establishment of the market improvement project cooperative;
4. Duties related to the consent of landowners, etc.;
5. Other duties prescribed by Presidential Decree as necessary for the promotion committee to perform.

(4) Articles 13 through 15 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents shall apply mutatis mutandis to matters concerning the promotion committee besides the matters prescribed by paragraphs (1) through (3) .

Article 33 (Formulation of Market Improvement Project Promotion Plan)

(1) Any person that intends to obtain approval for a market improvement project promotion plan shall formulate a market improvement project promotion plan (hereinafter referred to as "project promotion plan") in which the following matters are included and file an application with the head of relevant Si/Gun/Gu for a recommendation for approval for the project promotion plan: <Amended by Act No. 10599, Apr. 14, 2011>

1. Scope of the market improvement zone;
2. Necessity for the market improvement project;
3. Necessary measures to be taken with respect to the following matters:

(a) Determination or determination for modification on City/Gun planning facilities in City/Gun management planning under subparagraph 4 of Article 2 of the National Land Planning and Utilization Act;

(b) Determination or determination for modification on district-unit planning under subparagraph 5 of Article 2 of the National Land Planning and Utilization Act;

(c) Change of such specific-use areas as residential area and industrial area under Article 36 (1) 1 (a) and (c) of the National Land Planning and Utilization Act to the specific-use areas prescribed by Presidential Decree;

4. Measures for the protection of shop occupants under Article 49 (1) and (6) ;

5. Other matters prescribed by Presidential Decree as necessary for the examination of the project promotion plan.

(2) Any person that is able to file an application for a recommendation for approval for a project promotion plan pursuant to paragraph (1) shall be any of the following persons:

1. A landowner, etc. (limited only to the cases where individuals or corporations hold an exclusive ownership) ;

2. A promotion committee;

3. A corporation established by landowners, etc. to promote a market improvement project (hereinafter referred to as "market improvement project corporation") ;

4. The head of a Si/Gun/Gu (limited only to cases where the heads of Sis/Guns/Gus directly develop a project pursuant to Articles 41 (3) and 47 (1)) ;

5. The Korea Land and Housing Corporation established pursuant to Article 2 of the Korea Land and Housing Corporation Act (hereinafter referred to as the "Korea Land and Housing Corporation) or a local public corporation established pursuant to Article 49 of the Local Public Corporation Act (hereinafter referred to as "local public corporation") : Provided, That the same shall apply only to cases set forth in Article 41 (3).

(3) Procedures for and details of the project promotion plan, documents to be submitted to Sis/Guns/Gus and other necessary matters shall be prescribed by Presidential Decree.

Article 34 (Special Provisions for Consent)

(1) Notwithstanding other Acts, any person that intends to submit a formulated project promotion plan to the head of relevant Si/Gun/Gu shall obtain the consent of landowners, etc. possessing not less than 3/5 of the land area in the market improvement zone and the consent of not less than 3/5 of the total number of landowners, etc.

(2) Notwithstanding other Acts, the provisions of paragraph (1) shall apply to obtaining each of the consent for authorization for the establishment of a market improvement project cooperative and consent for the contents of a market improvement project implementation plan under Article 39.

(3) Notwithstanding the provisions of paragraph (2) , in cases where a project developer under Article 41 is a market improvement project cooperative, the consent of a majority of the members at a general

meeting shall be considered to be the consent for the contents of a market improvement project implementation plan under Article 39.

(4) The method of calculating the number of landowners, etc. who give consent under paragraph (1) and other necessary matters shall be prescribed by Presidential Decree.

Article 35 (Application for Approval for Project Promotion Plans)

(1) The head of each Si/Gun/Gu shall examine the following matters with respect to project promotion plans to apply for approval for the project promotion plans to relevant Mayor/Do Governor:

1. Appropriateness of the market improvement zone;
2. Necessary measures to be taken for the matters in the items of Article 33 (1) 3;
3. Necessity for exclusion from the application of the provisions pertaining to restrictions on building permits, etc. in Article 18 (2) of the Building Act;
4. Propriety and feasibility of measures for the protection of shop occupants.

(2) In cases where the head of a Si/Gun/Gu examines a project promotion plan under paragraph (1), the procedures for the deliberation of the Si/Gun/Gu urban planning committee under Article 113 (2) of the National Land Planning and Utilization Act shall not apply thereto.

(3) The application for approval for a project promotion plan and the examination thereof, and other necessary matters shall be prescribed by Presidential Decree.

Article 36 (Market Improvement Project Deliberation Committee)

(1) A Market Improvement Project Deliberation Committee (hereinafter referred to as the "Deliberation Committee") shall be established in each City/Do to deliberate on the following matters, which concern market improvement projects:

1. Project promotion plan;
2. Matters under the subparagraphs of Article 35 (1) ;
3. Matters prescribed by Presidential Decree as necessary for the Deliberation Committee to deliberate on.

(2) Every Deliberation Committee shall consist of no more than fifteen members including one chairperson, of which nine members shall be appointed by Mayors/Do Governors from among the members of the City/Do urban planning committee under Article 113 (1) of the National Land Planning and Utilization Act, and other members shall be commissioned by Mayors/Do Governors from among the persons prescribed by Presidential Decree.

(3) The organization and operation of each Deliberation Committee and other necessary matters shall be prescribed by Presidential Decree.

Article 37 (Approval for Project Promotion Plan)

(1) With respect to the project promotion plans for which the head of a Si/Gun/Gu has applied for approval pursuant to Article 35, every Mayor/Do Governor shall determine upon approval or disapproval therefor through the deliberation of the Deliberation Committee.

(2) Notwithstanding the provisions of Article 113 of the National Land Planning and Utilization Act, the procedure for the deliberation of the City/Do urban planning committee shall not apply to the matters deliberated on by the Deliberation Committee pursuant to paragraph (1) : Provided, That the same shall not apply to cases where a market improvement zone falls under Articles 8, 9 and 59 of the National Land Planning and Utilization Act.

(3) When a Mayor/Do Governor grants approval for a project promotion plan, the following matters shall be included therein:

1. Scope of the market improvement zone;
2. Matters set forth in Article 33 (1) 3;
3. Necessity to restrict building permits under Article 18 (2) of the Building Act.

(4) When a Mayor/Do Governor grants approval for a project promotion plan pursuant to paragraph (1) , he/she shall publish market improvement zones and a summary of the project promotion plan in an official gazette or in an official report. In such cases, the market improvement zones that are approved or published by the Mayor/Do Governor shall be considered to be designated as a rearrangement zone under subparagraph 1 of Article 2 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents.

(5) When the head of each Si/Gun/Gu shall it deems necessary to modify a project promotion plan due to changes in circumstances after the project promotion plan is approved, he/she shall file an application for approval for change with relevant Mayor/Do Governor, stating the cause of change and attaching related documents: Provided, That the same shall not apply to cases of changing insignificant matters prescribed by Presidential Decree.

(6) Every Mayor/Do Governor shall, when approving a change under paragraph (5), publish the details thereof in an official gazette or in an official report.

(7) Approval for a project promotion plan, approval for change and the publication thereof, and other necessary matters shall be prescribed by Presidential Decree.

Article 38 (Cancellation of Approval for Project Promotion Plan, etc.)

(1) When a person developing a market improvement project pursuant to Article 41 (1) (hereinafter referred to as "project developer") requests the cancellation of approval for the project promotion plan through the head of relevant Si/Gun/Gu under the consent of a majority of landowners, etc. by reason of changes in circumstances, etc., every Mayor/Do Governor may cancel such approval.

(2) When there is no project implementation authorization issued under Article 39 for a market improvement project within three years from the date on which approval for the project promotion plan is published, such approval shall be invalidated from the date following the date on which three years have elapsed: Provided, That the same shall not apply to cases where a project developer obtains approval from relevant Mayor/Do Governor for the suspension of invalidation of approval for the project promotion plan (allowed only once for a period of two years) through filing an application for approval for the suspension of invalidation of approval through the head of relevant Si/Gun/Gu on grounds of natural disasters,

changes in the project promotion plan, etc.

(3) Every Mayor/Do Governor shall, when cancelling approval for a project promotion plan pursuant to paragraph (1) or when approval for a project promotion plan is invalidated pursuant to paragraph (2) , publish the details thereof in an official gazette or official report.

(4) When approval for a project promotion plan is cancelled pursuant to paragraph (1) or when approval for a project promotion plan is invalidated pursuant to paragraph (2) , any project promotion plan that is approved by relevant Mayor/Do Governor pursuant to Article 37 (1) shall be considered not to have been approved and the special provisions under Articles 45, and 51 through 53 shall be considered to be cancelled.

(5) With respect to the markets for which approval for the project promotion plan is cancelled pursuant to paragraph (1) or of which approval for the project promotion plan is invalidated pursuant to paragraph (2) , the head of each Si/Gun/Gu shall not apply for approval for a project promotion plan again for two years from the date on which the cancellation of approval for or the details of invalidation of the concerned project promotion plan are published.

Article 39 (project implementation authorization, etc.)

(1) When a project developer (including the cases of joint development but excluding the cases where a project developer is the head of a Si/Gun/Gu) intends to carry out a market improvement project, he/she shall obtain project implementation authorization from the head of relevant Si/Gun/Gu through including measures for the protection of shop occupants under Article 49 in the project implementation plan under Article 30 (excluding subparagraphs 3 through 5 of the same Article) of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents.

(2) If a market selected by a Mayor/Do Governor as a market improvement zone is to become a multi-use commercial building and satisfies the conditions prescribed by Presidential Decree, such a market shall be excluded from the approval for a project plan, notwithstanding Article 16 (1) and (2) of the Housing Act.

Article 40 (Legal Fiction of Permission, etc. under Other Acts)

(1) When a project developer obtains project implementation authorization (meaning when a project implementation plan is prepared in cases where the head of a Si/Gun/Gu implements an improvement project directly; hereinafter the same shall apply in this Article) , it shall be considered that the following permission, authorization, approval, reporting, examination, consent, designation, cancellation and consultation (hereinafter referred to as "authorization, permission, etc.") are completed and when project implementation authorization is published, the authorization, permission, etc. under the following relevant Acts shall be considered to be announced, published, etc.: <Amended by Act No. 10331, May 31, 2010; Act No. 10599, Apr. 14, 2011; Act No. 11037, Aug. 4, 2011>

1. Registration of housing construction project, etc. under Article 9 of the Housing Act, and approval for project plan under Article 16 of the same Act;
2. Building permit under Article 11 of the Building Act, and building permit or report on the construction of a temporary building under Article 20 of the same Act;

3. Permission for the performance of road construction work under Article 34 of the Road Act, and permission for occupation and use of roads under Article 38 of the same Act;
 4. Cancellation of designation of sand arrestation work site under Article 20 of the Erosion Control Work Act;
 5. Permission for and consultation on the conversion of farmland under Article 34 of the Farmland Act, and reporting on the conversion of farmland under Article 35 of the same Act;
 6. Permission for and reporting on the conversion of mountainous district under Articles 14 and 15 of the Mountainous Districts Management Act, permission for and reporting on temporary use of mountainous districts under Article 15-2 of the same Act, and permission under Article 36 of the Creation and Management of Forest Resources Act and Article 9 (1) and (2) 1 of the Forest Protection Act: Provided, That the forests for seed collection and experimental forests under the Creation and Management of Forest Resources Act and forest genetic resources protection area under the Forest Protection Act shall be excluded;
 7. Permission for the performance of river works under Article 30 (1) of the River Act, authorization for an action plan of river work under paragraph (5) of the same Article, and permission for the occupation, use, etc. of rivers under Article 33 of the same Act;
 8. Authorization for general waterworks business under Article 17 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 same Act;
 9. Permission for public sewerage business under Article 16 of the Sewerage Act, and reporting on the installation of private sewerage treatment facilities under Article 34 (2) of the same Act;
 10. Examination of publication of maps, etc. under Article 15 (3) of the Act on Land Survey, Waterway Survey and Cadastral Records;
 11. Permission for use under Article 30 of the State Property Act;
 12. Permission for use and use for profit-making under Article 20 of the Public Property and Commodity Management Act;
 13. Reporting on the initiation and change of projects under Article 86 (1) of the Act on Land Survey, Waterway Survey and Cadastral Records;
 14. Permission for development activities under Article 56 of the National Land Planning and Utilization Act, designation of City/Gun planning facility project developers under Article 86 of the same Act, and authorization for action plan under Article 88 of the same Act;
 15. Consent for building permit, etc. under Article 7 (1) of the Installation, Maintenance, and Safety Control of Fire-Fighting Systems Act.
- (2) Any project developer who seeks to enforce the legal fiction of authorization, permission, etc. with respect to a market improvement project pursuant to paragraph (1) shall submit related documents prescribed by relevant Acts along with an application for project implementation authorization: Provided, That in cases where submitting related documents is not possible because a constructor is not selected,

such documents may be submitted by the deadline set by the head of relevant Si/Gun/Gu.

(3) If there is any matter for which a legal fiction for authorization, permission, etc. is to be set up pursuant to the subparagraphs of paragraph (1) when granting project implementation authorization, the head of each Si/Gun/Gu shall consult with the heads of relevant administrative agencies in advance, and the heads of the relevant administrative agencies shall submit an opinion within 20 days from the date on which they receive such request (referring to the date on which a document is delivered to the heads of relevant administrative agencies, in cases falling under the proviso to paragraph (2)). In such cases, if no opinion is submitted by the heads of relevant administrative agencies within the said period, the consultation shall be deemed concluded. <Amended by Act No. 11537, Dec. 11, 2012>

(4) In cases where authorization, permission, etc. under other Acts is considered to exist for a market improvement project pursuant to paragraph (1), any fee, etc. to be imposed in return for such authorization, permission, etc. pursuant to relevant Acts or ordinances of Cities/Dos shall be eliminated.

Article 40-2 (Package Councils for Legal Fictions in Authorization, Permission, etc.)

(1) The head of each Si/Gun/Gu may hold meetings of package councils for legal fictions in authorization, permission, etc. under the conditions prescribed by Presidential Decree in order to consult with the heads of relevant administrative agencies under Article 30 (3).

(2) The heads of relevant administrative agencies referred to in Article 40 (3) shall have public officials belonging thereto participate in meetings of package councils referred to in paragraph (1).

Article 41 (Project Developers, etc.)

(1) Every market improvement project shall be developed by those falling under Article 33 (2) 1, and 3 through 5 and market improvement project cooperatives.

(2) Every project developer may, when necessary, implement a market improvement project jointly with any of the following persons subject to the consent of a majority of cooperative members or landowners, etc.:

1. The Korea Land and Housing Corporation or local public corporations (hereinafter referred to as the "Korea Land and Housing Corporation, etc.") ;
2. A construction business operator under Article 9 of the Framework Act on the Construction Industry (hereinafter referred to as "construction business operator") ;
3. A registered business operator deemed as a construction business operator pursuant to Article 12 (1) of the Housing Act;
4. Other persons as prescribed by Presidential Decree.

(3) Notwithstanding the provisions of paragraph (1) , every Mayor/Do Governor may, when any of the following grounds exists, have the heads of Sis/Guns/Gus implement a market improvement project directly or have the Korea Land and Housing Corporation, etc. implement a market improvement project:

<Amended by Act No. 10599, Apr. 14, 2011>

1. When a market improvement project needs to be implemented urgently due to natural disasters or other grounds;

2. When it is deemed necessary to implement a market improvement project in concurrence with City/Gun planning or projects related to public facility implemented by the heads of local governments;
3. When a facility is found to have a serious defect as a result of examining the safety of the facility, such as the loss of load-bearing capacity of columns, crossbeams or load-bearing walls;
4. When the state and public land area in the concerned market improvement zone is not less than one half the total land area;
5. When a majority of landowners, etc. of the concerned market improvement zone and the landowners possessing one half the total land area request the Mayor/Do Governor to develop the market improvement project directly.

Article 42 (Designation of Substitute Market Improvement Project Developers)

(1) When the head of each Si/Gun/Gu deems that it is difficult for a project developer to continue to carry out a market improvement project due to the current condition of the project or other circumstances, he/she may implement the market improvement project or have the Korea Land and Housing Corporation, etc. implement it.

(2) When the head of each Si/Gun/Gu implement a market improvement project directly or designate the Korea Land and Housing Corporation, etc. to substitute the project developer pursuant to paragraph (1) , he/she shall notify Mayors/Do Governors of such fact.

Article 43 (Substitute Land, Reserved Land, etc.)

Of the land or buildings that are acquired through the transfer of ownership of land or buildings after the completion of construction is published upon the completion of a market improvement project, the land or buildings that are sold to landowners, etc. shall be considered substitute land subject to the disposition under Article 40 of the Urban Development Act, while the reserved land under Article 48 (3) of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents and the land or buildings which are sold to the general public shall be considered reserved land or land allotted in recompense for development outlay under Article 34 of the Urban Development Act.

Article 44 (Registration of Superstores)

Every project developer shall, when a market improvement project is completed (referring to the authorization for completion of construction of rearrangement projects under Article 52 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents) , make the registration of establishment of superstore pursuant to Article 8 of the Distribution Industry Development Act.

Article 45 (Special Provisions for Market Improvement Projects including Adjoining Areas)

(1) Every Mayor/Do Governor may approve project promotion plans to include adjoining areas only when shopping districts, etc. are so close to a market that the efficient promotion of a market improvement project without including them is deemed difficult. In such cases, the project developer shall obtain the consent of not less than 3/4 of landowners, etc. in the adjoining areas and landowners possessing not less than 2/3 of land area and recommendation of the head of relevant Si/Gun/Gu. <Amended by Act No. 11537,

Dec. 11, 2012>

(2) When any Mayor/Do Governor has approved a project promotion plan which includes adjoining areas pursuant to paragraph (1) ,he/she shall have the project developer extend the protection of shop occupants under Article 49 to the shop occupants of the adjoining areas.

(3) The scope and conditions of adjoining areas under paragraph (1) shall be prescribed by Presidential Decree.

Article 46 (Special Provisions for Disposition of State Property and Public Property)

(1) When any matter concerning the disposition of state property or public property is included in project implementation authorization or market improvement projects directly developed by the heads of Sis/Guns/Gus, the head of each Si/Gun/Gu shall consult with the managing authority thereof in advance. In such cases, if the managing authority of property is unclear, the Minister of Land, Infrastructure and Transport shall be considered the managing authority of roads, rivers, ditches, etc., and the Minister of Strategy and Finance for other property. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) The state property and public property in a market improvement zone may be sold or leased by a private contract to the project developer and to the occupants and users thereof in preference to any other person when a market improvement project is promoted, notwithstanding the state property management plan or public property management plan under Article 9 of the State Property Act or Article 10 of the Public Property and Commodity Management Act and contracting method under Article 43 of the State Property Act and Article 29 of the Public Property and Commodity Management Act. *<Amended by Act No. 11537, Dec. 11, 2012>*

(3) Article 66 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents shall apply mutatis mutandis to other matters concerning the disposition, etc. of state property and public property.

Article 47 (Special Provisions for Market Improvement Projects for Public Markets)

(1) When the state and public land area in a market improvement zone which is a public market is not less than one half the total area, the head of each Si/Gun/Gu may develop the market improvement project directly or have the following persons develop it:

1. A market improvement project cooperative or market improvement project corporation which is established by landowners, etc.;
2. A person falling under any of the subparagraphs of Article 41 (2) ;
3. A corporation established by the joint investment of the Si/Gun/Gu, merchants, etc. for the purpose to promote the market improvement project;
4. Other public corporations the head of the Si/Gun/Gu considers proper to carry out the market improvement project.

(2) When formulating a project promotion plan or applying for establishment authorization or project implementation authorization for a market improvement project cooperative, any project developer that intends to implement a market improvement project for a public market shall obtain the consent of not less

than 3/5 of the total number of each of the merchants conducting business regularly and shop owners in the relevant public market besides the consent under Article 34 (1) . In such cases, the provisions of Article 34 (4) shall apply mutatis mutandis to the methods of calculation of the number of people who give consent, etc.

(3) The head of each Si/Gun/Gu may have merchants conducting business and shop owners in public markets bear expenses for market improvement projects.

(4) With respect to market improvement projects for public markets, the shop area may be 1,000 m² or more in size, notwithstanding subparagraph 6 of Article 2.

Article 48 (Special Provision for District-Unit Planning Zones, etc.)

Unless otherwise determined in connection with the items of Article 33 (1) 3 and the restrictions on building permits under Article 18 (2) of the Building Act, a Mayor/Do Governor may implement the market improvement project upon authorization for project implementation when publishing approval for a project promotion plan, notwithstanding the provisions pertaining to the City/Gun management planning for the designation of a district-unit planning zone under Article 51 of the National Land Planning and Utilization Act and the provisions pertaining to restrictions on building permits under Article 18 (2) of the Building Act: Provided, That in cases where a district-use plan is established for the relevant market improvement zone, such a plan shall be followed unless otherwise provided by special provisions in this Act. <Amended by Act No. 10599, Apr. 14, 2011>

Article 49 (Measures for Protection of Shop Occupants)

(1) Every project developer shall, when implementing a market improvement project, formulate and execute measures to protect shop occupants, in which the following matters, etc. shall be included:

1. Providing a temporary market where shop occupants including shop lessees, etc. can continue their business activities during the period of the market improvement project;
2. If providing a temporary market pursuant to subparagraph 1 is difficult, compensating for pecuniary loss resulting from the suspension of business activities;
3. Providing preferential sale of shops, rent discount, shops to be leased, etc. for shop occupants including shop lessees, etc. as at the time the project promotion plan was approved and published, to support them returning to the market after the completion of the market improvement project.

(2) If there is an ongoing dispute between a person who intends to obtain approval for a project promotion plan and shop occupants because the former, when submitting a project promotion plan, creates a business environment unfavorable to the latter by, for example, excessively raising rents in the relevant market, the head of each Si/Gun/Gu may request the Mayor/Do Governor to resolve such dispute before applying for approval for the project promotion plan or file for mediation to the Market Dispute Mediation Committee under Article 58.

(3) The State and local governments may support project developers who formulate and execute measures to protect shop occupants pursuant to paragraph (1) or may provide loans to shop occupants to support them conducting their business in other place during the period of market improvement projects or

returning after the completion of market improvement projects.

(4) When granting project implementation authorization or authorization for a property management and disposal plan, the head of each Si/Gun/Gu shall confirm whether the project developer is implementing measures to protect shop occupants; if such measures are unjustifiably insufficient, he/she shall request the project developer to rectify such situation within a fixed period of time.

(5) If a project developer fails to rectify situation as requested in paragraph (4) without a justifiable ground, the central and local governments may take necessary steps, such as suspending or withdrawing subsidies for business expenses.

(6) In cases where a project developer builds a multi-use commercial building in accordance with a market improvement project plan, he/she may supply houses preferentially to houseless people satisfying such conditions as set forth in Presidential Decree among the shop occupants conducting business personally in the market improvement zone (limited to one housing unit for one household), notwithstanding Article 38 of the Housing Act.

Article 50 (Special Provisions for Preparation of Temporary Markets)

(1) When a project developer intends to open a temporary market in state land or public land to carry out measures to protect shop occupants, the central and local governments may have him/her use it temporarily through a private contract, notwithstanding the State Property Act or Public Property and Commodity Management Act.

(2) Every project developer shall, upon completing a market improvement project, close temporary markets and restore state and public land to its original state.

(3) Every project developer shall assume responsibility for the operation and management of the temporary markets that he/she opens.

Article 51 (Special Provisions for Floor Area Ratio)

The floor area of markets in market improvement project zones which shall be selected by Presidential Decree from among residential areas and industrial areas set forth in Article 36 of the National Land Planning and Utilization Act, shall be prescribed by Presidential Decree within a maximum of 500 percent for residential areas and 400 percent for industrial areas, notwithstanding the provisions of Article 78 (1) and (2) of the same Act.

Article 52 (Special Provisions for Building-to-Land Ratio)

The building-to-land ratio of markets in market improvement project zones which shall be selected by Presidential Decree from among residential areas and industrial areas set forth in Article 36 of the National Land Planning and Utilization Act, shall be prescribed by Presidential Decree within a maximum of 70 percent for residential and industrial areas and 90 percent for business districts, notwithstanding the provisions of Article 77 of the same Act.

Article 53 (Special Provisions for Restriction on Height of Buildings for Securing Sunshine, etc.)

In cases of building a multi-use commercial building containing apartment units in areas which shall be selected by Presidential Decree from among residential areas and industrial areas, through obtaining

authorization for the development of a market improvement project, the height of each part of the building shall be prescribed by Presidential Decree within a maximum of four times the horizontal distance from the walls of the building which have a window for lighting, etc. to the border line of the adjoining land perpendicular to the wall, notwithstanding the provisions of Article 61 (2) of the Building Act.

Article 53-2 (Special Provisions for Vacant Space in Land)

In cases of building a commercial building in areas which shall be selected by Presidential Decree from among market improvement project zones, the distance to leave vacant space from the building line and border line of adjoining land under the Building Act shall be prescribed by Presidential Decree within a maximum of six meters, taking into consideration specific-use area, specific-use district, purpose of use of the building, size of the building, number of floors of the building, road conditions, etc. notwithstanding Article 58 of the same Act.

Article 54 (Cancellation of Selection as City/Gun Planning Facilities)

(1) When the head of a Si/Gun/Gu requests that selection of a market as a City/Gun planning facility shall be cancelled in any of the following cases, every Mayor/Do Governor may determine on or alter the City/Gun management planning pursuant to Article 30 of the National Land Planning and Utilization Act:

<Amended by Act No. 10599, Apr. 14, 2011>

1. Where the market is unable to function as a normal market because of fire or other natural disaster or the restoration thereof is difficult;
 2. Where the cancellation do not cause inconvenience to local residents because the market has considerably lost its function.
- (2) When a Mayor/Do Governor determine on or alter the urban management planning pursuant to paragraph (1) , the provisions pertaining to procedures except for the deliberation of the City/Do urban planning committee under Article 113 (1) of the National Land Planning and Utilization Act shall not apply thereto.

Article 55 (Support for Market Improvement Projects)

The central and local governments may provide project developers with funds for projects within budgetary limits.

Article 56 (Special Provisions for Reduction of National and Local Taxes)

(1) Pursuant to the Restriction of Special Local Taxation Act or an ordinance of a local government, the central and local governments may reduce local taxes, such as the acquisition tax and property tax imposed on facilities, etc. newly installed or expanded as a result of carrying out a facility modernization project. *<Amended by Act No. 10220, Mar. 31, 2010>*

(2) Pursuant to the Restriction of Special Local Taxation Act or an ordinance of a local government, the central and local governments may reduce or eliminate local taxes such as the acquisition tax and property tax imposed on the property for business acquired by project developers to be used directly for market improvement projects. *<Amended by Act No. 10220, Mar. 31, 2010>*

(3) In cases of substitute land, reserved land and land allotted in recompense for development outlay set forth in Article 43, the central government may eliminate income tax as prescribed by Acts pertaining to national taxes.

Article 57 (Elimination of Overpopulation Charge)

Notwithstanding Article 12 of the Seoul Metropolitan Area Readjustment Planning Act, 50 percent of the overpopulation charge shall be eliminated in cases of buildings constructed as part of a market improvement project in a market improvement zone.

Article 58 (Market Dispute Mediation Committee)

A Market Dispute Mediation Committee (hereinafter referred to as the "Mediation Committee") shall be established in each City/Do to settle the following disputes between stakeholders of projects for the revitalization of business districts, such as market improvement projects or market and shopping district facility modernization projects:

1. A dispute over consent, etc. with regard to market improvement projects;
2. A dispute between shop owners and shop lessees over measures for the protection of shop occupants in market improvement projects;
3. Other matters referred to the meetings of the Mediation Committee by the chairperson.

Article 59 (Organization, etc. of Mediation Committee)

(1) The Mediation Committee shall consist of not less than eleven and not more than fifteen members including one chairperson.

(2) The chairperson of the Mediation Committee shall be appointed by Mayors/Do Governors from among Grade II or III public officials of Cities or Dos.

(3) The members of the Mediation Committee shall consist of persons appointed by Mayors/Do Governors from among Grade III or IV public officials of Cities or Dos and persons commissioned by Mayors/Do Governors from among the following persons:

1. A judge, a public prosecutor, or a person qualified as an attorney at law;
2. A member of the Deliberation Committee;
3. A certified public appraiser under Article 23 of the Public Notice of Values and Appraisal of Real Estate Act;
4. A certified architect who has completed a report on the business of architect pursuant to Article 23 of the Certified Architects Act;
5. A person recommended by a non-profit, non-governmental organization under Article 2 of the Assistance for Non-Profit, Non-Governmental Organizations Act;
6. Others with abundant knowledge and experience in land expropriation, improvement projects or markets.

(4) The term of office for members who are not public officials shall be two years, and they may be reappointed for a consecutive term.

(5) The term of office for a member appointed or commissioned to fill a vacancy shall be the remaining term of office of his/her predecessor.

(6) Matters concerning the meetings and operation of the Mediation Committee besides those set forth in paragraphs (1) through (5) and other necessary matters shall be prescribed by ordinances of each City/Do.

Article 60 (Mediation of Disputes)

(1) Any person that desires to settle a dispute concerning a market improvement project, and market and shopping district revitalization project may file a dispute mediation application in writing with the Mediation Committee of the competent City/Do, stating the other party to the dispute as the adversary.

(2) Any Mediation Committee that receives an application for mediation pursuant to paragraph (1) shall examine the application and prepare a proposal of mediation within 45 days from the date on which the application is filed: Provided, That the time limit may be extended by a resolution of the Mediation Committee, if there is any inevitable circumstance.

Article 61 (Request for Information, etc.)

(1) The Mediation Committee may request parties to a dispute or witnesses to submit information for the mediation of the dispute. In such cases, the relevant parties to the dispute or witnesses shall comply with the request unless other justifiable cause exists.

(2) The Mediation Committee may, when it deems necessary, have the parties to a dispute or witnesses appear at the Mediation Committee and hear their opinions.

Article 62 (Effect of mediation)

(1) The Mediation Committee shall, when it has prepared a proposal of mediation pursuant to Article 60 (2), present it to each party to the dispute without delay.

(2) Each party to a dispute to whom a proposal of mediation is presented pursuant to paragraph (1) shall inform the Mediation Committee of his/her acceptance or unacceptance within 15 days from the date on which the proposal of mediation is delivered.

(3) When the parties to a dispute accept a proposal of mediation, the Mediation Committee shall immediately prepare a written mediation agreement, and the chairperson of the Mediation Committee and each party to the dispute shall write their names on and affix their seals to the written mediation agreement.

(4) When the parties to a dispute accepts a proposal of mediation and write their names on and affix their seals to a written mediation agreement pursuant to paragraph (3) , it shall be deemed that the parties to the dispute have forged an agreement the details of which shall be the same as described in the mediation agreement.

Article 63 (Rejection and Suspension of mediation)

(1) When the Mediation Committee deems that a dispute is unsuitable for mediation because of its nature or that the application for mediation is filed with a wrongful intention, the Mediation Committee may reject the application for mediation. In such cases, it shall inform the applicant of the reason why the application is rejected.

(2) When a party to a dispute files a lawsuit in regard of a case for which mediation is being proceeded, the Mediation Committee shall suspend the mediation proceedings and inform the parties to the dispute of such fact.

Article 64 (Procedures for mediation, etc.)

Besides the matters prescribed by Articles 60 through 63, the method of and procedures for mediation and other necessary matters shall be prescribed by Presidential Decree.

Article 65 (Merchants' Association)

(1) The whole or part of merchants who run a business personally at markets, etc. may autonomously establish a merchants' association. *<Amended by Act No. 11847, May 28, 2013>*

(2) Every merchants' association as a juristic person shall be incorporated by completing the registration of incorporation at the seat of its principal office.

(3) Any person that intends to establish a merchant's association shall register it with the head of relevant Si/Gun/Gu as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. In such cases, the merchants' association which is a juristic person shall prepare its articles of association and obtain authorization from the head of a relevant Si/Gun/Gu therefor. The same shall apply when amending the articles of association. *<Amended by Act No. 11690, Mar. 23, 2013>*

(4) Every merchants' association may conduct the following business: *<Amended by Act No. 11847, May 28, 2013>*

1. Modernization of facilities and business administration;
2. Joint business for the increase of sales and revitalization of sales activities of merchants;
3. Education of merchants and collaborative business with local residents;
4. Duties concerning the maintenance of order in commercial transactions and handling customers' complaints;
5. Duties concerning the management of commercial infrastructure (limited only to cases where an association also plays the role of market manager under Article 67);
6. Other business entrusted or approved by the central and local governments for the revitalization of markets, etc.

(5) Every merchants' association may collect money from its members to cover expenses for the operation of the merchants' association and for carrying out the business set forth in each subparagraph of paragraph (4) .

(6) The administrator of the Small and Medium Business Administration and the heads of Sis/Guns/Gus may, when necessary, demand submission of documents regarding the operation of merchants' associations.

(7) The central and local governments may subsidize merchants' associations for expenses necessary for carrying out the businesses in each subparagraph of paragraph (4) within budgetary limits.

(8) The establishment and operation of merchants' associations and other necessary matters shall be prescribed by ordinances of Sis/Guns/Gus as prescribed by Ordinance of the Ministry of Trade, Industry

and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

(9) Except for the matters prescribed by this Act, provisions pertaining to incorporated associations in the Civil Act shall apply mutatis mutandis to matters concerning merchants' associations which are juristic persons.

Article 66 (Merchants' Federation)

(1) A merchants' federation (hereinafter referred to as "federation") may be established, whose members shall include all or part of the merchants' associations; shopping district promotion cooperatives; corporations, cooperatives and organizations whose members are merchants; and markets which are companies under the Commercial Act.

(2) Any person that intends to establish a federation shall obtain permission for establishment from the administrator of the Small and Medium Business Administration as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

(3) The federation shall be a juristic person and shall be incorporated by completing the registration of incorporation at the seat of its principal office.

(4) The federation shall conduct the following business:

1. Revitalization of business districts for the merchants of markets and shopping districts;
2. Joint development of products and security of sales channels for the merchants of markets and shopping districts;
3. Collaborative business related to purchase, sales and logistics between the merchants of markets and shopping districts;
4. Fostering of and support for self-help organizations of merchants;
5. Business entrusted by the central and local governments;
6. Other business that the administrator of the Small and Medium Business Administration deems necessary.

(5) The central and local governments may provide subsidies or assistance to the federation for expenses necessary for carrying out the business in paragraph (4) within budgetary limits.

(6) The chairperson of the federation may, when conducting the business in the subparagraphs of paragraph (4), appoint a proxy who has a right to do judicial or extrajudicial acts from among executives or employees as prescribed by the articles of association.

(7) The administrator of the Small and Medium Business Administration may, when necessary, demand the submission of documents regarding the operation, etc of the federation.

(8) The establishment and operation of the federation and other necessary matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

(9) Except for the matters prescribed by this Act, provisions pertaining to incorporated associations in the Civil Act shall apply mutatis mutandis to matters concerning the federation.

Article 67 (Market Manager)

(1) When there is no person conducting the duties of the superstore operator under Article 12 (1) through (3) of the Distribution Industry Development Act in a market concerned, the head of each Si/Gun/Gu may designate a person to conduct the following duties among the persons set forth in the subparagraphs of paragraph (2) (hereinafter referred to as "market manager") :

1. Maintenance and management of commercial infrastructure;
2. Prevention of fires, cleaning and crime prevention activities;
3. Security of customers' safety and handling of claims and complaints of customers and residents in the neighborhood;
4. Establishment of order in commercial transactions;
5. Other duties that the head of each Si/Gun/Gu deems necessary for the management of markets.

(2) Any of the following persons shall become a market manager:

1. A merchants' association or merchants' organization which is established pursuant to Article 65;
2. A corporation established under the Civil Act or the Commercial Act;
3. A business cooperative or cooperative which is established with market merchants as its members under the Small and Medium Enterprise Cooperatives Act;
4. Other public corporations or organizations that the heads of Sis/Guns/Gus consider able to carry out the duties set forth in the subparagraphs of paragraph (1).

(3) When a market manager performs the duties in the subparagraphs of paragraph (1), every local government may provide subsidies for expenses within budgetary limits in consideration of the public nature of the concerned duties, the nature of persons playing a leading role in establishing a market, etc.

(4) Procedures for designating a market manager and other necessary matters shall be prescribed by ordinances of Sis/Guns/Gus as prescribed by Ordinance of the Ministry of Trade, Industry and Energy.

<Amended by Act No. 11690, Mar. 23, 2013>

Article 68 Deleted. *<by Act No. 11847, May 28, 2013>*

Article 69 (Submission of Reports and Data)

(1) Every Mayor/Do Governor or the head of each Si/Gun/Gu shall report the following matters to the administrator of the Small and Medium Business Administration as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: *<Amended by Act No. 11690, Mar. 23, 2013; Act No. 11847, May 28, 2013>*

1. Current condition of markets, etc., merchants' associations and business district management organizations;
2. Achievements of facility and business management modernization projects and market improvement projects.

(2) The administrator of the Small and Medium Business Administration, Mayors/Do Governors or the heads of Sis/Guns/Gus may have the following persons, who are provided with funds, money to cover expenses, or subsidies under this Act, submit data concerning the details of the expenditure thereof, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: *<Amended by Act No. 11690, Mar.*

23, 2013>

1. Heads of Sis/Guns/Gus who performed a facility modernization project, representatives of business district management organizations, or persons representing merchants of a market or a shopping district;
2. Persons who respectively represent merchants, merchants' associations, federations, shopping district promotion cooperatives, merchants' organizations, corporations, organizations, market improvement project developers, or educational, consulting and training institutions, which are provided with assistance under Articles 11 through 30, 55, 65 (7) and 66 (5).

Article 70 (Inspection of Account Books, etc.)

(1) When necessary to verify the data submitted by the persons in the subparagraphs of Article 69 (2), the administrator of the Small and Medium Business Administration, Mayors/Do Governors, and heads of Sis/Guns/Gus may have public officials under their control enter concerned markets, shopping districts and offices or business places of corporation, organizations, etc. and inspect account books, documents and facilities, etc.

(2) Any public official that conducts an inspection under paragraph (1) shall carry along identification that indicates his/her authority and produce it to related persons.

Article 71 (Delegation and Entrustment of Authority)

(1) The administrator of the Small and Medium Business Administration may delegate to the heads of the institutions belonging thereto or to the heads of local governments, or entrust to the heads of other administrative agencies, part of his/her authority under this Act, as prescribed by Presidential Decree.

<Amended by Act No. 11847, May 28, 2013>

(2) The administrator of the Small and Medium Business Administration may entrust part of his/her authority under Articles 8, 9, 17, 25, 26, 26-2 and 27 through 29 to the representatives of merchants' associations, federations and the Korea Micro Enterprise and Market Development Corporation referred to in Article 10-4 of the Act on Special Measures for Development of Small and Micro Enterprises as prescribed by Presidential Decree. *<Amended by Act No. 11847, May 28, 2013>*

Article 72 (Penal Provisions)

Any person that fails to make the registration of establishment of a superstore in violation of Article 44 shall be punished by imprisonment with prison labor for not more than one year or by a fine not exceeding 30 million won.

Article 73 (Joint Penal Provisions)

When the representative of a corporation, or an agent, employee or any other worker of a corporation or individual commits an offense falling under Article 72 in connection with the duties of the corporation or individual, not only shall the offender be punished but also the corporation or individual shall be punished by a fine prescribed in relevant Articles: Provided, That the same shall not apply to cases where the corporation or individual paid considerable attention to or diligently supervised the concerned duties to prevent such offense.

Article 74 (Fine for Negligence)

(1) Any of the following persons shall be punished by a fine for negligence not exceeding 20 million won: <Newly Inserted by Act No. 11847, May 28, 2013>

1. An individual member shop exchanging or requesting exchange member shops to exchange Onnuri gift certificates in violation of Article 26-5 (1) 2;
2. An exchange member shop vicariously exchanging in violation of Article 26-5 (3)

(2) Any of the following persons shall be punished by a fine for negligence not exceeding five million won: <Amended by Act No. 11537, Dec. 11, 2012; Act No. 11847, May 28, 2013>

1. A person who opens a temporary market without reporting in violation of Article 14 (1), or makes a false report on establishment of a temporary market by false or other wrongful methods;
2. A person who refuses to submit data without any justifiable ground or makes a false report among the persons in the subparagraphs of Article 69 (2) (excluding the heads of Sis/Guns/Gus) .

(3) The fines for negligence under paragraphs (1) and (2) shall be imposed and collected by the administrator of the Small and Medium Business Administration or the heads of local governments as prescribed by Presidential Decree. <Amended by Act No. 11847, May 28, 2013>

ADDENDA

Article 1 (Enforcement Date)

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

Article 2 Deleted. <by Act No. 11847, May 28, 2013>

Article 3 (Transitional Measures concerning Master Plan for Marketplace Revitalization and Local Market Nurturing Plan)

The master plan for marketplace revitalization or local market nurturing plans established by the Administrator of the Small and Medium Business Administration and the head of a Si/Gun/Gu under the provisions of Articles 3 and 4 of the Special Act on the Nurturing of Traditional Markets at the time when this Act enters into force shall be deemed to be the master plan for revitalization of marketplaces and shopping districts and the plan for promoting the revitalization of marketplaces and shopping districts under this Act.

Article 4 (Transitional Measures concerning Area subject to Implementation of Marketplace Improvement Projects)

The area subject to the implementation of the marketplace improvement projects under the provisions of Article 18 of the Special Act on the Nurturing of Traditional Markets at the time when this Act enters into force shall be deemed to be the marketplace subject to improvement under this Act.

Article 5 (Transitional Measures concerning Redevelopment and Reconstruction of Marketplaces)

The projects classified into redevelopment and reconstruction of marketplaces and being at the stage of promotion at the time this Act enters into force may be classified into redevelopment and reconstruction of marketplaces and promoted in accordance with the Act on Special Measures for the Structural

Improvement of Small and Medium Enterprises and Vitalization of Customary Markets (Act No. 6887), which was repealed pursuant to the provision of Article 3 of Addenda of the Special Act on the Nurturing of Traditional Markets (Act No. 7235).

Article 6 (Transitional Measures concerning Committee for Deliberation on Marketplace Improvement Projects)

(1) The Mayor/Do Governor shall organize the committee for deliberation on marketplace improvement projects in accordance with the provisions of Article 36 within one month after this Act enters into force, while the previous provisions shall apply until its organization.

(2) When the project executor to whom an area subject to a marketplace improvement project is assigned by the Mayor/Do Governor pursuant to the previous provisions at the time when this Act enters into force needs a measure set forth in any of the items of Article 33 (1) 3 in relation to the project, the project may be executed by applying mutatis mutandis the procedure concerning the approval of the project promotion plan under this Act.

Article 7 (Transitional Measures concerning Special Exception for Industrial Zone)

If a marketplace improvement project is in progress at an industrial zone designated by Presidential Decree pursuant to the provisions of Article 36 of the National Land Planning and Utilization Act at the time when this Act enters into force, the provisions of Articles 51 through 53 shall apply only to cases falling under any of the following subparagraphs:

1. Where the deliberation by the urban planning committee established in each City/Do under the provision of Article 113 (1) of the National Land Planning and Utilization Act is required for an urban management plan, but is not completed;

2. Where it fails to obtain approval for the execution of the project under the provisions of Article 39 (1) due to any reason other than the reason set forth in subparagraph 1.

Article 8 (Transitional Measures concerning Merchants' Associations and Federations of Merchants)

The merchants' associations and federations of merchants existing under the previous provisions at the time when this Act enters into force shall be deemed to be the merchants' associations and federations of merchants under this Act.

Article 9 (Transitional Measures concerning Market Management Support Center)

The market management support center established under the previous provisions at the time when this Act enters into force shall be deemed to be the market management support center established under this Act.

ADDENDA <Act No. 8352, Apr. 11, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 16 Omitted.

ADDENDA <Act No. 8370, Apr. 11, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 20 Omitted.

ADDENDA <Act No. 8460, May 17, 2007>

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

(2) (Applicability) The amended provisions of Article 53-2 shall not apply to a marketplace improvement project for which approval for execution of the project has been obtained pursuant to Article 39 before this Act enters into force.

ADDENDUM <Act No. 8803, Dec. 27, 2007>

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

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. 8970, Mar. 21, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on April 12, 2008. (Proviso Omitted.)

Articles 2 through 10 Omitted.

ADDENDA <Act No. 8974, Mar. 21, 2008>

Article 1 (Enforcement Date)

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

Articles 2 through 14 Omitted.

ADDENDA <Act No. 8976, Mar. 21, 2008>

Article 1 (Enforcement Date)

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

Articles 2 through 10 Omitted.

ADDENDUM <Act No. 9159, Dec. 19, 2008>

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

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.

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. 9887, Dec. 30, 2009>

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

(2) (Transitional Measures concerning Market Revitalization Zones) The market revitalization zones which have been designated pursuant to the previous provisions at the time when this Act enters into force shall be governed by the previous provisions.

(3) (Transitional Measures concerning Market Management Promotion Center) The market management support center existing under the previous provisions at the time when this Act enters into force shall be considered the Agency for Traditional Market Administration under this Act.

ADDENDA <Act No. 10220, Mar. 31, 2010>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2011.

Articles 2 through 5 Omitted.

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

Article 1 (Enforcement Date)

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

Articles 2 through 13 Omitted.

ADDENDA <Act No. 10356, Jun. 8, 2010>

(1) (Enforcement Date) This Act shall enter into force on July 1, 2010: Provided, That the provisions of paragraph (2) of Addenda shall enter into force on January 1, 2011.

(2) Omitted.

ADDENDUM <Act No. 10503, Mar. 30, 2011>

This Act shall enter into force three months after promulgation.

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

Article 1 (Enforcement Date)

This Act shall enter into force one year after promulgation. <Proviso Omitted>

Articles 2 through 9 Omitted.

ADDENDA <Act No. 11037, Aug. 4, 2011>

Article 1 (Enforcement Date)

This Act shall enter into force six months after promulgation.

Articles 2 through 5 Omitted.

ADDENDUM <Act No. 11177, Jan. 17, 2012>

This Act shall enter into force on January 1, 2013.

ADDENDA <Act No. 11537, Dec. 11, 2012>

Article 1 (Enforcement Date)

This Act shall enter into force six months after promulgation.

Article 2 (Applicability to Legal Fictions for Consultation)

The amended provisions of Article 40 (3) shall apply, starting from the first request for consultation which is made after this Act enters into force.

Article 3 (Transitional Measures for Existing Traditional Markets)

Traditional markets which have been registered or recognized under the former provisions when this Act enters into force shall be deemed traditional markets under this Act.

Article 4 (Transitional Measures for Registered Markets and Recognized Markets as Markets Subject to Development of Market Improvement Projects)

Traditional markets which have been registered or recognized as registered markets or recognized markets under the former provisions when this Act enters into force shall become subject to development of market improvement projects under the former provisions, notwithstanding the amended provisions of Article 31 (2) (with the exception of its subparagraphs).

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

Article 1 (Enforcement Date)

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

(2) Omitted.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 11847, May 28, 2013>

Article 1 (Enforcement Date)

This Act shall enter into force six months after promulgation: Provided, That the amended provisions of Article 5 (1) 4, the title of Chapter III, Articles 68 and 71 (2) (limited to parts in which the "Agency for Traditional Market Administration" is amended to the Korea Micro Enterprise and Market Development Corporation referred to in Article 10-4 of the Act on Special Measures for Development of Small and Micro Enterprises) shall enter into force on January 1, 2014.

Article 2 (Transitional Measures for Tourist Markets)

Tourist markets which have been designated under the former provisions when this Act enters into force shall be deemed culture and tourism-type markets designated under the amended provisions of Article 13.

Article 3 (Transitional Measures for Onnuri Gift Certificates)

Onnuri gift certificates which have been issued by the chairperson of the Agency for Traditional Market Administration and are under distribution when this Act enters into force shall be deemed Onnuri gift certificates issued under the amended provisions of Article 26-2.

Article 4 (Transitional Measures for Registration of Member Shops)

Merchants registered with the chairperson of the Agency for Traditional Market Administration to be eligible to receive Onnuri gift certificates issued by the chairperson of the Agency for Traditional Market Administration and merchants' organizations registered with the chairperson of the Agency for Traditional Market Administration to be eligible to vicariously exchange Onnuri gift certificates for merchants receiving the Onnuri gift certificates shall be deemed member shops registered under the amended provisions of Article 26-4.

Article 5 (Transitional Measures for Abbreviations, such as Markets, etc.)

"Markets, shopping districts and business district revitalization zones" in Article 68 (1) and (3) 1, and 3 through 7 shall be deemed "markets, etc." during the period from the date on which this Act enters into force to December 31, 2013.