

# SMALL AND MEDIUM ENTERPRISES PROMOTION ACT

Act No. 9683, May 21, 2009  
Amended by Act No. 9758, jun. 9, 2009  
Act No. 9774, jun. 9, 2009  
Act No. 9888, Dec. 30, 2009  
Act No. 10228, Apr. 5, 2010  
Act No. 10250, Apr. 12, 2010  
Act No. 10252, Apr. 12, 2010  
Act No. 10272, Apr. 15, 2010  
Act No. 10331, May 31, 2010  
Act No. 11178, Jan. 17, 2012  
Act No. 11540, Dec. 11, 2012  
Act No. 11690, Mar. 23, 2013  
Act No. 11846, May 28, 2013  
Act No. 12248, Jan. 14, 2014  
Act No. 12308, Jan. 21, 2014  
Act No. 12309, Jan. 21, 2014  
Act No. 12738, jun. 3, 2014  
Act No. 13095, Jan. 28, 2015

## Article 1 (Purpose)

The purpose of this Act is to strengthen the competitiveness of small and medium enterprises through their structural advancement, and expand the business sphere for small and medium enterprises, thereby contributing to the balanced development of the national economy. <Amended by Act No. 9683, May 21, 2009>

## Article 2 (Definitions)

The terms used in this Act shall be defined as follows: <Amended by Act No. 8804, Dec. 27, 2007; Act No. 11540, Dec. 11, 2012; Act No. 13095, Jan. 28, 2015>

1. The term "small and medium entrepreneur" means:

- (a) A small and medium entrepreneur as defined in Article 2 of the Framework Act on Small and Medium Enterprises;

- (b) A small and medium enterprise cooperative as defined in Article 3 of the Small and Medium Enterprise Cooperatives Act;
- (c) An industrial technology research cooperative established under the Act on the Support of Industrial Technology Research Cooperatives and determined by Presidential Decree;
- (d) Any other organization prescribed by Presidential Decree with the objectives of promoting small and medium enterprises;

1-2. The term "small enterprise" means a small enterprise classified under Article 2 (2) of the Framework Act on Small and Medium Enterprises;

2. The term "automation of a small and medium enterprise" means a small and medium entrepreneur's endeavor to improve the efficiency of its manufacturing process through automation of various equipment and systems, with a view to raising productivity and quality;

3. The term "informatization of a small and medium enterprise" means a small and medium entrepreneur's endeavor to build up an electronic computer network using computers and a variety of control devices, including computerization of business management and distribution management;

4. The term "technical development" means:

- (a) A small and medium entrepreneur's research and development of technology for manufacturing, sales, or services;

- (b) Utilizing the outcomes from such research and development conducted under item (a) above;

5. The term "business conversion" means the business conversion defined in subparagraph 2 of Article 2 of the Special Act on the Promotion of Business Conversion in Small and Medium Enterprises;

6. The term "cooperative movement" means where several small and medium entrepreneurs jointly endeavor to:

- (a) Cluster their factories or any other business premises together;

- (b) Jointly install and operate facilities and systems for manufacturing, research, and development, prevention of environmental pollution, etc.;

- (c) Jointly engage in on business activities, including the development of products and trademarks, purchase of raw materials, and sales;

7. The term "modernization of logistics system" means a small and medium entrepreneur's activities to install or improve distribution facilities in order to ensure smooth distribution of the products he/she manufactures and to reduce the costs of physical distribution;

8. The term "public institution" means:

- (a) A state agency;

- (b) A local government;

- (c) and (d) Deleted; <by Act No. 8804, Dec. 27, 2007>

- (e) A corporation specified by Presidential Decree among those established under special Acts;

- (f) Deleted; <by Act No. 8804, Dec. 27, 2007>

(g) A public institution prescribed by Presidential Decree among those referred to in Article 5 of the Act on the Management of Public Institutions;

9. The term "collaboration" means where several companies, each covering a specialized field of the development of products, purchase of raw materials, manufacturing, sales, etc., participate in the development, manufacturing, and sales of products or providing services;

10. The term "family business succession" means where a small or medium enterprise transfers its ownership or managerial rights in such enterprise to a relative by inheritance or donation, while retaining its identity. In such cases, standards for retaining identity, such as types of business, employment, and period for maintaining family business after family business succession, shall be prescribed by Presidential Decree.

11. The term "business management for corporate social responsibility" means the responsibility borne by an enterprise through its transparent and ethical business activities for the impacts on society and the environment caused by its decision making and activities.

### **Article 3 (Plan for Supporting Structural Advancement, etc.)**

(1) Whenever deemed necessary for improving the business size, management skill, or manufacturing method to resolve the difficulties that small and medium enterprises may face in their business management due to changes in economic situation and enhance their competitiveness, the Government may take measures as may be necessary for supporting their efforts for structural advancement, such as conversion of a private business into a corporation, merger and split-off of companies, joint ventures, collaboration, business conversion, relocation of business premises, and rationalization of management.

(2) The Special Metropolitan City Mayor, each Metropolitan City Mayor, each Do governor, or the Governor of the Special Self-Governing Province (hereinafter referred to as "Mayor/Do governor") shall develop and publish a plan for supporting the structural advancement of small and medium enterprises (hereinafter referred to as the "plan for supporting structural advancement") within his/her jurisdiction every year to take supportive measures pursuant to paragraph (1). In such cases, the Mayor/Do governor may request the heads of institutions responsible for supporting small and medium enterprises, including the Small and Medium Business Corporation under Article 68 (1), to furnish him/her with data required for the establishment of the plan for supporting structural advancement, and the heads of the institutions so requested shall, in return, give cooperation in this matter.

(3) The plan for supporting structural advancement shall cover the following matters in accordance with actual conditions of each local government:

1. Matters concerning budget subsidies for each project;
2. Matters concerning counseling, consulting, guidance for management and technology, furnishing information, etc.;
3. Other matters necessary for supporting the structural advancement.

(4) Each Mayor/Do governor may request the heads of the relevant central administrative agencies to render assistance as may be necessary for promoting the plan for supporting structural advancement

smoothly.

**Article 4 (Projects for Supporting Automation of Small and Medium Enterprises)**

(1) The Administrator of the Small and Medium Business Administration shall execute the projects for supporting automation of small and medium enterprises with aims of promoting automation of small and medium enterprises and fostering the business entities specializing in manufacturing and engineering of automated equipment and systems. *<Amended by Act No. 10250, Apr. 12, 2010>*

(2) The Administrator of the Small and Medium Business Administration may promote the projects for rendering assistance in the following activities as part of the projects of supporting the automation under paragraph (1):

1. Supplying the equipment and systems for promoting automation of small and medium enterprises;
2. Executing exemplary projects and standardization for automation of small and medium enterprises;
3. Raising professionals in automation of small and medium enterprises;
4. Providing financial aids for promoting automation of small and medium enterprises;
5. Other matters necessary for promoting automation of small and medium enterprises.

**Article 5 (Projects for Supporting Inter-business Exchanges)**

(1) The Administrator of the Small and Medium Business Administration shall perform the projects for supporting inter-business exchanges in order to promote exchanges of information and technology between or among small and medium entrepreneurs who engage in different business fields.

(2) The Administrator of the Small and Medium Business Administration may promote the projects for rendering assistance in the following matters as part of the projects for supporting inter-business exchanges under paragraph (1):

1. Seconding experts for active exchanges of information and technology;
2. Providing financial aids necessary for exchanges of information and technology;
3. Other matters necessary for promoting exchanges of information and technology.

**Articles 6 through 27 Deleted.** *<by Act No. 9683, May 21, 2009>*

**Article 28 (Public Notice of Standards for Cooperative Movement of Small and Medium Enterprises)**

(1) The Administrator of the Small and Medium Business Administration shall establish and publicly notify the standards for cooperative movement, applicable to clustering small and medium entrepreneurs and developing common facilities for them (hereinafter referred to as "standards for cooperative movement"). The foregoing shall also apply to any amendment to the standards for cooperative movement.

(2) In establishing the standards for cooperative movement under paragraph (1), the standards for cooperative movement in which any persons, other than small and medium entrepreneurs, may participate may be established, where particularly necessary.

(3) Matters to be included in the standards for cooperative movement under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

(4) The Administrator of the Small and Medium Business Administration shall first consult with the head of the relevant central administrative agencies to establish the standards for cooperative movement under paragraphs (1) and (2).

#### **Article 29 (Approval on Action Plan for Cooperative Movement)**

(1) Anyone who intends to formulate and implement an action plan for cooperative movement in accordance with standards for cooperative movement shall obtain approval from the Administrator of the Small and Medium Business Administration for implementation therefor. The foregoing shall also apply to any modification to matters in an approved plan, as specified by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(2) Anyone who intends to formulate and implement an action plan for cooperative movement in accordance with standards for cooperative movement shall obtain approval from the Mayor/Do Governor, notwithstanding paragraph (1), if such action plan for cooperative movement includes any project for the development of an industrial complex which entails changes in the form or quality or infrastructure construction works and is on an area equivalent to or larger than an area specified by Presidential Decree (hereinafter referred to as "industrial complex development project"). The foregoing shall also apply to any modification to matters in an approved plan, as specified by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(3) Before granting approval on a plan or a modification thereof pursuant to paragraph (2), the Mayor/Do Governor shall consult with the Administrator of the Small and Medium Business Administration in advance.

(4) Matters necessary for the formulation of an action plan for cooperative movement under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

#### **Article 30 (Revocation of Approval on Action Plan for Cooperative Movement)**

(1) If anyone who has obtained approval on an action plan for cooperative movement falls under any of the following subparagraphs, the Administrator of the Small and Medium Business Administration or the Mayor/Do governor may revoke such approval already granted on the action plan for cooperative movement pursuant to Article 29 and recover the principal and interest of subsidies granted:

1. If the person has obtained the approval on the action plan for cooperative movement by falsity or in any other fraudulent way;
2. If the person changes the action plan for cooperative movement without an approval on such modification under Article 29 or suspends his/ her implementation of the plan;
3. If it is impossible to achieve the objectives of the project or the subsidies granted have been spent for any purpose other than originally intended purposes.

(2) The Administrator of the Small and Medium Business Administration or the Mayor/Do governor shall hold a hearing before revoking approval on an action plan for cooperative movement pursuant to paragraph (1).

### **Article 31 (Approval of Execution Plans for Industrial Complex Development Projects)**

(1) Anyone who has obtained approval of an action plan for cooperative movement in accordance with Article 29 or the Small and Medium Business Corporation established under Article 68 (1) (hereinafter referred to as "small and medium entrepreneur, etc.") shall, when intending to execute an industrial complex development project, prepare an execution plan for such industrial complex development project (hereinafter referred to as "execution plan") and obtain approval from the Mayor/Do Governor. The foregoing shall also apply to any modification to matters in the approved plan, as specified by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) When a small and medium entrepreneur, etc. intends to obtain approval of an execution plan or a modification thereto in accordance with paragraph (1), it shall submit the execution plan to the Mayor/Do Governor through the head of the competent Si/Gun/Gu (referring to the head of an autonomous Gu; hereinafter the same shall apply).

(3) In granting approval of an execution plan pursuant to paragraph (1), the Mayor/Do Governor shall make a decision, considering the following matters:

1. Whether the development of an industrial complex is appropriate for the related cooperative movement project and whether its scale is adequate;
2. Whether the plan conforms to the related State plans for national land, industries, the environment, etc.;
3. Other matters specified by Presidential Decree, including whether and how the infrastructure will be secured.

(4) Upon granting approval of an execution plan or a modification thereto pursuant to paragraph (1), the Mayor/Do Governor shall report it to the Minister of Land, Infrastructure and Transport and announce it, as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(5) When small and medium entrepreneurs, etc. seek to implement a cooperative movement project by acquiring, or leasing on a long-term basis, a parcel of land for industrial purpose developed in a foreign country, they shall prepare an execution plan and obtain approval from the Administrator of the Small and Medium Business Administration. The foregoing shall also apply to any modification to the matters contained in the approved plan, as specified by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

### **Article 32 (Authorization of Completion of Industrial Complex Development Projects)**

(1) Upon completion of an industrial complex development project, small and medium entrepreneurs, etc. shall obtain authorization from the Mayor/Do Governor on completion of the project, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Upon receipt of an application for authorization of completion in accordance with paragraph (1), the Mayor/Do Governor shall issue an authorization letter on completion to the relevant small and medium

entrepreneur, etc. after conducting a final inspection, and shall publicly announce such fact, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) No small and medium entrepreneurs, etc. shall use any industrial area or facilities developed or installed through the industrial complex development project before obtaining authorization of completion in accordance with paragraph (1): Provided, That the foregoing shall not apply where approval for use has been granted by the Mayor/Do Governor.

#### **Article 33 (Expropriation of Land, etc.)**

(1) The Small and Medium Business Corporation may expropriate or use a parcel of land, a building, or a fixture on a parcel of land, any right, other than ownership to a parcel of land, a building, or a fixture on a parcel of land, a mining right, a fishery right, or a right to use water (hereinafter referred to as "land or similar") for the purpose of executing an industrial complex development project under Article 31.

(2) In cases falling under paragraph (1), approval of an execution plan under Article 31 (1) shall be deemed project authorization under Article 20 (1) of the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects.

(3) Except as otherwise expressly provided for in Article 34 and other provisions of this Act, the provisions of the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects shall apply to expropriation or use under paragraph (1).

#### **Article 34 (Access to Land, etc.)**

(1) A small and medium entrepreneur, etc. may engage in the following conduct, whenever necessary for executing an industrial complex development project:

1. Entering a third person's land;
2. Using a third person's land temporarily;
3. Moving or removing standing trees, soil, rocks, or any other obstacles in a third person's land.

(2) Articles 130 and 131 of the National Land Planning and Utilization Act shall apply mutatis mutandis to cases set forth in paragraph (1).

#### **Article 35 (Sale of State-owned and Public Land, etc.)**

(1) Notwithstanding the provisions of the State Property Act, the Local Finance Act, and other Acts and subordinate statutes, the State-owned or public land within the area for which an execution plan has been approved pursuant to Article 31 (1) may be sold to a small and medium entrepreneur, etc. under a negotiated contract.

(2) The State and local governments shall give assistance necessary for land readjustment, opening of access roads, installation of facilities, etc. in the area for which an execution plan has been approved pursuant to Article 31 (1).

#### **Article 36 (Application Mutatis Mutandis of other Acts)**

@ Articles 20 and 32 of the Industrial Sites and Development Act shall apply mutatis mutandis where a small and medium entrepreneur, etc. executes an industrial complex development project in accordance

with Article 31.

**Article 37 (Approval on Collaborative Project Plan)**

(1) Anyone who desires to have aids granted pursuant to Article 39 in executing a collaborative project shall prepare a collaborative project plan containing the following matters for approval of the Administrator of the Small and Medium Business Administration. The foregoing shall also apply to any revision by the person who has obtained such approval (hereafter referred to as an "approved project executor" in this Section) to the matters contained in such collaborative project plan, as specified by Presidential Decree:

1. Goals of the project plan;
2. Names and address of participating entities and the promoting entity, and names of their representatives;
3. Details of the project and execution period;
4. Management resources including facilities, technologies, etc. provided by the participating entities;
5. Method of raising fund.

(2) Necessary matters concerning the procedure for approval on the project plan, etc. under paragraph (1) shall be prescribed by Presidential Decree.

**Article 38 (Revocation of Approval on Collaborative Project Plan)**

(1) If an approved project executor falls under any of the following subparagraphs, the Administrator of the Small and Medium Business Administration may revoke the approval on the collaborated project plan or discontinue aids under Article 39: Provided, That the approval shall be revoked if the executor falls under subparagraph 1:

1. If he/she has obtained the approval on the collaborative project plan by falsity or in a fraudulent way;
2. If he/she has revised the collaborative project plan without obtaining approval on such revision under Article 37 (1);
3. If he/she has not executed the collaborative project plan for six months or longer, as specified by Presidential Decree, due to temporary shutdown, permanent closedown, bankruptcy, or any other ground.

(2) The Administrator of the Small and Medium Business Administration shall hold a hearing whenever he/she intends to revoke approval on a collaborative project plan pursuant to paragraph (1).

**Article 39 (Aids for Collaborative Projects)**

The Government may grant the following aids to approved project executors so that they can perform collaborative projects smoothly:

1. Granting subsidies for collaboration funds;
2. Furnishing them with information;
3. Promoting informatization;
4. Training human resources, and providing guidance and training programs;



5. Contributing to technology development funds, etc.

**Article 40 (Survey on Actual Performances)**

(1) The Administrator of the Small and Medium Business Administration may conduct surveys on whether and how approved project executors have performed the collaborative project plans, etc.

(2) Necessary matters concerning the surveys on actual performances under paragraph (1) shall be prescribed by Presidential Decree.

**Article 41 (Projects for Providing Supports for Business Site Development)**

The Administrator of the Small and Medium Business Administration may commission the Small and Medium Business Corporation to execute the following projects for site development in accordance with the provisions of relevant Acts in order to supply small and medium enterprises smoothly with sites for building factories: *<Amended by Act No. 10252, Apr. 12, 2010>*

1. Industrial complex development projects executed under the Industrial Sites and Development Act;
2. Projects for creating complexes;
3. Projects for constructing knowledge industry centers under the Industrial Cluster Development and Factory Establishment Act;
4. Other projects prescribed by Presidential Decree, among projects related to factory sites under relevant Acts.

**Article 42 (Projects for Providing Support for Reduction in Environmental Pollution)**

With an aim of reducing environmental pollution created by business activities of small and medium enterprises, the Administrator of the Small and Medium Business Administration may implement the projects for providing support for reduction in environmental pollution by improving the manufacturing process to the low-pollution process, installing facilities for preventing environmental pollution or through any other way.

**Article 43 (Establishment of Guidance Plan)**

(1) The Administrator of the Small and Medium Business Administration shall establish and publicly notify a plan for guiding small and medium enterprises for management and technology (hereinafter referred to as "guidance plan").

(2) The matters that shall be included in the guidance plan shall be prescribed by Presidential Decree.

**Article 44 (Guiding Institutions)**

(1) The Administrator of the Small and Medium Business Administration may designate guiding institutions that advise small and medium enterprises on management and technology, pursuant to Article 43 and, if necessary, may also subsidize expenses incurred in relation to such guidance.

(2) Matters necessary for designating guiding institutions and the payment, use, and management of subsidies under paragraph (1) shall be prescribed by Presidential Decree. *<Amended by Act No. 13095, Jan. 28, 2015>*

**Article 45 (Preparation of Guidelines for Guidance)**

The Administrator of the Small and Medium Business Administration may establish and publicly announce the guidelines for the following matters necessary in consultation for business management and technology so that the guidance plan can be carried out efficiently:

1. Businesses eligible for the consultation for business management and technology;
2. Qualification requirements for the persons who shall provide consultation for business management and technology;
3. Procedure for consultation for business management and technology;
4. Evaluation of the results of consultation for business management and technology;
5. Disciplinary actions against insincere or unfair behavior in consultation;
6. Other guidelines for promoting sound performance of consultation for business management and technology.

**Article 46 (Qualifications for Consultants, etc.)**

(1) Each person who has passed an examination to qualify as a consultant, administered by the Administrator of the Small and Medium Business Administration regarding consultation provided in relation to business management or technology to small and medium enterprises (referring to a qualification examination on business management consultation or technology consultation; hereinafter the same shall apply), shall become a qualified consultant (referring to a business management consultant or a technology consultant; hereinafter the same shall apply).

(2) None of the following persons shall be a consultant: *<Amended by Act No. 12309, Jan. 21, 2014>*

1. A person under adult guardianship;
2. A person declared bankrupt and not yet reinstated;
3. A person in whose case two years have not passed since his/her imprisonment without labor or greater punishment declared by a court was completely executed or exempted;
4. A person subject to a suspended sentence of imprisonment without labor or greater punishment declared by a court;
5. A person in whose case two years have not passed since his/her former registration as a consultant was revoked pursuant to Article 53.

(3) The qualification examination for consultants under paragraph (1) shall consist of a primary test and a secondary test.

(4) The Administrator of the Small and Medium Business Administration may designate a testing institution to be responsible for carrying out the affairs relating to the qualification examination for consultants under paragraph (1).

(5) Qualifications for, test subjects, and methods for conducting the qualification examination for consultants under paragraph (3), and the testing institution's scope of work under paragraph (4), and other necessary matters, shall be prescribed by Presidential Decree.

(6) A person who intends to take a qualification examination for consultants shall pay a fee to a testing institution, as prescribed by Presidential Decree. *<Newly Inserted by Act No. 13095, Jan. 28, 2015>*

(7) If an applicant erroneously or over-pays a fee, or withdraws his/her application for an examination, or in circumstances prescribed by Presidential Decree, a testing institution shall refund the relevant examination fee to the applicant. <Newly Inserted by Act No. 13095, Jan. 28, 2015>

#### **Article 46-2 (Sanctions for Cheating in Examination)**

The Administrator of the Small and Medium Business Administration shall take a disposition suspending or nullifying a qualification examination for consultants in which any of the following persons has taken, or revoke the passing decision of any of the following persons, and shall impose restrictions on his/her eligibility to take a qualification examination for five years from the date such disposition is taken:

1. A person who engages in cheating behavior during a qualification examination for consultants;
2. A person who takes a qualification examination for consultants by wrongful means.

#### **Article 47 (Consultants' Duties)**

(1) Management consultants shall: <Amended by Act No. 13095, Jan. 28, 2015>

1. Comprehensively diagnose and provide guidance on business management;
2. Diagnose and provide guidance on personnel, organization, labor, and office management;
3. Diagnose and provide guidance on financial management and accounting;
4. Diagnose and provide guidance on production and management of distribution;
5. Diagnose and provide guidance on management of sales and business of imports and exports;
6. Provide counseling, suggestions, and advice, and conduct survey, analysis, and confirmation related to the matters referred to in subparagraphs 1 through 5;
7. Perform affairs related to subparagraph 1, 2, 4 and 5 as an agency (including acting as an agency for declarations, applications, statements, reporting, etc. to be filed with institutions in accordance with the relevant Acts and subordinate statutes).

(2) Technology consultants shall: <Amended by Act No. 13095, Jan. 28, 2015>

1. Comprehensively diagnose and provide guidance on technologies;
2. Diagnose and provide guidance on factory automation technology and process innovation technology;
3. Diagnose and provide guidance on industry-based technologies;
4. Diagnose and provide guidance on development of new technologies, including development of components, materials, and test products;
5. Diagnose and provide guidance on industrial experiments, analyses, and measurement;
6. Diagnose and provide guidance on information processing;
7. Diagnose and provide guidance on design technology, production technology, quality control technology, and design and packaging technology;
8. Diagnose and provide guidance on energy-saving technology, clean production technology, and facility management technology;
9. Diagnose and provide guidance on environment management;

10. Perform other duties incidental to those specified in subparagraphs 1 through 9, and provide counseling, suggestions and advice, conduct surveys, analyses, evaluation, verification, and act as agency (including acting as an agency for declarations, applications, statements, reporting, etc. to be filed with institutions in accordance with the relevant Acts and subordinate statutes).

#### **Article 48 (Exemption from Primary Tests)**

(1) Any of the following persons shall be entitled to exemption from a primary test. In such cases, the career provided for in subparagraphs 1 through 5 means the career in the relevant field after acquisition of an academic degree or qualification:

1. A professional engineer or master craftsman as defined in the National Technical Qualifications Act;
2. A holder of a doctor's degree in business administration, economics, or natural science, who has a career of lecturing in his/her major for at least three years at a school specified in any subparagraph of Article 2 of the Higher Education Act or a career of working for a guiding institution under Article 44 with a job related to consultation for business management or technology for at least three years;
3. A holder of a master's degree in the relevant field from a university or college having courses related to small and medium enterprises, who has a career of working at the related field for at least five years;
4. A person who has worked at the field as an engineer defined in the National Technical Qualifications Act for at least seven years and as an industrial engineer for at least nine years;
5. A certified public accountant defined in the Certified Public Accountant Act with a career of working at the field for at least five years.

(2) A person who successfully passes the primary test under Article 46 (3) shall be exempted from the primary test for the immediately following examination, while a person who finishes the training course under Article 49 shall be exempted from the primary test conducted in the corresponding year and the following year.

#### **Article 49 (Training Courses for Consultants)**

(1) The Administrator of the Small and Medium Business Administration may, if deemed necessary for raising consultants, designate an institution to take a responsibility for the operation and management of training courses for raising consultants, taking demands for consultants and other factors into account.

(2) The guidelines for the designation of the institution responsible for training courses under paragraph (1), the qualification requirements for the trainees eligible for such training courses, and other necessary matters for the operation of the training courses shall be prescribed by Presidential Decree.

#### **Article 50 (Registration of Consultants)**

(1) When a qualified consultant intends to commence providing his/her services as a consultant under Article 47, he/she shall first complete in-service training, as prescribed by Presidential Decree, and be registered with the Administrator of the Small and Medium Business Administration. He/she shall file a report on alteration of any registered matter, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 13095, Jan. 28, 2015>

(2) Every consultant registered under paragraph (1) shall renew his/her registration every five years, as prescribed by Presidential Decree: Provided, That in the event of a natural disaster, or where the relevant consultant resides overseas for a long period, or in exceptional circumstances, he/she may apply for renewal of his/her registration within 30 days from the date on which the relevant ground ceases to exist.  
<Amended by Act No. 13095, Jan. 28, 2015>

(3) To renew the registration of a consultant under paragraph (2), the consultant shall have a record of actual performance as a consultant, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. In such cases, if a consultant fails to meet the standards prescribed by Ordinance of the Ministry of Trade, Industry and Energy, he/she shall attend a refresher training course prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(4) No person who fails to be registered or to renew his/her registration under paragraph (1) or (2) shall represent that he/she is a consultant under Article 46 (1), or use any title similar thereto.

(5) A consultant registered under paragraph (1) may have an office necessary for providing his/her services as a consultant.

#### **Article 51 (Consultants' Duty of Integrity)**

(1) Every consultant shall carry out his/her services sincerely and shall keep his/her dignity.

(2) No consultant shall conceal a truth intentionally while carrying out his/her services, or make a false report.

#### **Article 52 (Restrictions on Services for Specific Affairs)**

No consultant shall provide any certification incidental to inspecting business management and technology to any of the following persons: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 13095, Jan. 28, 2015>

1. A person (including a company; hereafter the same shall apply in this Article) for which the consultant him/herself or his/her spouse serves as an executive or similar position, or works in a position responsible for financial affairs, or who has been in such position during the preceding year;
2. A person who him/herself is a current or former employer during the preceding year;
3. A person in whose case the relevant consultant or his/her spouse holds stocks or investment shares of at least 1/100 of the total number of issued stocks or investment shares;
4. A person who is liable to the relevant consultant or his/her spouse at least 100 million won;
5. A person who provides the relevant consultant with a consultant office, either free of charge or at a price substantially lower than an arm's length price;
6. A person who is paying remuneration continuously, or providing other special economic benefits, to the relevant consultant for any of his/her services, other than as a consultant.

#### **Article 53 (Revocation of Registration and Suspension of Business)**

(1) If any consultant registered under Article 50 falls under any of the following cases, the Administrator of the Small and Medium Business Administration may revoke his/her registration: Provided, That the

Administrator shall revoke the registration of a consultant who falls under subparagraph 1 or 2: <Amended by Act No. 13095, Jan. 28, 2015>

1. If he/she has been registered or renewed his/her registration by fraud or other improper means;
2. If he/she becomes disqualified under Article 46 (2);
3. If he/she discloses any confidential information he/she has become aware of in connection with his/her consulting services, to any third person;
4. If he/she lends his/her registration certificate to any third person;
5. If he/she commits an offence, or inflicts serious loss upon any third person, either intentionally or by gross negligence, in connection with his/her consulting services.

(2) Any consultant who fails to renew his/her registration under Article 50 (2) shall cease providing his/her services. In such cases, such consultant may resume his/her services only after attending the refresher training course under the latter part of Article 50 (3) and obtaining the renewal of his/her registration.

#### **Article 53-2 (Notification, etc. of Revocation of Registration or Disposition for Business Suspension)**

When the Administrator of the Small and Medium Business Administration revokes the registration of a consultant or imposes a disposition for business suspension thereon under Article 53, he/she shall give written notice thereof to the relevant consultant or his/her representative: Provided, That where it is impossible to give such written notice due to reasons, such as unknown whereabouts of the relevant consultant or his/her representative, he/she shall publicly notify the details thereof in the official gazette.

#### **Article 54 (Hearing)**

The Administrator of the Small and Medium Business Administration shall hold a hearing, whenever he/she intends to revoke the registration pursuant to Article 53 (1).

#### **Article 55 (Applications for Consultation, etc.)**

(1) Each small and medium entrepreneur who wants to receive consulting services for business management and technology may file an application with a person designated by the Administrator of the Small and Medium Business Administration according to the guidance plan under Article 43 or a consultant registered in accordance with Article 50 (1).

(2) Matters necessary for filing applications for consulting services for business management and technology under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) If deemed necessary to provide support as a result of guidance given in accordance with the guidance plan under Article 43, the Administrator of the Small and Medium Business Administration may take necessary measures to give priority to providing such support.

#### **Article 56 (Establishment of Training Plans)**

(1) The Administrator of the Small and Medium Business Administration shall establish a training plan (hereinafter referred to as "training plan"), which shall be implemented for small and medium entrepreneurs, their employees, and those for whom the Administrator of the Small and Medium Business

Administration deems necessary to give training on business management and technology for small and medium enterprises for the improvement of management ability or technological level of small and medium entrepreneurs.

(2) Matters necessary for establishing training plans under paragraph (1) shall be prescribed by Presidential Decree.

#### **Article 57 (Training Institution)**

(1) An institution responsible for the training to be conducted in accordance with the training plan shall be the Small and Medium Business Corporation, or an institution or organization designated by the Administrator of the Small and Medium Business Administration.

(2) Necessary matters concerning the designation of an institution or organization under paragraph (1) shall be prescribed by Presidential Decree.

#### **Article 58 (Projects for Providing Support for Internationalization)**

(1) The Administrator of the Small and Medium Business Administration shall carry out projects for providing supports for creating a foundation necessary for internationalization of small and medium enterprises and their industrial technical ability for cooperation with foreign countries.

(2) Necessary matters concerning the projects for supporting internationalization pursuant to paragraph (1) shall be prescribed by Presidential Decree.

#### **Article 59 (Aids for Relocation of Manufacturing Facilities to Overseas)**

When a small and medium entrepreneur intends to relocate his/her manufacturing facilities to overseas, the Government may grant the following aids or take measures necessary for supporting such relocation:

*<Amended by Act No. 9160, Dec. 19, 2008; Act No. 10228, Apr. 5, 2010>*

1. Granting a loan for exportation and overseas investment provided for in Article 18 of the Export-Import Bank of Korea Act;
2. Making investment or granting a loan from the Foreign Economic Cooperation Fund under Article 3 of the Foreign Economic Cooperation Fund Act;
3. Providing support from the overseas investment insurance provided for in the Trade Insurance Act;
4. Granting a loan from the Fund for the Establishment and Promotion of Small and Medium Enterprises provided for in Article 63;
5. Implementing preferential credit guarantee services necessary for providing supports set forth in subparagraphs 1 through 4;
6. Providing information for relocation of manufacturing facilities to overseas.

#### **Article 60 (Assistance in Business Normalization)**

(1) If a substantial number of small and medium entrepreneurs suffer or are likely to suffer hardship in their business management due to any ground or event set forth in the following subparagraphs, the Administrator of the Small and Medium Business Administration may take measures necessary for assisting them in normalizing their business:

1. If they suffer serious hardship in their business due to downfall in sales, temporally financial difficulties, shortage of human resources, etc.;
2. If it is difficult for them to secure raw materials; or
3. If there occurs such an event as temporary shutdown, permanent closedown, suspension of operation due to a labor dispute in a related company.

(2) The Administrator of the Small and Medium Business Administration may request the heads of related administrative agencies to take measures for assisting small and medium enterprises in normalizing their business, whenever deemed necessary in any case set forth in paragraph (1).

#### **Article 61 (Preparation and Implementation of Emergency Aid Plan for Business Stabilization)**

(1) If the number of small and medium enterprises that temporarily suspends or permanently close their business or suspend operation increases or is likely to increase due to an occurrence of a natural disaster or calamity at a specific area, a drastic change in economic situation or any other similar cause or event, the Administrator of the Small and Medium Business Administration may prepare and implement an emergency aid plan for business stabilization to help small and medium entrepreneurs stabilize their business management.

(2) The emergency aid plan for business stabilization under paragraph (1) shall include the following matters:

1. Area eligible for the aid;
2. Businesses eligible for the aid;
3. Aid implementation period;
4. Details of aids granted by each central administrative agency, including financial aids, business site development, human resources support, and technical guidance;
5. Other matters that the Administrator of the Small and Medium Business Administration considers necessary for emergency aids for business stabilization.

(3) The Administrator of the Small and Medium Business Administration shall, when he/she intends to prepare an emergency aid plan for business stabilization, consult with the heads of the relevant central administrative agencies, and may request the heads of the relevant central administrative agencies to present the results of the aid plans promoted.

#### **Article 61-2 (Opening of Account of Insurance for Trade Receivables for Small and Medium Enterprises)**

(1) The Government may open accounts of insurance for trade receivables for small and medium enterprises in the Credit Guarantee Fund under the Credit Guarantee Fund Act with a view to preventing risks of chain reaction bankruptcies caused by the dishonor of promissory notes or bills of exchange held by small and medium entrepreneurs defined in subparagraph 1 (a) of Article 2 in connection with commercial transactions, and by default on debts by debtors for trade receivables.

(2) Necessary matters with regard to the receipts, operation and management of contributions, insurance premiums, or such, for accounts of insurance for trade receivables for small and medium enterprises, the



scope of insurance policy holders, and other matters shall be prescribed by Presidential Decree.

**Article 62 (Support for Traditional Crafts Industry)**

The Government and local governments may provide support to small and medium entrepreneurs who engage in the traditional crafts industry for their business stabilization, as prescribed by Presidential Decree.

**Article 62-2 (Support on Family Business Succession)**

The Government may provide necessary support to help facilitate family business succession by small and medium enterprises, including tax benefits as prescribed by tax-related Acts.

**Article 62-3 (Designation of Centers for Supporting Small and Medium Enterprises on Family Business Succession)**

(1) The Administrator of the Small and Medium Business Administration may designate any institution or organization related to supporting small and medium enterprises as a center for supporting small and medium enterprises on family business succession in order to efficiently support smooth family business succession by small and medium enterprises.

(2) The duties of a center for supporting small and medium enterprises on family business succession designated under paragraph (1) (hereafter referred to as a "support center" in this Article) shall be as follows:

1. Matters concerning formation of and support to plans for family business succession;
2. Matters concerning the offer of information necessary for family business succession and the provision of education and consulting services;
3. Matters concerning authenticating, and praising and rewarding outstanding succession enterprises;
4. Matters concerning finding out advanced systems to help facilitate smooth family business succession, including cases in foreign countries;
5. Other matters commissioned by the Administrator of the Small and Medium Business Administration with a view to helping small and medium enterprises for their smooth family business succession, including improvement of perception of family business succession.

(3) The Government may provide the whole or part of expenses used for the operation of support centers.

(4) Necessary matters for the criteria and procedure for designating support centers, the operation of such support centers, or such, shall be prescribed by Presidential Decree.

**Article 62-4 (Support for Business Management for Corporate Social Responsibility)**

(1) Small and medium enterprises shall endeavor to carry on business activities taking into consideration their social responsibilities towards their employees, clients, customers, local community, etc.

(2) The State and local governments may provide small and medium enterprises with necessary support for their business management in the area of corporate social responsibility.

**Article 62-5 (Establishment of Master Plans for Fostering Small and Medium Enterprises which Manage their Business for Corporate Social Responsibility)**

(1) In order to foster small and medium enterprises which manage their business for corporate social responsibility and to support them systematically, the Administrator of the Small and Medium Business Administration shall establish and implement master plans for fostering small and medium enterprises which manage their business for corporate social responsibility (hereinafter referred to as "master plans") every five years: Provided, That such master plans may be formulated by being consolidated in comprehensive policies for sustainable management when the latter is formulated pursuant to Article 19 of the Industrial Development Act and implemented accordingly.

(2) Master plans shall include the following matters:

1. Basic direction-setting and objectives of policies for fostering business management for corporate social responsibility of small and medium enterprises;
2. Matters concerning the vitalization of business management for corporate social responsibility of small and medium enterprises;
3. Matters concerning the support for small and medium enterprises which manage their business for corporate social responsibility;
4. Matters concerning the investigation of actual status of small and medium enterprises which manage their business for corporate social responsibility;
5. Other matters prescribed by Presidential Decree concerning the fosterage of and support for small and medium enterprises which manage their business for corporate social responsibility.

(3) The Administrator of the Small and Medium Business Administration shall establish and execute the annual implementation plans based on the relevant master plans.

(4) Other matters necessary for the establishment and execution of master plans and implementation plans shall be prescribed by Presidential Decree.

**Article 62-6 (Designation of Support Centers for Small and Medium Enterprises which Manage their Business for Corporate Social Responsibility)**

(1) In order to provide efficient support for business management for corporate social responsibility of small and medium enterprises, the Administrator of the Small and Medium Business Administration may designate any institutions or organizations involved in providing support for small and medium enterprises as support centers for small and medium enterprises which manage their business for corporate social responsibility (hereafter referred to as "support centers for business management for corporate social responsibility" in this Article).

(2) Support centers for business management for corporate social responsibility shall be responsible to perform the following services: <Amended by Act No. 11690, Mar. 23, 2013>

1. Formulation of guidelines for business management for corporate social responsibility of small and medium enterprises;
2. Training experts in business management for corporate social responsibility of small and medium enterprises;

3. Education and training for raising awareness of business management for corporate social responsibility;
  4. Provision of information and consulting services necessary for business management for corporate social responsibility;
  5. Other services prescribed by Ordinance of the Ministry of Trade, Industry and Energy as necessary for vitalization of business management for corporate social responsibility.
- (3) The Administrator of the Small and Medium Business Administration may contribute to or subsidize the expenses incurred by support centers for business management for corporate social responsibility in performing the services prescribed in subparagraphs of paragraph (2) within budgetary limits.
- (4) The Administrator of the Small and Medium Business Administration may revoke designation of any support center for business management for corporate social responsibility, where it falls short of the criteria for designation provided for in paragraph (5).
- (5) Criteria and procedures for the designation of support centers for business management for corporate social responsibility and the revocation thereof and matters necessary for the operation of support centers for business management for corporate social responsibility shall be prescribed by Presidential Decree.

**Article 62-7 (Special Cases concerning Establishment of Factories by Small Enterprises)**

- (1) If a small enterprise builds a factory defined in subparagraph 1 of Article 2 of the Industrial Cluster Development and Factory Establishment Act or a place of work equivalent thereto, of less than 500 square meters, its business registration certificate issued under Article 8 of the Value-Added Tax Act shall be deemed a certificate prescribed by Presidential Decree, such as a document verifying that it has obtained registration of the factory under Article 16 of the Industrial Cluster Development and Factory Establishment Act.
- (2) Where a small enterprise that has built a factory defined in subparagraph 1 of Article 2 of the Industrial Cluster Development and Factory Establishment Act or a place of work equivalent thereto, of less than 1,000 square meters, intends to build a new factory, extend or relocate its factory (limited to where the aggregate of the building area of the factory and the area of its place of work equivalent thereto does not exceed 1,000 meters after new construction, extension or relocation) in or to an area outside the Seoul Metropolitan area defined in subparagraph 1 of Article 2 of the Seoul Metropolitan Area Readjustment Planning Act (hereafter in this Article referred to as "area outside the Seoul Metropolitan area"), it shall be exempt from the following charges:
1. Farmland preservation charges levied under Article 38 of the Farmland Act;
  2. Expenses incurred in creating forest replacement resources under Article 19 of the Mountainous Districts Management Act;
  3. Development charges levied under Article 5 of the Restitution of Development Gains Act.
- (3) Where a person who intends to develop a national industrial complex, general industrial complex, urban high-tech industrial complex, or agricultural and industrial complex as defined in subparagraph 8 of Article 2 of the Industrial Sites and Development Act, develops a national industrial complex, general

industrial complex, urban high-tech industrial complex, or agricultural and industrial complex within which at least 50/100 of all enterprises are small enterprises, in an area outside the Seoul Metropolitan area, he/she shall be exempt from the charges referred to in the subparagraphs of paragraph (2).

(4) Methods of computing the building area of a factory or a place of work equivalent thereto under paragraphs (1) and (2), and other relevant matters, shall be prescribed by Presidential Decree.

#### **Article 62-8 (Formulation and Implementation of Measures for Supporting Credit Guarantee for Small Enterprises)**

In order to efficiently support small enterprises under this Act, the Government shall formulate and establish measures to assist small enterprises in obtaining credit guarantees.

#### **Article 62-9 (Support for Incorporation, etc. of Stock Companies by Small Enterprises)**

The Administrator of the Small and Medium Business Administration may assist a small enterprise in finance, business management, etc. if:

1. The small enterprise intends to incorporate a stock company;
2. The small enterprise intends to convert its organization from a limited company to a stock company.

#### **Article 62-10 (Support for Stable Business Management of Small Enterprises)**

In order to support small enterprises in their stable business management, the Administrator of the Small and Medium Business Administration may perform the following projects:

1. Counseling on business management, providing suggestions and advice, and education of small enterprises;
2. Sales promotion of products of small enterprises;
3. Supporting small enterprises in their location;
4. Other matters necessary for stabilizing the business management of small enterprises.

#### **Article 63 (Establishment of Fund for Establishment and Promotion of Small and Medium Enterprises)**

With an aim of securing financial resources necessary for facilitating starting new small and medium enterprises, balanced development of industries, establishment of industrial infrastructure, expansion of business sphere, and structural advancement, the Government shall establish the Fund for the Establishment and Promotion of Small and Medium Enterprises (hereinafter referred to as the "Fund").

*<Amended by Act No. 9160, Dec. 19, 2008>*

#### **Article 64 (Raising Fund)**

(1) The Fund shall be raised from the following financial resources:

1. Capital contribution and loan from the Government or local governments;
2. Capital contribution and loan from those other than the Government or local governments;
3. Funds raised by issuing bonds pursuant to Article 65 and revenue from lottery tickets allocated pursuant to Article 23 (1) of the Lottery Tickets and Lottery Fund Act;
4. Deposits received from the Public Capital Management Fund under the Public Capital Management Fund Act;

5. Revenue accruing from the management of the Fund;
  6. Other revenues prescribed by Presidential Decree.
- (2) The Government shall include the capital contribution and loan into its estimated expenditures each fiscal year, within its budget limit.

#### **Article 65 (Issuance of Bonds)**

- (1) The Small and Medium Business Corporation may issue bonds on the account of the Fund with approval from the Administrator of the Small and Medium Business Administration, after undergoing a resolution by its board of directors.
- (2) The Administrator of the Small and Medium Business Administration shall, whenever he/she intends to approve an issuance of bonds pursuant to paragraph (1), consult in advance with the Minister of Strategy and Finance. *<Amended by Act No. 8852, Feb. 29, 2008>*
- (3) The amount of bonds to be issued shall not exceed 20 times the Fund reserved. *<Amended by Act No. 9888, Dec. 30, 2009>*
- (4) The Government may guarantee the redemption of the principal and interest of bonds issued by the Small and Medium Business Corporation.
- (5) The extinctive prescription of bonds shall complete at the lapse of five years for principal and at the lapse of two years for interest, respectively, reckoned from the due date for redemption.
- (6) Necessary matters concerning the issuance of bonds in addition to paragraphs (1) through (5) shall be prescribed by Presidential Decree.

#### **Article 66 (Operation and Management of Fund)**

- (1) The Fund shall be operated and managed by the Small and Medium Business Corporation.
- (2) through (4) Deleted. *<by Act No. 9160, Dec. 19, 2008>*
- (5) The person responsible for management of the Fund may operate the Fund by granting loans, etc. in accordance with the plan for the operation of the Fund under Article 66-2. *<Amended by Act No. 8804, Dec. 27, 2007; Act No. 9160, Dec. 19, 2008>*

#### **Article 66-2 (Formulation of Draft Plan for Fund Operation and Settlement of Accounts of Fund)**

- (1) Where the Small and Medium Business Corporation intends to formulate a draft plan for the operation of the Fund under Article 66 of the National Finance Act, it shall, after undergoing deliberations by the operating committee under Article 71, obtain approval from the Administrator of the Small and Medium Business Administration. The same shall apply to cases of seeking to amend the draft plan during the relevant fiscal year after such draft plan for the operation of the Fund is fixed by the National Assembly. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9160, Dec. 19, 2008>*
- (2) The Small and Medium Business Corporation shall draw up a report on settlement of accounts of the Fund under Article 73 of the National Finance Act and, after undergoing deliberations by the operating committee under paragraph (1), submit the report to the Administrator of the Small and Medium Business Administration within two months after the lapse of each fiscal year.

(3) The Small and Medium Business Corporation shall, where profits have been obtained as a result of closing accounts of the Fund for each fiscal year, appropriate such profits to make up the deficit carried forward, and put aside the balance thereof in the Fund.

(4) Where losses have arisen as a result of closing accounts of the Fund, the money reserved under paragraph (3) shall be appropriated to make up for such losses, and where the said balance thereof is insufficient, the Government shall make up the deficit. <Newly inserted by Act No. 9888, Dec. 30, 2009>

**Article 67 (Use of Fund, etc.)**

(1) The Fund may be used for the following purposes: <Amended by Act No. 9160, Dec. 19, 2008; Act No. 11178, Jan. 17, 2012>

1. Financial support to the operators of business incubators referred to in Article 6 (1) of the Support for Small and Medium Enterprise Establishment Act, and to persons who moves into such business incubator;
2. Investments in or loans to small and medium business start-up investment companies under Article 10 of the Support for Small and Medium Enterprise Establishment Act;
3. Investments in small and medium business start-up investment cooperatives under Article 20 of the Support for Small and Medium Enterprise Establishment Act;
4. Financial support to small and medium business counseling companies under Article 31 of the Support for Small and Medium Enterprise Establishment Act;
5. Projects entrusted by the Administrator of the Small and Medium Business Administration to provide support to small and medium business startups;
6. Support for automation of small and medium enterprises;
7. Support for informatization of small and medium enterprises;
8. Support for small and medium enterprises' technology development and inter-industry exchanges;
9. Support for small and medium enterprises' business conversion;
10. Support for small and medium enterprises' efforts to enter into new markets locally and internationally to sell their products and support for collaborative production;
11. Support for small and medium enterprises' logistics modernization;
12. Support for small and medium enterprises' cooperative projects;
13. Support for small and medium enterprises' collaborative projects;
14. Support for small and medium enterprises' site location and efforts to reduce environmental pollution;
15. Guidance and training programs for small and medium enterprises and nurturing of technical experts;
16. Support for small and medium enterprises' internationalization;
17. Support for small and medium enterprises' normalization of management;
18. Underwriting of stocks or debentures held by small and medium enterprises;

19. Installation and operation of facilities for the Small and Medium Business Corporation;
20. Projects entrusted by the Administrator of the Small and Medium Business Administration to promote small and medium enterprises;
21. Renting necessary facilities to small and medium enterprises, and collecting, disseminating, surveying, and researching related information;
22. Nurturing local small and medium enterprises, including support for the creation of funds for fostering local small and medium enterprises under Article 44 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act;
- 22-2. Projects falling under subparagraphs of Article 28 of the Industrial Development Act;
- 22-3. Deleted. *<by Act No. 11846, May 28, 2013>*
23. Investments in or contributions to projects referred to in subparagraphs 6 through 21;
24. Projects incidental to those referred to in subparagraphs 1 through 21.

(2) Deleted. *<by Act No. 9160, Dec. 19, 2008>*

(3) Subsidies may be granted to small and medium entrepreneurs or organizations, etc., from the Fund, if necessary for performing projects referred to in the subparagraphs of paragraph (1). *<Amended by Act No. 9160, Dec. 19, 2008>*

(4) Matters necessary for the operation and management of the Fund, and subsidies that may be disbursed from the Fund shall be prescribed by Presidential Decree.

#### **Article 68 (Establishment, etc. of Small and Medium Business Corporation)**

(1) The Small and Medium Business Corporation shall be established to efficiently execute the projects for promoting small and medium enterprises.

(2) The Small and Medium Business Corporation shall be a legal entity, and shall be duly formed when it completes the registration for its incorporation at the registry office having jurisdiction over its principal place of business.

(3) The location of the principal place of business referred to in paragraph (2) shall be stipulated in the articles of incorporation, and the Small and Medium Business Corporation may have training centers, regional or branch offices, and other offices at any place as may be necessary in accordance with its articles of incorporation.

(4) The Small and Medium Business Corporation may establish and operate the automation support center and the informatization support center, as prescribed by Presidential Decree, in order to facilitate automation and informatization of small and medium enterprises.

(5) No one, other than the Small and Medium Business Corporation, may use a name that includes “the Small and Medium Business Corporation” or any similar name.

(6) The Government or any person may contribute funds as may be required for incorporating the Small and Medium Business Corporation.

(7) Any local government may convey public property to the Small and Medium Business Corporation, as prescribed by Presidential Decree, if necessary for incorporating and operating the Small and Medium

Business Corporation.

(8) Except as otherwise expressly prescribed by this Act, the provisions of the Civil Act applicable to the incorporated foundations shall apply mutatis mutandis to the Small and Medium Business Corporation.

#### **Article 69 (Establishment of Distribution Company Specializing in Products of Small and Medium Enterprises)**

(1) If deemed necessary for executing the business affairs set forth in Article 74 (1) 5 and 19 efficiently, the Small and Medium Business Corporation may establish a company, the business purpose of which shall be to provide support for securing markets for the products of small and medium enterprises, subject to approval of the Administrator of the Small and Medium Business Administration, as prescribed by Presidential Decree.

(2) The Administrator of the Small and Medium Business Administration shall consult with the competent Mayor/Do Governor before giving approval pursuant to paragraph (1).

(3) The company established pursuant to paragraph (1) shall be deemed to have been registered as a superstore as defined in Article 8 of the Distribution Industry Development Act.

#### **Article 70 (Articles of Incorporation)**

(1) The articles of incorporation of the Small and Medium Business Corporation shall include the following matters:

1. Objective;
2. Name;
3. Matters concerning its principal place of business, training centers, regional or branch offices, and other offices;
4. Matters concerning executives and employees;
5. Matters concerning the operating committee and the board of directors;
6. Matters concerning the business affairs and its execution thereof;
7. Matters concerning the property and the accounts thereof;
8. Matters concerning the amendment to the articles of incorporation;
9. Method of the public notice;
10. Matters concerning the establishment, amendment, and repeal of the regulations and rules.

(2) The Small and Medium Business Corporation shall, whenever it intends to amend its articles of incorporation, obtain authorization of the Administrator of the Small and Medium Business Administration for its intended amendment to the articles of incorporation.

#### **Article 71 (Operating Committee)**

(1) The Small and Medium Business Corporation shall have an operating committee.

(2) The operating committee shall be comprised of one chairperson and up to 20 committee members.

(3) The President of the Small and Medium Business Corporation shall take the office of the chairperson, and the committee members shall be commissioned by the Administrator of the Small and Medium Business Administration from among public officials of related administrative agencies and the persons



who have abundant knowledge and experience in small and medium enterprises.

(4) Committee members shall be non-standing.

(5) Matters necessary for the administration of the operating committee shall be prescribed by Presidential Decree.

#### **Article 72 (Executives, etc.)**

The Small and Medium Business Corporation shall have the following executives:

1. One president;
2. One vice-president;
3. Up to five directors;
4. One auditor.

#### **Article 73 (Board of Directors)**

(1) The Small and Medium Business Corporation shall have the board of directors to pass resolutions on important matters of the Small and Medium Business Corporation.

(2) The board of directors shall be comprised of the president, vice-president, and directors.

(3) Matters necessary for the operation of the board of directors shall be stipulated by the articles of incorporation.

#### **Article 73-2 (Restrictions on Representation by President of Small and Medium Business Corporation)**

For matters for which interests of the Small and Medium Business Corporation conflict with interests of its president, the president of the Small and Medium Business Corporation shall not represent the Small and Medium Business Corporation, and the auditor shall represent the Small and Medium Business Corporation.

#### **Article 73-3 (Appointment of Proxy)**

The President may appoint a proxy who shall have the authority to conduct any judicial or nonjudicial acts related to the business affairs of the Small and Medium Business Corporation from among executives and employees.

#### **Article 73-4 (Prohibition against Divulging Confidential Information)**

No current or former executive or employee of the Small and Medium Business Corporation shall divulge any confidential information learned while conducting his/her duties to others, or misappropriate the confidential information.

#### **Article 74 (Business Affairs)**

(1) The Small and Medium Business Corporation may perform the following business affairs related to small and medium enterprises or provide support for such business affairs: <Amended by Act No. 12308, Jan. 21, 2014>

1. Support for automation;
2. Support for informatization;
3. Support for technology development and inter-industry exchanges;

4. Support for business conversion;
  5. Support for small and medium enterprises' endeavors to enter into new markets locally and internationally and support for collaborative production;
  6. Support for logistics modernization;
  7. Promotion of cooperative projects, acquisition of land, buildings, facilities, etc., for cooperative projects, development of industrial complexes, or installation, leases, and transfer of common facilities;
  8. Support for collaborative projects;
  9. Site location support;
  10. Support for small and medium business startups;
  11. Support for small and medium enterprises which have relocated to agro-industrial complexes;
  12. Support for reducing environmental pollution;
  13. Diagnosis and consultation of business management and technology, nurturing of professionals therefor, fostering private institutions, organizations, and business entities specializing in consultation on business management and technology, and the introduction and dissemination of technology;
  14. Training for small and medium entrepreneurs, their employees, and consultants on business management and technology for small and medium enterprises, and nurturing of technical experts;
  - 14-2. Support for projects designed to provide incentives in the form of monthly reserve accumulations to core human resources of small and medium enterprises, and other projects regarding support for human resources of small and medium enterprises;
  15. Support for overseas investment and internationalization, including entry into overseas markets and cooperation in industrial technology with foreign countries;
  16. Support for business normalization;
  17. Acquisition of stocks and bonds of small and medium enterprises;
  18. Operation and management of the Fund;
  19. Establishment and operation of exhibition centers and ancillary facilities in Korea and overseas, for supporting the sale of small and medium enterprises' products;
  20. Business affairs entrusted by the Administrator of the Small and Medium Business Administration for promoting small and medium enterprises;
  21. Collecting, disseminating, surveying, and researching information relating to small and medium enterprises;
  22. Leasing facilities necessary for the projects and business affairs set forth in subparagraphs 1 through 12, 15 and 20;
  23. Projects and business affairs incidental to those set forth in subparagraphs 1 through 21.
- (2) In performing the projects and business affairs set forth in paragraph (1), the Small and Medium Business Corporation may cooperate with local governments to provide support to small and medium enterprises.

(3) Matters necessary for cooperating with local governments under paragraph (2) shall be prescribed by Presidential Decree.

**Article 74-2 (Mitigation of or Exemption from Joint-Guaranteed Debt)**

Notwithstanding Articles 250 (2), 567, 625 (3) of the Debtor Rehabilitation and Bankruptcy Act, where the Small and Medium Business Corporation is a creditor (limited to the business performed by granting loans under Article 66 (5) of this Act), joint-guaranteed debt of a small and medium enterprise shall also become mitigated or exempt, if the main debt becomes mitigated or exempt at the time it receives the decision for approval of its rehabilitation plan or the decision for immunity after being declared bankrupt.

**Article 75 (Funding)**

(1) If required for the projects and business affairs under Article 74, the Small and Medium Business Corporation may obtain a loan locally or overseas, subject to approval of the Administrator of the Small and Medium Business Administration.

(2) If deemed necessary for assisting the Small and Medium Business Corporation in performing the projects and business affairs under Article 74, the Government may grant contributions to the Corporation.

**Article 76 (Liability for Expenses)**

The Small and Medium Business Corporation may require those who benefit from the projects and business affairs referred to in the subparagraphs of Article 74 (1) to bear the cost and expenses incurred in relation to such projects and business affairs.

**Article 76-2 (Requests for Provision of Data)**

(1) The Small and Medium Business Corporation may request the State, a local government, the National Pension Service under the National Pension Act, the National Health Insurance Service under the National Health Insurance Act, the Korea Workers' Compensation and Welfare Service under the Industrial Accident Compensation Insurance Act, and other public organizations prescribed by Presidential Decree to provide data necessary to perform the business affairs prescribed in subparagraphs of Article 74 (1).

(2) Any person requested to provide data under paragraph (1) shall comply with such request except in extenuating circumstances.

**Article 77 (Budgeting and Settlement of Accounts)**

(1) The Small and Medium Business Corporation shall formulate the budget for gross revenue and gross expenditure each business year, undergo deliberation by its operating committee and obtain approval from the Administrator of the Small and Medium Business Administration. The foregoing shall also apply to any intended revision thereto.

(2) The Small and Medium Business Corporation shall submit the draft budget prepared to the Administrator of the Small and Medium Business Administration by no later than 20 days before the beginning of the relevant fiscal year to get approval from the Administrator of the Small and Medium Business Administration in accordance with paragraph (1).

(3) The Small and Medium Business Corporation shall prepare a report on the settlement of accounts and submit it to the Administrator of the Small and Medium Business Administration after deliberation by its

operating committee, within two months after the end of each fiscal year.

(4) The Small and Medium Business Corporation shall appropriate profits realized, if any, as a result of the settlement of accounts for each fiscal year for setting off losses brought forward and reserve the balance as prescribed by the Administrator of the Small and Medium Business Administration.

#### **Article 78 (Guidance and Supervision of Business Activities)**

(1) The Administrator of the Small and Medium Business Administration shall guide and supervise over the business activities of the Small and Medium Business Corporation, and may give any directive or order for such activities to the Corporation, if necessary.

(2) Necessary matters concerning the guidance for and supervision over the Small and Medium Business Corporation by the Administrator of the Small and Medium Business Administration shall be prescribed by Presidential Decree.

#### **Article 79 (Reporting and Inspection)**

(1) The Administrator of the Small and Medium Business Administration may, if deemed necessary for enforcing this Act, order any person involved in execution of any project or business affair set forth in Chapters II and IV to submit a report on the relevant project or business affair, or assign public officials under his/her control to have access to the office or business premises in question to inspect account books, documents, and other articles. *<Amended by Act No. 9683, May 21, 2009>*

(2) The public officials assigned to conduct an inspection pursuant to paragraph (1) shall carry an identification showing his/her authority and present it to the relevant persons.

#### **Article 79-2 (Operation of Policy Information System for Small and Medium Enterprises)**

(1) The Administrator of the Small and Medium Business Administration may operate a policy information system for small and medium enterprises which provides information on policies by sector so that small and medium enterprise proprietors may easily use information on support policies for small and medium enterprises. *<Amended by Act No. 8852, Feb. 29, 2008>*

(2) Whenever the relevant central administrative agencies and local governments, and corporations or organizations related to small and medium enterprises have produced or changed information related to paragraph (1), they shall take necessary measures to promptly register or renew such production or changes in the policy information system for small and medium enterprises.

(3) The Administrator of the Small and Medium Business Administration may subsidize, within its budget limit, the whole or part of expenses incurred in operating the policy information system for small and medium enterprises.

#### **Article 79-3 (Operation of Current Information System for Small and Medium Enterprises)**

(1) The Administrator of the Small and Medium Business Administration may operate a current information system for small and medium enterprises which collects and uses information on general status, such as types of business, regions and numbers of employees of individual small and medium enterprises, and information related to support, such as supporting institutions and details of support, and the relevant central administrative agencies, local governments, and corporations or organizations related

to small and medium enterprises shall provide information related thereto.

(2) The Administrator of the Small and Medium Business Administration shall determine necessary matters, including institutions providing information under paragraph (1), information subject to such provision, methods of providing information, and control and use of information offered.

#### **Article 80 (Support through Taxation)**

The Government may provide support through taxation for encouragement of starting small and medium enterprises, expansion of business sphere, structural advancement, etc. for small and medium enterprises, as prescribed by the Acts governing taxation.

#### **Article 81 (Relations to other Acts)**

(1) Approval of an execution plan for an industrial complex development project that a small and medium entrepreneur, etc. has obtained under Article 31 (1) shall be deemed any of the following permission, decision, authorization, license, agreement, consent, approval, release, disposition, etc. (hereinafter referred to as "authorization or permission"), while a public announcement of approval of an execution plan under Article 31 paragraph (4) shall be deemed a public notice or public announcement of authorization or permission under the following relevant Acts: *<Amended by Act No. 8819, Dec. 27, 2007; Act No. 8976, Mar. 21, 2008; Act Nos. 9758 & 9774, Jun. 9, 2009; Act No. 10272, Apr. 15, 2010; Act No. 10331, May 31, 2010; Act No. 12248, Jan. 14, 2014; Act No. 12728, Jun. 3, 2014>*

1. Permission for partitioning a parcel of land and altering the shape and quality thereof under Article 56 of the National Land Planning and Utilization Act, designation of an executor of an urban planning facility project under Article 86 of the same Act, and authorization of an execution plan under Article 88 of the same Act;
2. Authorization for waterworks business under Articles 17 and 49 of the Water Supply and Waterworks Installation Act, and authorization for installation of private-use waterworks under Articles 52 and 54 of the same Act;
3. Permission to execute a public sewerage construction project under Article 16 of the Sewerage Act;
4. Permission to occupy and use public waters under Article 85 of the Public Waters Management and Reclamation Act and approval for or reporting on an implementation plan for occupation and use under Article 17 of the same Act;
5. Permission to execute a harbor construction project under Article 9 (2) of the Harbor Act and approval of an execution plan under Article 10 (2) of the same Act;
6. Permission to execute river works under Article 30 of the River Act, permission to occupy and use a river under Article 33 of the same Act;
7. Permission to execute a road construction project under Article 36 of the Road Act or permission to occupy and use a road under Article 61 of the same Act;
8. Permission for, or consultation for conversion of farmland under Article 34 of the Farmland Act;
9. Permission for, or reporting on conversion of mountainous districts under Articles 14 and 15 of the Mountainous Districts Management Act, the permission for, or reporting on temporary use of

mountainous districts under Article 15-2 of the same Act, and permission for, or reporting on lumbering standing trees, etc. under Articles 36 (1) and (4), and 45 (1) and (2) of the Creation and Management of Forest Resources Act;

10. Permission for lumbering, etc. under Article 14 of the Erosion Control Work Act, and revocation of designation of an erosion control area under Article 20 of the same Act;

11. Permission for conversion of grassland under Article 23 of the Grassland Act;

12. Permission for opening a private road under Article 4 of the Private Road Act;

13. Examination of request for publication of maps, etc. under Article 15 (3) of the Act on the Establishment, Management, etc. of Spatial Data;

14. Non-approval disposition under Article 24 of the Mining Industry Act, and a disposition of reducing a mining area or revoking mining rights under Article 34 of the same Act;

15. Permission for re-burial of a grave in which an unclaimed body is buried under Article 23 of the Act on Funeral Services, etc.;

16. Approval for using an agricultural production infrastructure for any purpose other than the originally intended purposes under Article 23 of the Rearrangement of Agricultural and Fishing Villages Act.

(2) Where a Mayor/Do Governor intends to grant approval of an execution plan that contains the matters set forth in any subparagraph of paragraph (1), he/she shall pre-consult with the head of a relevant administrative agency.

(3) Any area covered by an approved execution plan shall be deemed designated as a promotional zone under Article 23 of the Industrial Cluster Development and Factory Establishment Act.

(4) Authorization that a small and medium entrepreneur, etc. has obtained for completion of an industrial complex development project in accordance with Article 32 shall be deemed a final inspection or completion approval of the project that is granted with the permission, authorization, license, agreement, consent, approval, or release which is deemed approval for the execution plan pursuant to paragraph (1).

(5) A small and medium entrepreneur who has taken a training course for industrial standardization and quality control at a training institution under Article 57 (1) shall be deemed to have completed a training course under Article 28 of the Industrial Standardization Act. *<Amended by Act No. 13084, Jan. 28, 2015>*

**Article 82 Deleted.** *<by Act No. 9683, May 21, 2009>*

**Article 83 (Delegation or Entrustment of Authority)**

(1) The authority granted to the Administrator of the Small and Medium Business Administration pursuant to this Act may be delegated partially to the heads of its subordinate agencies or the Mayor/Do governor, or entrusted to the heads of other administrative agencies, as prescribed by Presidential Decree.

(2) The business affairs over which the Administrator of the Small and Medium Business Administration has control pursuant to Articles 29, 37, 38, and 40 may be entrusted to the Korea Federation of Small and Medium Business or the Small and Medium Business Corporation, as prescribed by Presidential Decree.

*<Amended by Act No. 9683, May 21, 2009>*

(3) The executives and employees of the Korea Federation of Small and Medium Business or the Small and Medium Business Corporation, who carry out the business affairs entrusted by the Administrator of the Small and Medium Business Administration pursuant to paragraph (2), shall be deemed public officials for the purposes of applying Articles 129 through 132 of the Criminal Act.

#### **Article 84 (Penalty Provisions)**

(1) Any of the following persons shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding ten million won: *<Amended by Act No. 8804, Dec. 27, 2007; Act No. 11540, Dec. 11, 2012>*

1. Deleted; *<by Act No. 9683, May 21, 2009>*

2. A consultant who conceals truth or files a false report by intention in violation of Article 51 (2);

3. A person who, in violation of Article 73-4, divulges or steals confidential information which he/she learned in the course of performing his/her duties.

(2) Deleted. *<by Act No. 9683, May 21, 2009>*

#### **Article 85 (Joint Penalty Provisions)**

(1) If the representative of a juristic person, or an agent, employee of, or any other person employed by the juristic person or an individual commits any violations under Article 84 in conducting the business affairs of the juristic person or individual, the juristic person or individual shall, in addition to punishing the violator accordingly, be subject to a fine under the relevant provisions: Provided, That this shall not apply where such juristic person or individual has not neglected to exercise reasonable care and supervision with respect to the relevant business affairs in order to prevent such violations. *<Amended by Act No. 9160, Dec. 19, 2008>*

(2) Deleted. *<by Act No. 9160, Dec. 19, 2008>*

#### **Article 86 (Administrative Fines)**

(1) A person falling under any of the following subparagraphs shall be subject to an administrative fine not exceeding three million won: *<Amended by Act No. 9160, Dec. 19, 2008>*

1. A person who represents himself/herself as a consultant under Article 46 (1) or has used any title similar thereto in violation of Article 50 (4);

2. A person who has carried out the affairs pertaining to the certification in violation of Article 52;

3. A person who has used the name the Small and Medium Business Corporation or a name similar thereto in violation of Article 68 (5);

4. A person who has failed to make a report under Article 79 or made a false report, or refused, obstructed, or evaded an inspection.

(2) The administrative fines under paragraph (1) shall be imposed and collected by the Administrator of the Small and Medium Business Administration, as prescribed by Presidential Decree.

(3) through (5) Deleted. *<by Act No. 9160, Dec. 19, 2008>*

## ADDENDA

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

This Act shall enter into force on the date of its promulgation: Provided, That the amended provisions of subparagraph 8 (f) of Article 2, subparagraph 9 of Article 2, Articles 3 (1), 17 (4), and 18 (2), 19 through 23, 26, 29 (2), and 30, 31 (3) and (4), and 33 (3), Chapter IV Section 2 (Articles 37 through 40), Articles 44, 45, 46, 48, 49, 50 (2), 52, 57, 61, 67, 74 (1), 81 (1) (excluding subparagraph 3), 82, 83 (2), and 84 of this Act and Article 9 (5) of the Addenda shall enter into force on April 27, 2007, and the amended provisions of Article 9 (7) of the Addenda shall enter into force on July 1, 2007, while the amended provisions of Article 81 (1) 3 shall enter into force on September 28, 2007.

### **Article 2 (Transitional Measures concerning Enforcement Date)**

Until before the amended provisions of Articles 3 (1), 17 (4), 18 (2), 19, 22, 23, 26, 29 (2), 31 (4), 33 (3), 45, 46, 50 (2), 52, 57, 61, 67, 74 (1), 81 (1), 82, 83 (2), and 84 enter into force pursuant to the proviso to Article 1 of the Addenda, the former corresponding provisions of Articles 3 (1), 11-2 through 11-4, 14 (4), 14-2 (2), 16, 19 (2), 20 (3), 22 (3), 30, 31, 32 (2), 32-3, 36, 39-2, 46, 52 (1), 59 (1), 59-2, 60 (2), and 61 shall remain enforceable.

### **Article 3 (Period of Validity)**

The amended provisions of Article 8 shall be effective until December 31, 2010.

### **Article 4 (General Transitional Measures concerning Dispositions, etc.)**

The act done by or against an administrative agency at the time when this Act enters into force pursuant to the former provisions shall be deemed an act done by or against an administrative agency pursuant to the corresponding provisions of this Act.

### **Article 5 (Transitional Measures concerning Qualification Requirements for Consultants)**

Any person who was qualified as a consultant pursuant to the former provisions of Article 31 (1) as at June 23, 2004, which corresponds to the enforcement date of the Amendment to the Promotion of Small and Medium Enterprises and Encouragement of Purchase of Their Products Act (Act No. 7208), shall be deemed to have been qualified as a consultant pursuant to this Act.

### **Article 6 (Transitional Measures concerning Effective Period of Quality Certificate)**

The quality certification that any person obtains from the Administrator of the Small and Medium Business Administration pursuant to the former provisions of Article 11-2 before April 27, 2007, which corresponds to the enforcement date of the Partial Amendment to the Promotion of Small and Medium Enterprises and Encouragement of Purchase of Their Products Act (Act No. 8287), shall be deemed to be effective until the end of the effective period of the quality certificate.

### **Article 7 (Transitional Measures concerning Consultant Qualification Examination)**

The persons who has completed the training course under the former provisions before April 27, 2007, which corresponds to the enforcement date of the Partial Amendment to the Promotion of Small and Medium Enterprises and Encouragement of Purchase of Their Products Act (Act No. 8287), shall be exempted from the first primary tests conducted after the said Act enters into force, and also from the



primary tests conducted as part of the next round of assessments.

**Articles 8 (Transitional Measures for Penalty Provisions and Administrative Fine)**

The acts committed before this Act enters into force shall be governed by the former provisions in application of penalty provisions and provisions relevant to the fine for negligence.

**Article 9 Omitted.**

**Article 10 (Relationship to Other Statutes)**

A citation of the former Promotion of Small and Medium Enterprises and Encouragement of Purchase of Their Products Act or any provision thereof by any other statutes at the time when this Act enters into force, shall be deemed a citation of this Act or a corresponding provision hereof in lieu of the former provisions, if such corresponding provision exists herein.

ADDENDA <Act No. 8338, Apr. 6, 2007>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 17 Omitted.**

ADDENDA <Act No. 8367, Apr. 11, 2007>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 6 Omitted.**

ADDENDA <Act No. 8486, May 25, 2007>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 10 Omitted.**

ADDENDA <Act No. 8804, Dec. 27, 2007>

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

(2) Omitted.

(3) (Relations to Other Acts and Subordinate Statutes) In cases where other Acts and subordinate statutes cite the funds for supporting start-up small and medium enterprises, the funds for structural advancement of small and medium enterprises and the funds for fostering local small and medium enterprises, the funds for promoting small and medium enterprises under this Act shall be deemed to have been cited.

ADDENDA <Act No. 8819, Dec. 27, 2007>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 9 Omitted.**

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

**Article 1 (Enforcement Date)**

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

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 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.**

ADDENDA <Act No. 9160, Dec. 19, 2008>

**Article 1 (Enforcement Date)**

This Act shall enter into force on January 1, 2009.

**Article 2 Omitted.**

ADDENDUM <Act No. 9683, May 21, 2009>

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

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

**Article 1 (Enforcement Date)**

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

**Articles 2 through 23 Omitted.**

ADDENDA <Act No. 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.**

ADDENDUM <Act No. 9888, Dec. 30, 2009>

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

ADDENDA <Act No. 10228, Apr. 5, 2010>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 10250, Apr. 12, 2010>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 9 Omitted.**

ADDENDA <Act No. 10252, Apr. 12, 2010>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 6 Omitted.**

ADDENDA <Act No. 10272, Apr. 15, 2010>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 14 Omitted.**

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

**Article 1 (Enforcement Date)**

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

**Articles 2 through 13 Omitted.**

ADDENDUM <Act No. 11178, Jan. 17, 2012>

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

ADDENDUM <Act No. 11540, Dec. 11, 2012>

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

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

**Article 1 (Enforcement Date)**

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

(2) Omitted.

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 11846, May 28, 2013>

**Article 1 (Enforcement Date)**

This Act shall enter into force on January 1, 2014. (Proviso Omitted.)

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 12248, Jan. 14, 2014>

**Article 1 (Enforcement Date)**

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

**Articles 2 through 25 Omitted.**

ADDENDA <Act No. 12308, Jan. 21, 2014>

**Article 1 (Enforcement Date)**

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

**Article 2 Omitted.**

ADDENDA <Act No. 12309, Jan. 21, 2014>

**Article 1 (Enforcement Date)**

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

**Article 2 (Transitional Measures concerning Incompetents, Etc.)**

Any person under adult guardianship pursuant to the amended provisions of Article 46 (2) 1 shall be deemed to include persons who have been declared and is currently incompetent or quasi-incompetent under Article 2 of the Addenda to the amended Civil Act (Act No. 10429).

ADDENDA <Act No. 12738, Jun. 3, 2014>

**Article 1 (Enforcement Date)**

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

**Articles 2 and 3 Omitted.**

ADDENDA <Act No. 13084, Jan. 28, 2015>

**Article 1 (Enforcement Date)**

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

**Article 2 Omitted.**

ADDENDUM <Act No. 13095, Jan. 28, 2015>

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of subparagraph 1-2 of Article 2, and Articles 62-8 through 62-10 shall enter into force on May 28, 2015, and the amended provisions of Articles 44 (2), 62-7 and 72 on the date of its promulgation.