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** This Decree reflects only the amendments made until June 30, 2014*

ENFORCEMENT DECREE OF THE SOCIAL ENTERPRISE PROMOTION ACT

Presidential Decree No. 20141, Jun. 29, 2007

Amended by Presidential Decree No. 20681, Feb. 29, 2008
Presidential Decree No. 21230, Dec. 31, 2008
Presidential Decree No. 21590, Jun. 30, 2009
Presidential Decree No. 21928, Dec. 30, 2009
Presidential Decree No. 22075, Mar. 15, 2010
Presidential Decree No. 22269, Jul. 12, 2010
Presidential Decree No. 22520, Dec. 9, 2010
Presidential Decree No. 23488, Jan. 6, 2012
Presidential Decree No. 23838, Jun. 5, 2012
Presidential Decree No. 24020, Aug. 3, 2012
Presidential Decree No. 25048, Dec. 30, 2013

Article 1 (Purpose)

The purpose of this Decree is to prescribe matters delegated by the Social Enterprise Promotion Act and those necessary for the enforcement thereof.

Article 2 (Specific Criteria for Vulnerable Group)

The vulnerable group (hereinafter referred to as "vulnerable group") defined in subparagraph 2 of Article 2 of the Social Enterprise Promotion Act (hereinafter referred to as "the Act") refers to those falling under any of the following subparagraphs:

1. People whose average monthly household income is 60/100 of the national average monthly household income or less;
2. The aged specified in subparagraph 1 of Article 2 of the Act on Prohibition of Age Discrimination in Employment and Aged Employment Promotion;
3. The disabled specified in subparagraph 1 of Article 2 of the Act on Employment Promotion and Vocational Rehabilitation for Disabled Persons;
4. Victims of sexual trafficking specified in subparagraph 4 of Article 2 (1) of the Act on the Punishment of Acts of Arranging Sexual Traffic, etc.;
5. Among youths under subparagraph 1 of Article 2 of the Special Act on the Promotion of Youth Employment, or career-break women under subparagraph 1 of Article 2 of

- the Act on the Promotion of Economic Activities of Career-break Women, etc., those who are eligible for subsidy for promoting new hiring pursuant to Article 26 (1) and Table 1 of the Enforcement Decree of the Employment Insurance Act;
6. Residents escaping from North Korea specified in subparagraph 1 of Article 2 of the Act on the Protection and Settlement Support of Residents Escaping from North Korea;
 7. Victims specified in subparagraph 3 of Article 2 of the Act on the Prevention of Domestic Violence and Protection, etc., of Victims Thereof;
 8. People eligible for protection under Article 5 and Article 5-2 of the Single Parent Family Support Act;
 9. Marriage immigrants specified in subparagraph 3 of Article 2 of the Framework Act on the Treatment of Foreigners in Korea;
 10. People eligible for rehabilitation under Article 3 (3) of the Act on Protection and Surveillance, etc.;
 11. People who fall under any of the following items:
 - A. If a victim entitled to compensation for criminal injuries under Article 16 of the Criminal Victim Protection Act gets injured, the victim and his/her spouse, lineal relatives by blood and siblings who share living accommodations with such victim; and
 - B. If a victim entitled to compensation for criminal injuries under Article 16 of the Criminal Victim Protection Act dies, his/her spouse, lineal relatives by blood and siblings who shared living accommodations with such victim
 12. Other people, including those who have been unemployed for one year or longer, who are recognized by the Minister of Employment and Labor as vulnerable group in consideration of employment situations, etc., after deliberation by the Employment Policy Council (hereinafter referred to as "Policy Council") under Article 10 of the Framework Act on Employment Policy.

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 3 (Types of Social Service)

"Services in the areas prescribed by the Presidential Decree" in subparagraph 3 of Article 2 of the Act refers to those falling under any of the following subparagraphs:

1. Child-care services;

2. Art, tourism and sporting services;
 3. Forest conservation and management services;
 4. Nursing and housework assistance services;
 5. Services relating to the preservation and use of cultural properties;
 6. Business facility management services, such as cleaning services, etc;
 7. Employment services under subparagraph 9 of Article 2-2 of the Employment Security Act;
 8. Other services recognized by the Minister of Employment and Labor after deliberation by the Policy Council
- <This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>*

Article 4 Deleted. *<Presidential Decree No. 22520, Dec. 9, 2010>*

Article 5 Deleted. *<Presidential Decree No. 22520, Dec. 9, 2010>*

Article 6 (Matters to Be Contained in Basic Plan for Promotion of Social Enterprises)

“Other matters prescribed by the Presidential Decree” in Article 5 (2) 4 of the Act refers to those described in any of the following subparagraphs:

1. Establishment of the foundation for supporting social enterprises;
2. Nurturing of the managerial workforce of social enterprises and education and training for social enterprise workers;
3. Finances necessary for implementing the basic plan for promotion of social enterprises (hereinafter referred to as "basic plan") as prescribed in Article 5 of the Act; and
4. Other major policy measures relating to social enterprises

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 7 (Establishment and Implementation of Basic Plan, etc.)

(1) The Minister of Employment and Labor may request the head of a relevant central administrative agency or the head of a local government to cooperate, such as providing related information or materials, etc., if necessary for the establishment and implementation of the basic plan and of an annual implementation plan set up according to the basic plan under Article 5 (4) of the Act.

(2) The head of a relevant central administrative agency or the head of a local government who is requested to cooperate under paragraph (1) shall do so.

*<This Article Wholly Amended by Presidential Decree No. 22520,
Dec. 9, 2010>*

**Article 7-2 (Establishment, etc. of Social Enterprise Support Plan by
City and Province)**

(1) The special metropolitan city mayor, a metropolitan city mayor, a provincial governor or the governor of a special self-governing province (hereinafter referred to as "mayor/provincial governor") shall establish a social enterprise support plan for his/her city or province (hereinafter referred to as "support plan") under Article 5-2 (1) of the Act every five years: Provided that he/she may not establish the support plan if the basic plan for local employment policies specified in Article 9 of the Framework Act on Employment Policy contains the matters described in each subparagraph of paragraph (2).

(2) The support plan shall include the following matters:

1. Basic direction and strategies for social enterprise support;
2. Social services provided through social enterprises and job creation targets;
3. Discovery and fostering of social enterprises;
4. Creation of conditions for promoting social enterprises, such as support for facility expenses, etc., under Article 11 of the Act, preferential purchase under Article 12 of the Act and tax reduction or exemption and support for social insurance premiums under Article 13 of the Act, etc.;
5. Financing plan, such as budget, etc; and
6. Other matters needed to foster and support social enterprises

(3) A mayor/provincial governor shall prepare a report on the implementation results of the previous year and a support plan for the year concerned (hereinafter referred to as "annual support plan") every year.

(4) A mayor/provincial governor shall submit the support plan and the annual support plan to the Minister of Employment and Labor by the respective dates specified in the following subparagraphs after deliberation by the local employment council under Article 10 (1) of the Framework Act on Employment Policy:

1. Support plan: January 15 of every fifth year since 2011; and
2. Annual support plan: January 15 of every year since 2012

(5) Having received the support plan and the annual support plan pursuant to paragraph (4), the Minister of Employment and Labor shall report them to the Policy Council.

*<This Article Newly Inserted by Presidential Decree No. 22520,
Dec. 9, 2010>*

Article 8 (Organizational Form of Social Enterprise)

"The form of an organization prescribed by the Presidential Decree, such as a corporation established under any Special Act or a non-profit private organization, etc." in Article 8 (1) 1 of the Act refers to an organizational form falling under any of the following subparagraphs: *<Amended by Presidential Decree No. 23838, Jun. 5, 2012 and Presidential Decree No. 24020, Aug. 3, 2012>*

1. A public-service corporation under Article 2 of the Act on the Establishment and Operation of Public-Service Corporations
2. A non-profit private organization under Article 2 of the Support for Non-Profit Private Organizations Act;
3. A social welfare foundation under subparagraph 3 of Article 2 of the Social Welfare Services Act;
4. A consumer cooperative under Article 2 of the Consumer Cooperative Act;
5. A cooperative under subparagraph 1 of Article 2 of the Framework Act on Cooperatives, an association of cooperatives under subparagraph 2 of the same Article, a social cooperative under subparagraph 3 of the same Article and an association of social cooperatives under subparagraph 4 of the same Article; and
6. Corporations or non-profit organizations under other Acts
<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 9 (Criteria for Judging Whether to Realize Social Objective)

(1) The criteria for judging whether the main purpose of an organization is to realize a social objective under the latter part of Article 8 (1) 3 of the Act are described in the following subparagraphs: *<Amended by Presidential Decree No. 25048, Dec. 30, 2013>*

1. Where the main purpose of an organization is to provide social services to the vulnerable group: the proportion of vulnerable group among those who receive social services from the organization concerned shall be 50/100 (30/100 until December 31, 2016) or more;
2. Where the main purpose of an organization is to provide jobs to the vulnerable group: the proportion of vulnerable group employed among the total workers of the organization concerned shall be 50/100 (30/100 until December 31, 2016) or more; or

3. Where the main purpose of an organization is to contribute to its local community in accordance with the following classification:
 - A. Where the main purpose is to increase local residents' incomes and jobs using the human and physical resources of the local area (referring to a local area in which the contribution of social enterprises to the local community is deemed necessary by the Minister of Employment and Labor after deliberation by the Policy Council; hereinafter the same shall apply in this subparagraph): the proportion of vulnerable group residing in the local area where the organization is located (hereinafter referred to as "local vulnerable group") and employed among the total workers of the organization or the proportion of local vulnerable group among those who receive social services from the organization shall be 20/100 or more;
 - B. Where the main purpose is to solve social problems, such as poverty, marginalization and crime in the local area: the revenue or expenditure related to the main purpose of the organization shall account for 40/100 or more of the total revenue or expenditure of the organization; and
 - C. Where the main purpose is to provide consulting, marketing services, funding, etc., to organizations which give priority to pursuing social aims, such as providing social services or jobs in the local community or raising local residents' quality of life: the revenue or expenditure related to the main purpose of the organization shall account for 40/100 or more of the total revenue or expenditure of the organization.
4. Where the main purpose of an organization is to provide jobs and social services to the vulnerable group: the proportion of vulnerable group employed among the total workers of the organization concerned and the proportion of vulnerable group among those who receive social services from the organization concerned shall each be 30/100 (20/100 until December 31, 2016) or more.
 - (2) Notwithstanding paragraph (1), if it is difficult to judge whether to realize a social objective on the basis of the conditions specified in each subparagraph of paragraph (1), the Minister of Employment and Labor shall make that judgment after deliberation by the Policy Council.

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 10 (Standard for Revenue from Business Activities)

“Revenue from business activities shall meet or exceed the standard prescribed by the Presidential Decree” in Article 8 (1) 5 of the Act refers to the case where the total revenue generated from business activities of the organization concerned during the six months immediately preceding the month in which it applies for social enterprise certification in accordance with Article 8 (3) of the Act is 50/100 or more of the total labor costs (referring to the costs for workforce assigned to service and production) spent by the organization during the same period. <Amended by Presidential Decree No. 25048, Dec. 30, 2013>

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 11 (Matters to Be Included in Articles of Incorporation, etc.)

“Other matters prescribed by the Presidential Decree” in subparagraph 10 of Article 9 of the Act refers to those specified in any of the following subparagraphs:

1. Branches of the social enterprise;
2. Financing of the social enterprise; and
3. Accounting of the social enterprise.

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 12 (Entrustment of Management Support Business)

(1) “A government-funded institution or a private organization prescribed by the Presidential Decree” in Article 10 (2) of the Act refers to an institution or organization falling under any of the following subparagraphs: <Amended by Presidential Decree No. 23838, Jun. 5, 2012>

1. An institution designated as a public institution pursuant to Article 4 of Act on the Management of Public Institutions (limited to government-funded institutions); and
2. A private organization falling under any of the following items:
 - A. A management consulting company with three full-time consultants or more;
 - B. A corporation with personnel and technical capability to provide professional consulting services, etc. in the fields of technology, tax, labor affairs and accounting;
 - C. Deleted. <Presidential Decree No. 23838, Jun. 5, 2012>
 - D. A private organization which has ever supported for one year or more a social enterprise, or a corporation or an organization participating in job-creation projects in the

social service sector under Article 28 (1) of the Framework Act on Employment Policy; and

3. An annexed research institute of a university or college under subparagraph 1 of Article 2 of the Higher Education Act (limited to government-funded research institutes and annexed research institutes of private universities or colleges)

(2) If the Minister of Employment and Labor entrusts the support business to an institution or organization specified in paragraph (1) pursuant to Article 10 (2) of the Act, he/she may provide the institution and organization entrusted with such business with all or part of the expenses required for the execution of the entrusted business within the limits of the budget.

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 12-2 (Notification of Purchase Plans and Purchase Records)

(1) Pursuant to Article 12 (2) of the Act, the head of a public institution under subparagraph 2 of Article 2 of the Act on Facilitation of Purchase of Small and Medium Enterprise-Manufactured Products and Support for Development of Their Markets shall notify the Minister of Employment and Labor of an annual plan to purchase goods or services produced by social enterprises (hereinafter in this Article referred to as "social enterprise products"), purchase records of the previous year, the ratio of the amount of purchase of social enterprise products to its total purchase amount, etc., by the end of February of each year.

(2) The Minister of Employment and Labor shall integrate purchase plans and purchase records of the previous year by public institution under paragraph (1) and announce them on the internet homepage by April 30th.

<This Article Newly Inserted by Presidential Decree No. 23838, Jun. 5, 2012>

Article 12-3 (Standards for Substantial Identity)

"Enterprise deemed to be substantially identical" in the former part of Article 18 (2) of the Act refers to any of the following enterprises:

1. An enterprise whose representative or manager is the same as that of an enterprise whose certification is cancelled;
2. An enterprise that takes over the main business right or assets of an enterprise whose certification is cancelled;
3. An enterprise established as a result of the merger or

split-up in cases where an enterprise whose certification is cancelled has merged with another enterprise or split up; and

4. Other enterprises which the Minister of Employment and Labor deems virtually identical to an enterprise whose certification is cancelled, taking into comprehensive consideration business objectives, business contents, members, such as executives and employees, decision-making structure, etc.

<This Article Newly Inserted by Presidential Decree No. 23838, Jun. 5, 2012>

Article 12-4 (Articles of Incorporation)

(1) The articles of incorporation of the Korea Social Enterprise Promotion Agency under Article 20 (1) of the Act (hereinafter referred to as "the Promotion Agency") shall contain the following matters:

1. Objectives and name;
2. Main office and branch offices;
3. Executives;
4. Board of directors;
5. Business affairs;
6. Budget and settlement of accounts;
7. Property and accounting;
8. Amendment of the articles of incorporation;
9. Establishment, amendment and abolition of internal regulations;
10. Dissolution; and
11. Matters concerning public notification.

(2) Any amendment to the Promotion Agency's articles of incorporation shall be invalid unless it is authorized by the Minister of Employment and Labor.

<This Article Newly Inserted by Presidential Decree No. 22520, Dec. 9, 2010>

Article 12-5 (Executives)

(1) The Promotion Agency shall have as its executives no more than 15 directors, including the president of the Promotion Agency (hereinafter referred to as "the president"), and one auditor.

(2) The president shall represent the Promotion Agency and have overall control of its business affairs.

(3) The president shall be appointed and dismissed by the Minister of Employment and Labor in accordance with the procedures prescribed by the articles of incorporation.

(4) Each of the following people shall become an ex-officio director among the directors specified in paragraph (1):

1. One public official appointed by the Minister of Employment and Labor from among public officials who are in charge of promoting social enterprises at the Ministry of Employment and Labor and members of the Senior Civil Service; and

2. One public official appointed by the Minister of Strategy and Finance from among public officials who are in charge of the Promotion Agency's budget at the Ministry of Strategy and Finance and members of the Senior Civil Service.

(5) All directors other than ex-officio directors, and the auditor shall be appointed and dismissed by the Minister of Employment and Labor in accordance with the procedures prescribed by the articles of incorporation.

(6) No non-standing director shall be paid remuneration: Provided that a non-standing director who is not an ex-officio director may be paid the actual expenses incurred in performing his/her duties.

(7) The term of office of the president and a director shall be three years and the term of office of the auditor shall be two years: Provided that the term of office of an ex-officio director shall correspond to his/her tenure.

<This Article Newly Inserted by Presidential Decree No. 22520, Dec. 9, 2010>

Article 12-6 (Board of Directors)

(1) The Promotion Agency shall have the board of directors to deliberate and decide on the following matters:

1. Amendment of the articles of incorporation;
2. Organization of the Promotion Agency;
3. Appointment and removal of the president;
4. Establishment, amendment and abolition of important internal regulations;
5. Business plan and budget and settlement of accounts;
6. Acquisition and disposal of major property; and
7. Other important matters concerning the operation of the Promotion Agency.

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

(3) The president shall convene board of directors' meetings and chair such meetings.

(4) The auditor may attend a board of directors' meeting to make a statement.

(5) Matters necessary for the operation, etc., of the board of directors shall be prescribed by the articles of incorporation.

<This Article Newly Inserted by Presidential Decree No. 22520,

Dec. 9, 2010>

Article 12-7 (Accounting)

The Promotion Agency's fiscal year shall coincide with the government's fiscal year.

<This Article Newly Inserted by Presidential Decree No. 22520, Dec. 9, 2010>

Article 12-8 (Business Cooperation)

The president may request a relevant organization to submit materials if necessary for carrying out business concerning the fostering and promotion of social enterprises.

<This Article Newly Inserted by Presidential Decree No. 22520, Dec. 9, 2010>

Article 12-9 (Registration of Incorporation)

(1) The Promotion Agency is duly formed when it completes the registration of incorporation in the area where its main office is located.

(2) Matters to be registered by the Promotion Agency pursuant to paragraph (1) are as follows:

1. Objectives and name;
2. Locations of the main office and branch offices; and
3. Names and addresses of the executives.

<This Article Newly Inserted by Presidential Decree No. 22520, Dec. 9, 2010>

Article 13 (Delegation of Authority)

The Minister of Employment and Labor shall delegate authority concerning the matters specified in the following subparagraphs to the heads of local employment and labor offices pursuant to Article 21 of the Act:

1. Financial support for social enterprises providing social services under Article 14 of the Act;
2. Receipt of a business report, issuance of an order to submit a report necessary for business or a related document, and issuance of a corrective order under Article 17 of the Act;
3. Cancellation of certification and hearings under Article 18 of the Act; and
4. Imposition and collection of fines for negligence under Article 23 of the Act.

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Article 13-2 (Management of Unique Identifying Information)

The Minister of Employment and Labor (including persons to whom the duties of the Minister of Employment and Labor are entrusted pursuant to Article 21 (2) of the Act) may manage data containing resident registration numbers or foreigner registration numbers under subparagraph 1 or 4 of Article 19 of the Enforcement Decree of the Personal Information Protection Act if it is inevitable in order to perform duties concerning certification of social enterprises under Article 7 (1) of the Act.

<This Article Newly Inserted by Presidential Decree No. 23488, Jan. 1, 2012>

Article 14 (Imposition of Fine for Negligence)

Criteria for the imposition of fines for negligence under Article 23 (3) of the Act are provided in the attached Table.

<This Article Wholly Amended by Presidential Decree No. 22520, Dec. 9, 2010>

Addenda *<Presidential Decree No. 20141, Jun. 29, 2007>*

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2007.

Article 2 (Special Cases concerning Application of Specific Criteria for Judgment on Realization of Social Purpose)

With respect to the case falling under any of the following subparagraphs, notwithstanding subparagraphs of Article 9 (1), it shall be regarded as the realization of a social purpose not later than December 31, 2008:

1. Where the main purpose of the organization concerned is to provide jobs to the vulnerable group, the employment proportion of vulnerable group among the total workers shall be 30/100 or more;
2. Where the main purpose of the organization concerned is to provide social services to the vulnerable group, the proportion of vulnerable group receiving social services among the total service recipients shall be 30/100 or more; or
3. Where the main purpose of the organization concerned is to provide jobs and social services to the vulnerable group, the employment proportion of vulnerable group among the total workers and the proportion of the disadvantaged who receive social service among the total service recipients shall be 20/100 or more respectively.

Addenda <Presidential Decree No. 20681, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of promulgation.
<proviso omitted>

Articles 2 through 4 Omitted.

Articles 5 (Revision of Other Decrees)

(1) through (12) Omitted.

(13) Parts of the Enforcement Decree of the Social Enterprise Promotion Act shall be revised as follows:

Paragraph 1 through 6 of Article 5 shall be as follows, and paragraph 7 shall be deleted.

1. Ministry of Strategy and Finance;
 2. Ministry of Education, Science and Technology;
 3. Ministry of Culture, Sports and Tourism;
 4. Ministry of Health, Welfare and Family;
 5. Ministry of Employment and Labor;
 6. Ministry of Gender Equality and Family; or
- (14) through (20) Omitted.

Addenda <Presidential Decree No. 21230, Dec. 31, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on March 22, 2009.

Article 2 (Revision of Other Decrees)

(1) and (2) Omitted.

(3) Parts of the Enforcement Decree of the Social Enterprise Promotion Act shall be revised as follows:

"the Employment Promotion for the Aged Act" in subparagraph 2 of Article 2 shall be changed to "Act on Prohibition of Age Discrimination in Employment and Aged Employment Promotion".

(4) through (6) Omitted.

Article 3 Omitted.

Addenda <Presidential Decree No. 21590, Jun. 30, 2009>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2009. However, the revised provisions of Article 8 and 9 shall enter into force

on January 1, 2010.

Article 2 (Validity Period Concerning Revision of the Enforcement Decree of the Farmland Act)

(1) The revised provision of subparagraph 46 in Table 2 of the Enforcement Decree of the Farmland Act shall remain valid until June 30, 2011.

(2) The revised provision of subparagraph 46 in Table 2 of the Enforcement Decree of the Farmland Act shall apply to cases where permission for farmland conversion (including permission for changes and authorization or permission, etc., deemed permission for farmland conversion or permission for changes therein under any other Act; hereinafter the same shall apply in this paragraph) is applied for or a report on farmland conversion (including reports on changes; hereinafter the same shall apply in this paragraph) is made after this Decree enters into force, and this provision shall apply to cases where permission for farmland conversion is applied for or a report on farmland conversion is made before June 30, 2011.

Article 3 (Application Examples Concerning Revision of the Enforcement Decree of the Tourism Promotion Act)

The revised provision of subparagraph 1 of Article 32 of the Enforcement Decree of the Tourism Promotion Act shall apply to persons who obtain approval for their business plans or apply for such approval under Article 15 of the Act before this Decree enters into force.

Article 4 (Application Example, etc. Concerning Revision of the Enforcement Decree of the Act on Industrial Site and Development)

(1) The revised provisions of Article 40 (2) of the Enforcement Decree of the Act on Industrial Site and Development shall apply to persons who prepare a sales plan after this Decree enters into force.

(2) Matters relegated to bylaws pursuant to the revised provision of Article 40 (2) of the Enforcement Decree of the Act on Industrial Site and Development shall be governed by the previous provision until the relevant bylaws are enacted or revised.

Article 5 (Transitional Measures Concerning Revision of the Enforcement Decree of the Employment Insurance Act)

The revised provision of subparagraph 2 of Article 13 (1) of the Enforcement Decree of the Employment Insurance Act shall apply to workplaces which reduce their working hours pursuant to

Article 13 (1) of the Enforcement Decree of the Employment Insurance Act after this Decree enters into force.

Article 6 (Transitional Measures Concerning Revision of the Enforcement Decree of the Act on Management and Nurturing of Real Estate Development)

The application of fines for negligence to any act committed before this Decree enters into force shall be governed by the previous provisions.

Article 7 (Transitional Measures Concerning Revision of the Enforcement Decree of the New Harbor Construction Promotion Act)

Persons who have obtained an extension of the application period for approval of a new harbor construction plan pursuant to the previous provisions and are still in that extended period at the time when this Decree enters into force shall be subject to the amended provision in the latter part of Article 9 (5) of the Enforcement Decree of the New Harbor Construction Promotion Act, and shall be deemed to have obtained such extension once pursuant to the same amended provision.

Article 8 (Transitional Measures Concerning Revision of the Enforcement Decree of the Act on Conservation of Resources and Promotion of Recycling)

The application of fines for negligence to any act committed before this Decree enters into force shall be governed by the previous provisions.

Article 9 (Transitional Measures Concerning Revision of the Enforcement Decree of the Sewage Act)

(1) The first re-education prescribed in the amended provision of Article 38 (2) 2 A of the Enforcement Decree of the Sewage Act shall be provided in the fifth year after the date of completion of the most recent re-education conducted before this Decree enters into force.

(2) The amended provision of Article 38 (2) 2 B of the Enforcement Decree of the Sewage Act shall apply to cases where the relevant suspension of business is imposed after this Decree enters into force.

Addenda <Presidential Decree No. 21928, Dec. 30, 2009>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2010.

Article 2 Omitted.

Article 3 (Revision of Other Decrees)

(1) through (6) Omitted.

(7) Parts of the Enforcement Decree of the Social Enterprise Promotion Act shall be revised as follows:

“Article 18-3 of the Framework Act on Employment Policy” in item D of subparagraph 2 of Article 12 (1) shall be changed to “Article 28 (1) of the Framework Act on Employment Policy”, and “non-profit corporation or non-profit organization” shall be changed to “corporation or organization”.

(8) through (11) omitted.

Article 4 Omitted.

Addenda *<Presidential Decree No. 22075, Mar. 15, 2010>*

Article 1 (Enforcement Date)

This Decree shall enter into force on March 19, 2010.
<proviso omitted>

Article 2 (Revision of Other Decrees)

(1) through (82) Omitted.

(83) Parts of the Enforcement Decree of the Social Enterprise Promotion Act shall be revised as follows:

Subparagraphs 4 and 6 of Article 5 shall be changed as follows:

4. Ministry of Health and Welfare

6. Ministry of Gender Equality and Family

(84) through (187) Omitted.

Addenda *<Presidential Decree No. 22269, Jul. 12, 2010>*

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. <proviso omitted>

Article 2 (Revision of Other Decrees)

(1) through (72) Omitted.

(73) Parts of the Enforcement Decree of the Social Enterprise Promotion Act shall be revised as follows:

"Minister of Labor" in subparagraph 5 of Article 2, subparagraph 5 of Article 3, Article 7 (1), Article 9 (2), Article

12 (2), parts other than each subparagraph of Article 13 and Article 14 (1), (2) and (3) shall be changed to "Minister of Employment and Labor".

Subparagraph 5 of Article 5 shall be changed as follows:

5. Ministry of Employment and Labor

"Ordinance of the Ministry of Labor" in Article 14 (4) shall be changed to "Ordinance of the Ministry of Employment and Labor".

(74) through (136) Omitted.

Addenda *<Presidential Decree No. 22520, Dec. 9, 2010>*

Article 1 (Enforcement Date)

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

Article 2 (Special Cases concerning Submission of Support Plan)

Notwithstanding the amended provision of Article 7-2 (4) 1, the deadline for the submission of the support plan shall be March 15, 2011 during the year 2011.

Article 3 (Transitional Measures concerning Fine for Negligence)

The application of the criteria for the imposition of fines for negligence to any violation committed before this Decree comes into effect shall be subject to the previous provisions notwithstanding the amended provisions in the attached Table.

Addenda *<Presidential Decree No. 23488, Jan. 6, 2012; Revision of the Enforcement Decree of the Act on the Submission and Management of Taxation Data to Provide a Basis for the Management of Sensitive Information and Unique Identifying Information>*

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. *<proviso omitted>*

Article 2 Omitted.

Addendum *<Presidential Decree No. 23838, Jun. 5, 2012>*

This Decree shall enter into force on August 2, 2012: Provided that the amended provisions of subparagraph 5 of Article 8 shall enter into force on December 1, 2012.

Addenda *<Presidential Decree No. 24020, Aug. 3, 2012; Revision of the Enforcement Decree of the Social Welfare Services Act>*

Article 1 (Enforcement Date)

This Decree shall enter into force on August 5, 2012.
<proviso omitted>

Article 2 Omitted.

Article 3 (Revision of Other Decrees)

(1) through (3) Omitted.

(4) Parts of the Enforcement Decree of the Social Enterprise Promotion Act shall be revised as follows:

"Subparagraph 2 of Article 2 of the Social Welfare Services Act" in subparagraph 3 of Article 8 shall be changed to "subparagraph 3 of Article 2 of the Social Welfare Services Act".

(5) through (12) Omitted.

Addenda *<Presidential Decree No. 25048, Dec. 30, 2013>*

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation: Provided that the amended provisions of Article 10 shall enter into force on July 1, 2014.

Article 2 (Applicability, etc., concerning Standard for Revenue from Business Activities)

(1) The amended provisions of Article 10 shall apply to those who are certified as social enterprises after the enforcement date prescribed in the proviso to Article 1 of the Addenda.

(2) Those who were certified as social enterprises before the enforcement date prescribed in the proviso to Article 1 of the Addenda and fall short of the standard under the amended provisions of Article 10 shall satisfy the amended provisions of the same Article no later than December 31, 2015.

[Table] *<Amended on Dec. 9, 2010>*

Criteria for Imposition of Fine for Negligence

(relating to Article 14 of the Decree)

1. General criteria

- A. The period for which a failure to comply with the obligation is deemed to be due to a natural disaster or any other unavoidable reason shall not be included in calculating the non-compliance or delay period specified in items A through D of subparagraph 2.
- B. In any of the following cases, the amount of fine for negligence under subparagraph 2 (excluding items E and F) may be reduced by up to half thereof: Provided that if there is more than one reason for such reduction, only one reason shall be acknowledged.
 - 1) Where the offender falls under any subparagraph of Article 2-2 (1) of the Enforcement Decree of the Act on the Regulation of Violations of Public Order;
 - 2) Where the offender has committed the offense for the first time and is deemed to have run his/her business in an exemplary way;
 - 3) Where it is obvious that the offense was committed by mistake; or
 - 4) Where the offender has redressed or resolved the consequences of his/her offense.

2. Specific criteria

Offense	Legal provision	Amount of fine for negligence
A. Where a person fails to comply with the obligation to report changes to articles of incorporation under Article 9 (2) of the Act	Article 23 (2) 1 of the Act	
1) Where the period of non-compliance with the obligation is less than one month		400,000 won
2) Where the period of non-compliance with the obligation is one month or more but less than three months		900,000 won
3) Where the period of non-compliance with the obligation is three months or more, or no report is		1.7 million won

made		
B. Where a person neglects to fulfill the obligation to prepare and submit a business report or prepares such report in a false or other fraudulent ways under Article 17 (1) of the Act	Article 23 (2) 2 of the Act	
1) Where the period of delay in fulfilling the obligation is less than one month		400,000 won
2) Where the period of delay in fulfilling the obligation is one month or more but less than three months.		900,000 won
3) Where the period of delay in fulfilling the obligation is three months or more, or no report is made		1.7 million won
4) Where the business report is prepared in a false or other fraudulent ways		2 million won
C. Where a person fails to make a report or makes a false report or fails to submit documents or submits false documents in violation of Article 17 (2) of the Act	Article 23 (2) 3 of the Act	
1) Where the period of non-compliance with an order to make a report or submit documents is less than one month		400,000 won
2) Where the period of non-compliance with an order to make a report or submit documents is one month or more but less than three months		900,00 won
3) Where the period of non-compliance		1.7 million

with an order to make a report or submit documents is three months or more, or no report is made		won
4) Where a false report is made or false documents are submitted		2 million won
D. Where a person fails to comply with a correction order issued under Article 17 (4) of the Act	Article 23 (1) 1 of the Act	
1) Where the period of non-compliance with a correction order is less than one month		1 million won
2) Where the period of non-compliance with a correction order is one month or more but less than three months		2 million won
3) Where the period of non-compliance with a correction order is three month or more, or no report is made		4 million won
E. Where a person uses the name "social enterprise" or other similar names in violation of Article 19 of the Act	Article 23 (1) 2 of the Act	5 million won
F. Where a person uses the name "Korea Social Enterprise Promotion Agency" or other similar names in violation of Article 20 (12) of the Act	Article 23 (2) 4 of the Act	3 million won