

WATER SUPPLY AND WATERWORKS INSTALLATION ACT

Wholly Amended by Act No. 8370, Apr. 11, 2007
(Act No. 8338, Apr. 6, 2007)
Amended by Act No. 8466, May 17, 2007
Act No. 8805, Dec. 27, 2007
Act No. 8819, Dec. 27, 2007
Act No. 8820, Dec. 27, 2007
Act No. 8852, Feb. 29, 2008
Act No. 8976, Mar. 21, 2008

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to improve the public sanitation and thereby contribute to the improvement of living environment by means of the development of a comprehensive plan for water supply and waterworks installation and, at the same time, the appropriate and reasonable installation and management of waterworks.

Article 2 (Responsibilities)

(1) In order to provide the whole nation with high-quality water, the State shall develop a comprehensive plan for water supply and waterworks installation, work out reasonable measures thereof, and endeavor to supply financial and technical support to waterworks business operators.

(2) The Special Metropolitan City Mayor, the Metropolitan City Mayor and the *Do* governor (hereinafter referred to as the "Mayor/*Do* governor"), and the head of *Si/Gun/Gu* (referring to the head of autonomous *Gu*; hereinafter the same shall apply) shall strive to manage water sources in order to supply residents in their jurisdictional areas with the water of good quality.

(3) The Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall work to manage the waterworks in order to supply steadily residents in their jurisdictional areas with tap water and the *Do* governor shall technically and financially support waterworks business operators under his/her jurisdictional areas.

(4) Any waterworks business operator shall set the waterworks in working order systematically, manage waterworks business rationally and make efforts to supply tap-water safely and appropriately.

(5) All the people of the nation shall cooperate with the measures concerning the water supply and waterworks installation initiated and executed by the State, and try to use tap-water with reason.

Article 3 (Definitions)

The definitions of the terms used in this Act shall be as follows: *<Amended by Act No. 8852, Feb. 29, 2008>*

1. The term "raw water" refers to the natural water provided for drinking or industrial use: *Provided*, That the water for agricultural and fishing villages use pursuant to subparagraph 3 of Article 2 of the Rearrangement of Agricultural and Fishing Villages

Act shall be excluded:

2. The term “water source” refers to the rivers, lakes, marshes, groundwater, etc. within the area where the water intake facilities are installed so that the water for drinking and industrial use can be supplied;
3. The term “wide-area water source” refers to the water source which supplies the water to two local governments or more;
4. The term “processed water” refers to the water properly treated for drinking and industrial use;
5. The term “waterworks” refers to the whole of facilities with pipelines and other constructions for providing the raw water or processed water, and it is divided into “general waterworks”, “industrial waterworks”, and “exclusive waterworks”: *Provided*, That it shall exclude the waterworks installed for temporary purposes and infrastructure for agricultural production referred to in subparagraph 6 of Article 2 of the Rearrangement of Agricultural and Fishing Villages Act;
6. The term “general waterworks” refers to the wide-area waterworks, local waterworks, and village waterworks;
7. The term “wide-area waterworks” refers to the general waterworks which provide (including the cases of providing the raw or processed water to general customers pursuant to Article 43 (4)) the raw or processed water to not less than two local governments and which is operated by the person authorized to do so by the State, a local government, the Korea Water Resources Corporation, or the Minister of Land, Transport and Maritime Affairs. In such cases, the scope of the widearea waterworks which can be installed by the State or a local government shall be determined by Presidential Decree;
8. The term “local waterworks” refers to the general waterworks, excluding the wide-area waterworks and the village waterworks, which is operated by a local government to provide the raw or processed water to its own residents, its neighboring local governments or their residents;
9. The term “village waterworks” refers to the waterworks installed in a specific local area as prescribed by Presidential Decree, which is operated by the local government to provide the processed water of not less than 20 but less than 500m³ a day to not less than 100 but not more than 2500 persons or any waterworks similar in size to this and which is designated by the head of *Si/Gun/Gu*;
10. The term “industrial waterworks” refers to the waterworks which is operated by the industrial waterworks business operator to provide the raw or processed water properly treated for industrial use;
11. The term “exclusive waterworks” refers to the private-use waterworks and private-use industrial waterworks;
12. The term “private-use waterworks” refers to the waterworks of private use for dormitories, company’s housing quarters, sanatoriums, or other institutions which accommodate 100 persons or more and the waterworks, other than those for waterworks business operators, which provide the raw or processed water to not less than 100 but not more than 5000 persons (including the migratory population of schools and churches, etc.): *Provided*, That the waterworks prescribed by Presidential Decree among those whose water-supply source exclusively consists of the water provided by other waterworks and the scale of whose facilities do not meet the standards as prescribed by Presidential Decree shall be excluded;
13. The term “private-use industrial waterworks” refers to the waterworks, other than those operated by waterworks business operators, which provides the raw or processed

water properly treated for industrial use: *Provided*, That the waterworks prescribed by Presidential Decree among those whose water-supply source exclusively consists of the water provided by other waterworks and the scale of whose facilities do not meet the standards as prescribed by Presidential Decree shall be excluded:

14. The term “small-sized water supply system” refers to any water supply system as designated by the head of *Si/Gun/Gu* which supply water for a population of less than 100 persons or supply water less than 20m³ a day, and which is jointly installed and managed by residents;
15. The term “used-water purification waterworks” refers to the waterworks which treat the used tap-water so that it can be recycled as the water for living and industrial use:
《The amended provision of this subparagraph shall take effect until Sep. 27, 2007 in accordance with Article 3 of the Addenda of Act No. 8370, Apr. 11, 2007》
16. The term “rain-utilization facilities” refers to facilities utilized to store and treat rains into household water, landscape water and industrial water;
17. The term “waterworks facilities” refers to the water intake facilities, the water reservation facilities, the raw-water conveyance facilities, the water purification facilities, the processed-water conveyance facilities, the drainage facilities, the final-stage water supply facilities, and other waterworks for the purpose of providing the natural or processed water;
18. The term “waterworks business” refers to the business the purpose of which is to provide, by means of the waterworks, the natural or processed water to general consumers or other waterworks business operators, and it shall be divided into the general waterworks business and the industrial waterworks business;
19. The term “general waterworks business” refers to the business the purpose of which is to provide, by means of the general waterworks, the natural or processed water to general consumers or other waterworks business operators;
20. The term “industrial waterworks business” refers to the business the purpose of which is to provide, by means of the industrial waterworks, the raw or processed water to general consumers or other waterworks business operators;
21. The term “waterworks business operators” refers to the general waterworks business operators and the industrial waterworks business operators;
22. The term “general waterworks business operator” refers to the person who runs the general waterworks business after having obtained permission under Article 17 (1);
23. The term “industrial waterworks business operator” refers to the person who runs the industrial waterworks business after having obtained permission under Article 49;
24. The term “final-stage water supply facilities” refers to the water-supply pipes (including indoor water-supply pipes), the water meter, the water tank, the tap and other water supply equipment connected to the water supply pipes which the waterworks business operator has installed in order to provide the raw or processed water to general consumers;
25. The term “waterworks construction work” refers to the construction work whose purpose is to newly install, enlarge or increase, or remodel the waterworks;
26. The term “waterworks management right” refers to the right to manage and maintain the waterworks and to impose on and collect from the beneficiaries of the waterworks service the charges for the raw and processed water produced from the waterworks;
27. The term “renovation” refers to the restoration of the water-flow functions of pipes by coating the pipes after removing rusts and impurities from such pipes; and

28. The term “certified operation manager of water-purification facilities” refers to a person who is in charge of the operation and management of water-purification facilities after having acquired a certificate of qualifications provided for in Article 24.

Article 4 (Development of Basic Plan for Waterworks Installation and Management)

(1) In order to, properly and reasonably, install and manage the general waterworks and the industrial waterworks, the Minister of Land, Transport and Maritime Affairs, the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall develop every ten years a comprehensive basic plan for waterworks installation and management (hereinafter referred to as the “basic plan for waterworks installation and management”) according to the following subparagraphs: *<Amended by Act No. 8852, Feb. 29, 2008>*

1. The Minister of Land, Transport and Maritime Affairs shall develop the basic plan for waterworks installation and management for the wide-area waterworks and the industrial waterworks which are installed and managed by the State or the Korea Water Resources Corporation; and
2. The Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall develop a basic plan for waterworks installation and management for the general waterworks and the industrial waterworks which are installed and managed by the relevant Special Metropolitan City, the relevant Metropolitan City and the relevant *Si/Gun*.

(2) Intending to develop the basic plan for waterworks installation and management under the provisions of paragraph (1) 1, the Minister of Land, Transport and Maritime Affairs shall listen to the opinion of the Mayor/ *Do* governor and then consult with the head of the relevant central administrative agency. This provisions shall also apply to the case where an alteration (excluding the cases where insignificant matters prescribed by Presidential Decree are to be altered) is to be made to the basic plan for waterworks installation and management already developed. *<Amended by Act No. 8852, Feb. 29, 2008>*

(3) Intending to develop the basic plan for waterworks installation and management, the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall obtain prior approval for the general waterworks from the Minister of Environment and for the industrial waterworks from the Minister of Land, Transport and Maritime Affairs. Respective approval shall be obtained when alteration to important matters that have been prescribed by Presidential Decree is intended. *<Amended by Act No. 8852, Feb. 29, 2008>*

(4) Intending to develop or modify the basic plan for waterworks installation and management as provided for in paragraphs (1) through (3), the Minister of Land, Transport and Maritime Affairs, the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall do it on the basis of the basic urban plan referred to in Article 18 of the National Land Planning and Utilization Act. *<Amended by Act No. 8852, Feb. 29, 2008>*

(5) Having developed or modified the basic plan for waterworks installation and management as provided for in paragraphs (1) through (3), the Minister of Land, Transport and Maritime Affairs, the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall, without delay, give a public notice of it and notify the Minister of Environment of the details thereof. *<Amended by Act No. 8852, Feb. 29, 2008>*

(6) In cases where any waterworks extends over two or more Special Metropolitan Cities, Metropolitan Cities and *Sis/Guns* (excluding *Gun* in the Metropolitan City) or in cases

where there are some special reasons, the *Do* governor, the Special Metropolitan City Mayor, the Metropolitan City Mayor or the head of *Si/Gun* (excluding *Gun* in the Metropolitan City) who is designated by Presidential Decree, shall develop the basic plan for waterworks installation and management.

(7) The basic plan for waterworks installation and management shall include the matters falling under each of following subparagraphs:

1. The basic guidelines for the installation and management of the waterworks (excluding the exclusive waterworks);
2. Matters concerning the mid-and long-term supply of tap water;
3. Matters concerning the development of the wide-area water sources;
4. Matters concerning the areas where the waterworks are to be installed and thereby tap water is to be supplied;
5. Matters of securing necessary water sources, and the designation and management of the water-source protection areas;
6. The arrangement, structure, and providing capacity of the waterworks (excluding the exclusive waterworks);
7. The method to secure necessary financial sources for the waterworks businesses under consideration and the priorities of the waterworks businesses;
8. Matters concerning the survey of the current status of water pipes and their upgrades and replacements;
9. The development and distribution of the used-water purification waterworks;
10. Matters concerning the integrated water-supply district in areas that need a linkage operation of the wide-area waterworks and the local waterworks;
11. Matters concerning improvements in the quality of tap water;
12. Matters concerning the informatization of waterworks; and
13. Matters necessary to upgrade waterworks according to the result of the technical checks provided for in the provisions of Article 74 (1).

(8) The Minister of Environment or the Minister of Land, Transport and Maritime Affairs shall, when he/she intends to grant approval referred to in the provisions of paragraph (3), make prior consultations with each other thereabout. In such cases, when the Minister of Environment grants approval for the basic plan for installation and management of waterworks, which includes the industrial waterworks, after consulting with the Minister of Land, Transport and Maritime Affairs, it shall be deemed that approval for the relevant industrial waterworks is obtained from the Minister of Land, Transport and Maritime Affairs. *<Amended by Act No. 8852, Feb. 29, 2008>*

(9) Where five years have elapsed since the basic plan for waterworks installation and management was publicly notified pursuant to paragraph (5), the Minister of Land, Transport and Maritime Affairs, the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) shall review whether the basic plan for waterworks installation and management is feasible and reflect the outcomes thereon. *<Amended by Act No. 8852, Feb. 29, 2008>*

Article 5 (Development of Comprehensive Plan for National Waterworks)

(1) The Minister of Environment shall develop a comprehensive plan for national waterworks (hereafter in this Article referred to as the “comprehensive plan”) based on the basic plan for waterworks installation and management every ten years for the systematic development of national waterworks policy, effective use of water and stabilized supply of tap water.

(2) The comprehensive plan shall include the matters falling under each of the following subparagraphs:

1. Matters concerning the conditions of water supply, such as population, industry, land, etc.;
 2. Prospected demand for tap water;
 3. Objectives for water supply, and guidelines for waterworks;
 4. Prospected demand and development plan for wide-area waterworks;
 5. Prospected demand and development plan for local waterworks;
 6. Prospected demand and development plan for village waterworks;
 7. Prospected demand and development plan for household water for agricultural and fishing villages;
 8. Prospected demand and development plan for industrial waterworks;
 9. Securing of water sources and development plan for alternative water sources;
 10. Improvement plan for the existing waterworks;
 11. Development and spread plan for used-water purification waterworks;
 12. Development plan for management system of waterworks businesses;
 13. Development plan for waterworks technology;
 14. Securing of waterworks manpower, and education and training plan;
 15. Investment in waterworks businesses and fund-raising plan;
 16. Matters concerning improvements in the quality of tap water; and
 17. Matters concerning the informatization of waterworks.
- (3) The Minister of Environment may request the head of the related central administrative agency, the Mayor/*Do* governor, and the head of any related agency or organization to submit materials necessary for the development of the comprehensive plan.
- (4) Intending to develop the comprehensive plan, the Minister of Environment shall consult in advance with the head of the relevant central administrative agency, and the Mayor/*Do* governor (hereafter in this paragraph referred to as the “head of the relevant agency”), and shall notify the developed comprehensive plan to the head of the relevant agency.
- (5) In the event that important matters in the comprehensive plan are modified due to a change in the water-supply policy, etc., the Minister of Environment may ask the Minister of Land, Transport and Maritime Affairs, the Special Metropolitan City Mayor, the Metropolitan City Mayor or the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) to change their basic plan for waterworks installation and management. *<Amended by Act No. 8852, Feb. 29, 2008>*
- (6) The Minister of Environment shall review the feasibility of the comprehensive plan and modify it accordingly when five years have passed since the development of the comprehensive plan.

Article 6 (Implementation of Water-Demand Control Target System)

- (1) The Mayor/*Do* governor shall set a water-demand control target by *Si/Gun/Gu* (referring to the autonomous *Gu*; hereinafter the same shall apply) under his/her jurisdiction by taking into account the optimum water consumption per capita to raise the efficiency of waterworks business and to strengthen the control of demand for tap water, and shall also work out a comprehensive plan (hereafter in this Article referred to as the “comprehensive plan”) every five years to attain such target and obtain approval therefor from the Minister of Environment; and the Minister of Environment shall consult with the Minister of Land, Transport and Maritime Affairs before he/she grants such approval. The same shall apply where it is intended to modify the developed comprehensive plan. *<Amended by Act No. 8852, Feb. 29, 2008>*
- (2) The head of *Si/Gun/Gu* shall develop a program (hereafter in this Article referred to as “implementation program”) that contains matters falling under the following subparagraphs to implement the comprehensive plan, and shall obtain approval therefor from the

Mayor/*Do* governor. The same shall apply where it is intended to modify the developed implementation program: *Provided*, That in cases of the Special Metropolitan City and the Metropolitan City, the Special Metropolitan City Mayor and the Metropolitan City Mayor shall develop and implement the implementation program on the matters of subparagraphs 1 and 2:

1. Annual target for reducing water leakage and its project plan;
2. Annual target for increasing flowing water and its project plan;
3. Annual target for wider installation of water-saving facilities, including water-saving equipment and used-water purification water-works; and
4. Other matters prescribed by Presidential Decree for conserving water and raising the efficiency of water saving.

(3) With respect to the *Si/Gun/Gu* that fails to attain the water-demand control target as prescribed in paragraph (1), the Minister of Environment and the heads of the relevant administrative agencies may not grant approval and permission, etc. for projects and acts falling under any of the following subparagraphs which are to be implemented by the relevant *Si/Gun/Gu*. The same shall apply to the Special Metropolitan City, the Metropolitan City and the *Do* (hereinafter referred to as “City/*Do*”) as well as the *Si/Gun/Gu* that fail to obtain approval for their respective comprehensive plans and implementation programs without justifiable grounds:

1. General waterworks businesses; and
2. Urban development projects, and development of industrial complexes and tourist resort, etc.

(4) The Minister of Environment and the heads of the relevant central administrative agencies may differentiate their assistances according to the progress of the water-demand control target referred to in paragraph (1).

Article 7 (Designation, etc. of Water-Source Protection Area)

(1) The Minister of Environment may designate the area deemed to be necessary for securing water sources and conserving the quality of water as the area for the protection of water sources (hereinafter referred to as the “water-source protection area”) or may modify the designation. (2) Having designated the water-source protection area or modified the designation as provided for in paragraph (1), the Minister of Environment shall, without delay, publicly announce such designation or modification.

(3) The act falling under each of the following subparagraphs shall be prohibited within the water-source protection area designated and publicly announced under paragraphs (1) and (2): *<Amended by Act No. 8466, May 17, 2007>*

1. The act of throwing away water pollutants or specified substances hazardous to water quality pursuant to subparagraphs 7 and 8 of Article 2 of the Water Quality and Ecosystem Conservation Act, the act of throwing away toxic chemicals pursuant to subparagraph 7 of Article 2 of the Toxic Chemicals Control Act, the act of throwing away agrochemicals pursuant to the Agrochemicals Control Act, the act of throwing away wastes pursuant to subparagraph 1 of Article 2 of the Wastes Control Act, the act of throwing away sewage and excreta pursuant to subparagraphs 1 and 2 of Article 2 of the Sewerage Act, or the act of throwing away animal excreta pursuant to subparagraph 2 of Article 2 of the Act on the Management and Utilization of Animal Excreta; and
2. Other acts accompanied by the risk of obviously polluting water sources and, at the same time, prohibited by Presidential Decree.

(4) Any person who intends to perform the act falling under each of the following subpara-

graphs in the water-source protection area designated and publicly announced under paragraphs (1) and (2), shall obtain permission therefor from the head of competent *Si/Gun/Gu*:
Provided, That such insignificant acts as prescribed by Presidential Decree shall be reported:

1. Construction, enlargement, remodelling, reconstruction, transferral, modification, or removal of buildings or other structures;
2. Cultivating or cutting down standing trees and bamboo trees; and
3. Excavation, banking, or other diversion of the shape or quality of the land.

(5) Procedures for designation of the water-source protection area and matters necessary for the criteria for permission as referred to in paragraphs (1) through (4) shall be prescribed by Presidential Decree. *<Amended by Act No. 8805, Dec. 27, 2007>*

Article 8 (Management of Water-Source Protection Area)

(1) The water-source protection area shall be managed by the head of *Si/Gun/Gu* having jurisdiction over such water-source protection area.

(2) In cases where the water-source protection area extends over two or more *Sis/Guns/Gus* or in cases where there are some other special reasons, the water-source protection area under consideration shall be managed by the Mayor/*Do* governor or the head of *Si/Gun/Gu* as prescribed by Presidential Decree.

(3) The Minister of Environment may evaluate the management status of the water-source protection area under the conditions as prescribed by Ordinance of the Ministry of Environment, and may ask the head of the relevant administrative agency to take the measures necessary for the proper management of the relevant area.

Article 9 (Residents Support Program)

(1) The Mayor/*Do* governor or the head of *Si/Gun/Gu* (hereafter in this Article through Article 11 referred to as "management office") who manages the water-source protection area as provided for in Article 8 (1) or (2), may develop and execute the program for supporting residents living within water-source protection areas and other persons engaged in farming and fishing within such an area (hereinafter referred to as the "resident support program") under the conditions as prescribed by Presidential Decree. In such cases, the head of *Si/Gun/Gu* shall obtain approval therefor from the Mayor/*Do* governor.

(2) The types of the residents support programs shall be as follows:

1. Program for increasing the residents' income;
2. Program for promoting the residents' welfare;
3. Educational program for the residents' children; and
4. Other programs as prescribed by Presidential Decree.

(3) The procedures for developing and executing the residents support program and other necessary matters shall be determined by Presidential Decree.

Article 10 (Fund Raising, etc.)

(1) The fund necessary for the residents support program shall be raised by the management office from the following financial resources:

1. Contributions from the waterworks business operator who takes benefits from the designation of the water-source protection area;
2. Borrowed money;
3. The profits incurred from the management of the money as provided for in subparagraphs 1 and 2; and
4. Transfers from general accounts of local governments and other special accounts.

(2) The waterworks business operator as provided for in paragraph (1) 1 shall contribute, under the conditions as prescribed by Presidential Decree, part of the proceeds from his/her

waterworks business.

(3) The State may allot a subsidy from the Special Account for Environmental Improvement to cover part of the necessary expenses, taking into consideration the size of the fund raised under paragraph (1) and the required expenses.

(4) The management office shall distinguish the fund raised under paragraph (1) from the other money and shall manage it as a separate account.

Article 11 (Bearing of Management Expenses, etc. for Water-Source Protection Area)

(1) Any waterworks business operator shall, in cases where he/she takes benefits from the designation and management of a water-source protection area as prescribed by Presidential Decree, bear the management expenses for the water-source protection area concerned and the operational expenses for the water-pollution preventive facilities as prescribed by Presidential Decree, within the limit of the benefits he/she takes, and according to the criteria for the ratio of expense-responsibility as prescribed by Presidential Decree and, at the same time, according to the result of the consultation with the management office in charge of the water-source protection area concerned.

(2) In cases where the consultation as provided for in paragraph (1) does not lead to agreement, the amount of the expenses to be borne by the waterworks business operator shall be determined in one of the following ways:

1. In cases where the *Sis/Guns/Gus* concerned belong to the area of jurisdiction of the same *City/Do*, it shall be determined by the *Mayor/Do* governor concerned;
2. In cases where the *Sis/Guns/Gus* concerned belong to the areas of jurisdiction of different *City/Do*, it shall be determined through a consultation between the relevant *Mayors/Do* governors; and
3. In cases where the waterworks business operator is not a local government, it shall be determined through consultation between the relevant waterworks business operator and the *Mayor/Do* governor in charge of the water-source protection area concerned.

(3) In cases where the consultations as prescribed in paragraph (2) 2 and 3 fail to produce any agreement, the Minister of Public Administration and Security shall determine the amount of the relevant expenses to be borne by the waterworks business operator after listening to the opinion of the relevant *Mayor/Do* governor and after consulting with the head of the central administrative agency concerned. *<Amended by Act No. 8852, Feb. 29, 2008>*

Article 12 (Management Principle for Waterworks Business)

(1) Waterworks businesses shall be in principle managed by the State, local governments and the Korea Water Resources Corporation: *Provided*, That the same shall not apply to cases where the supply of tap water by private business operators on behalf of local governments, etc. is deemed necessary.

(2) The waterworks business operator shall make efforts to establish a water rate system based on a reasonable cost calculation, to maintain and expand waterworks-related facilities, and to improve technology on waterworks.

(3) In establishing the water rate system referred to in paragraph (2), every waterworks business operator shall work to lead consumers to save water and to secure expenses for consumers to pay for their supplied water and financial resources necessary to ensure the continuity of his/her projects from the revenues of water rate.

Article 13 (Prohibition, etc. from Seeking for Profits)

(1) Anyone shall be prohibited from marketing tap water after pouring tap water into any container or treating it by making use of equipment, etc.

(2) The Minister of Environment, the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City)

may take measures necessary to suspend the supply of tap water against anyone who has violated the provisions of paragraph (1) and remove his/her equipment, etc.

Article 14 (Installation of Used-Water Purification Waterworks)

(1) In order to use water efficiently, any person who intends to newly install facilities falling under each of the following subparagraphs (including a case where the part of expansion, renovation and reconstruction of such facilities falls under each of the following subparagraphs; hereafter in this Article the same shall apply) shall install and operate, independently or jointly, used-water purification waterworks having the capacity to reuse not less than 10 percent of the used water and notify the head of *Si/Gun/Gu* of the result of such installation under the conditions as prescribed by the Ordinance of the Ministry of Environment:

1. Facilities which are used by the lodging business or the bathing business under Article 2 (1) 2 or 3 of the Public Health Control Act with their total floor space not less than 60,000 square meters;
2. Factory under subparagraph 1 of Article 2 of the Industrial Cluster Development and Factory Establishment Act, which discharges wastewater not less than 1,500 cubic meters per day; and
3. Other facilities whose kinds and scales are prescribed by the Presidential Decree.

(2) Facilities standards for used-water purification waterworks, matters concerning management thereof, the quantity of used water referred to in the main sentence of paragraph (1), the total floor space of construction referred to in subparagraphs 1 of the same paragraph, the calculation of the quantity of discharged wastewater referred to in subparagraph 2 of the same paragraph and other necessary matters shall be prescribed by the Ordinance of the Ministry of Environment.

(3) The State and local governments may financially support the owners of facilities in which the used-water purification waterworks are installed, to help cover costs involved in the installation of such waterworks and local governments may reduce water rates to be imposed on such owners as prescribed by their Municipal Ordinances.

(4) In the event that any person who has newly constructed facilities under paragraph (1) fails to install and operate the used-water purification waterworks, the head of *Si/Gun/Gu* may order him/her to install and operate the used-water purification waterworks.

《The amended provision of this subparagraph shall take effect until Sep. 27, 2007 in accordance with Article 3 of the Addenda of Act No. 8370, Apr. 11, 2007》

Article 15 (Installation of Water-Saving Equipment, etc.)

(1) Where any person intends to construct any building and facilities as determined by the Presidential Decree, he/she shall install water-saving equipment to economize and efficiently use tap water.

(2) Any person who runs a lodging business (excluding lodging facilities having not more than 10 rooms) and a public bathing business under Article 2 (1) 2 and 3 of the Public Health Control Act or a golf-course business under Article 10 (1) 1 of the Installation and Utilization of Sports Facilities Act shall install water-saving equipment and instruments.

(3) Matters concerning the kinds of and standards for water-saving equipment and instruments referred to in paragraphs (1) and (2) shall be determined by the Ordinance of the Ministry of Environment.

(4) In the event that any person who runs a lodging business, a public bathing business or a golf-course business fails to install water-saving equipment and instruments under paragraph (2), the head of *Si/Gun/ Gu* may order him/her to install such water-saving

equipment and instruments.

Article 16 (Installation of Rain-Utilization Facilities)

(1) Any person who intends to newly construct establishments prescribed by the Presidential Decree, including sports complexes and indoor sports halls, etc. with wide roof spaces (including cases where establishments are expanded, renovated or reconstructed in excess of the scale prescribed by the Presidential Decree) shall install and operate rain-utilization facilities.

(2) Standards for installing and managing rain-utilization facilities and other necessary matters shall be prescribed by the Ordinance of the Ministry of Environment.

(3) The State and local governments may financially support the owners of establishments in which rain-utilization facilities are installed to help cover costs involved in the installation of such facilities, and local governments may reduce water rates imposed on them as prescribed by their Municipal Ordinances.

CHAPTER II GENERAL WATERWORKS BUSINESS

Article 17 (Authorization on General Waterworks Business)

(1) Under the conditions prescribed by Presidential Decree, any person who desires to run a general waterworks business shall obtain authorization thereon from the Minister of Land, Transport and Maritime Affairs, if his/her desired business is for the wide-area waterworks (excluding the water purification facilities) other than those installed by a local government, or shall obtain authorization thereon from the Minister of Environment if his/her desired business is for the water purification facilities of the wide-area waterworks authorized by the Minister of Land, Transport and Maritime Affairs, or the wide-area waterworks and the local waterworks installed by a local government, or shall obtain authorization thereon from the head of *Si/Gun/Gu* if his/her desired business is for the village waterworks. This provisions shall also apply to cases where the details of authorization are to be modified (excluding cases where insignificant matters prescribed by Presidential Decree are intended to be modified). *<Amended by Act No. 8852, Feb. 29, 2008>*

(2) In cases where the Minister of Environment or the Minister of Land, Transport and Maritime Affairs intends to give authorization as provided for in paragraph (1), he/she shall in advance consult with each other. In such cases, if the Minister of Land, Transport and Maritime Affairs has authorized on the wide-area waterworks equipped with the water purification facilities after having consulted with the Minister of Environment, it shall be regarded that the authorization on the installation and operation of the water purification facilities concerned has been given by the Minister of Environment. *<Amended by Act No. 8852, Feb. 29, 2008>*

(3) Having authorized on the general waterworks business in accordance with paragraph (1), the Minister of Environment, the Minister of Land, Transport and Maritime Affairs, or the head of *Si/Gun/Gu* (hereinafter referred to as the "authorization office") shall, without delay, give a public notice of it. *<Amended by Act No. 8852, Feb. 29, 2008>*

(4) The Minister of Environment and the Minister of Land, Transport and Maritime Affairs shall ensure, by holding a mutual consultation, that an efficient project operation is to be performed in formulating the yearly plans for general waterworks business.

Article 18 (Standards for Facilities, etc.)

(1) Any general waterworks business operator shall give consideration to the safety of the waterworks from earthquake when he/she installs such waterworks and install the

general waterworks in accordance with the criteria as prescribed by the Presidential Decree depending on the quality, quantity, geographical condition of the natural water, on the types of the waterworks, and on the scale of the waterworks.

(2) The raw materials and goods used for waterworks shall meet the criteria as determined by the Presidential Decree.

(3) Where a person installs water tanks referred to in subparagraph 24 of Article 3, he/she shall meet the criteria as determined by the Ordinance of the Ministry of Environment: *Provided*, That facility criteria for water tanks installed in buildings or establishments, except buildings or establishments the scale of which exceeds the scale that is set by the Presidential Decree pursuant to the provisions of Article 33 (2), may be set by the Municipal Ordinance of the relevant local government.

Article 19 (Inspection for Quality of Water at Time of Completion of Construction)

(1) In cases where a general waterworks business operator has completed a waterworks construction work, he/she shall go through the inspection for the quality of the water concerned.

(2) Unless having gone through the inspection for the quality of the water as provided in paragraph (1), the general waterworks business operator shall not provide tap water.

Article 20 (Protection of Waterworks)

Anyone shall be prohibited from installing waterworks connected to the existing tap-water pipelines of the general waterworks or modifying or damaging the general waterworks without having obtained a prior approval therefor from the general waterworks business operator.

Article 21 (Management of Waterworks)

(1) The management right of general waterworks shall be held by a general waterworks business operator: *Provided*, That the waterworks management right of water-supply facilities shall be held by persons who are prescribed by the Presidential Decree.

(2) Notwithstanding the provisions of the proviso of paragraph (1), every general waterworks business operator may check the current state of water-supply facilities and the quality of tap water after obtaining an agreement thereon from the owner or the manager of the relevant water-supply facilities.

(3) Anyone who is supplied with tap water by a general waterworks business operator may ask the general waterworks business operator to check the current state of the water-supply facilities and the quality of the tap water that is supplied to him.

(4) When, as a result of the check provided for in paragraphs (2) and (3), any water-supply facilities are found to be superannuated or any tap water is found to fall short of the water-quality standards provided for in Article 26 (2), every general waterworks business operator may recommend the owner or the manager of the relevant water-supply facilities to take measures necessary to wash, renew or replace the water-supply facilities under the conditions as prescribed by the Ordinance of the Ministry of Environment. In this case, the general waterworks business operator may subsidize or loan part of the cost necessary to wash, renew or replace the water-supply facilities under the conditions as prescribed by the Municipal Ordinance of the relevant local government.

(5) Every general waterworks business operator shall appoint the person who meets the standards that are set by the Presidential Decree as a manager of the waterworks to assign him/her the work, including the technical management of waterworks, etc., which is prescribed by the Presidential Decree.

(6) Every general waterworks business operator shall post a certified operation manager of the water-purification facilities in the water-purification facilities to manage them

according to the standards that are set by the Presidential Decree taking into account the scale, etc. of the water-purification facilities in order to efficiently operate and manage the water-purification facilities.

Article 22 (Invitation of Private Capital for Waterworks Business)

The State or local governments may invite private capital to cover, in whole or in part, costs involved in the waterworks business under the conditions as prescribed by the Act on Private Participation in Infrastructure.

Article 23 (Commission of Operation and Management Work of Waterworks)

(1) Every general waterworks business operator may commission the whole or part of the operation and management work of waterworks (hereinafter referred to as the "waterworks management work") to any specialized institution that is prescribed by the Presidential Decree or any waterworks business operator who is a local government under the conditions as prescribed by the Presidential Decree in order to efficiently operate and manage the waterworks business.

(2) Every general waterworks business operator shall, in cases where he/she intends to commission the waterworks management work pursuant to the provisions of paragraph (1), conclude a commission contract with the person to whom the waterworks management work is commissioned (hereinafter referred to as the "commissioned person") under the conditions as prescribed by the Presidential Decree and then report without delay the matter falling under each of the following subparagraphs to the Minister of Environment under the conditions as prescribed by the Ordinance of the Ministry of Environment:

1. The fact that the commission contract is concluded; or
2. The fact that the commission contract is terminated.

(3) In the application of the provisions of Articles 28, 29, 32, 33 (1), 36, 37 and 61, the commissioned person shall be deemed the general waterworks business operator only when he/she performs the waterworks management work.

(4) In cases where any general waterworks business operator commissions the waterworks management work, he/she shall guide and supervise the commissioned person when the latter performs the relevant commissioned work. In this case, the general waterworks business operator may, when it is deemed necessary to ensure the safe and appropriate supply of tap water, ask the commissioned person to make reports and submit materials.

Article 24 (Certified Operation Managers of Water-Purification Facilities)

(1) Anyone who intends to be a certified operation manager of water-purification facilities shall pass the qualifying examination for certified operation managers of water-purification facilities, which is administered by the Minister of Environment.

(2) Anyone falling under each of the following subparagraphs shall be disqualified from a certified operation manager of the water-purification facilities:

1. One who is the minor, the incompetent or the quasi-incompetent;
2. One who is not yet reinstated after having been sentenced bankrupt;
3. One who has been sentenced to imprisonment without prison labor or a heavier punishment and for whom 2 years have yet to pass from the date on which the execution of the sentence is terminated (including cases where the execution of the sentence is deemed to be terminated) or the execution of the sentence is exempted;
4. One who is in a stay period after having been sentenced to a stay of the execution of imprisonment without prison labor or a heavier punishment; and
5. One for whom 3 years have yet to pass from the date on which his/ her qualification as the certified operation manager of the water-purification facilities was revoked.

(3) The Minister of Environment shall deliver the certificates of qualifications to persons who have passed the qualifying examination referred to in the provisions of paragraph (1).

(4) The certificates of qualifications for certified operation managers of water-purification facilities, which are delivered pursuant to the provisions of paragraph (3), shall not be lent to any other person.

(5) Qualifications for applying for the qualifying examination for the certified operation managers of the water-purification facilities, the subjects of the examination, ways to administer the examination, the partial exemption from the examination and other matters necessary for the examination shall be prescribed by the Presidential Decree.

Article 25 (Revocation, etc. of Qualifications for Certified Operation Managers of Water-Purification Facilities)

(1) In cases where any certified operation manager of the water-purification facilities falls under any of the following subparagraphs, the Minister of Environment may revoke his/her qualification or suspend his/ her qualification within the scope of not more than 3 years: *Provided*, That in cases where he/she falls under subparagraph 1 or 2, his/her qualification shall be revoked:

1. Where he/she has obtained his/her qualification by fraudulent or other unlawful means;
2. Where he/she falls under any of the provisions of Article 24 (2) 1 through 5;
3. Where the supply of tap water to residents has harmfully affected their health on the grounds of poor operation and management of the water-purification facilities, which has been caused by his/her deliberation or gross negligence; or
4. Where he/she has lent his/her certificate of qualification to any other person in violation of the provisions of Article 24 (4).

(2) The standards for revoking or suspending the qualifications of certified operation managers of water-purification facilities referred to in the provisions of paragraph (1) shall be set by the Ordinance of the Ministry of Environment taking into account the grounds of dispositions and the extent of violations.

Article 26 (Standards for Water Quality)

(1) The drinking water supplied by the waterworks shall not include the substance falling under any of the following subparagraphs:

1. The substance which is contaminated or is apprehended to be contaminated with pathogenic germs, bacteria, or viruses;
2. An inorganic or organic substance which has the possibility to affect negatively the state of health;
3. The substance which can exert an aesthetic influence; or
4. Other substances which can exert a negative influence on the state of health.

(2) Necessary matters relating to the standards for water quality as provided in paragraph (1) shall be determined by the Ordinance of the Ministry of Environment.

(3) The Mayor/*Do* governor may, when it is deemed necessary to protect health of residents, prescribe standards for water quality by area and methods of inspecting water quality by its Municipal Ordinances in addition to the standards for water quality referred to in paragraph (2): *Provided*, That the same shall not apply to the cases where the wide-area waterworks supply the natural water or processed water to not less than two *Cities/Dos*.

Article 27 (Notification of Details of Violated Water-Quality Standards)

(1) Every general waterworks business operator shall, in cases where tap water is supplied

in violation of the standards for water quality provided for in the provisions of Article 26 (2), notify the residents living in his/her jurisdictional area of the details of the violation under the conditions as prescribed by the Presidential Decree and then take measures necessary to improve the quality of the water in question.

(2) Necessary matters concerning ways of and procedures, etc. for the notification referred to in the provisions of paragraph (1) shall be prescribed by the Ordinance of the Ministry of Environment.

Article 28 (Standards for Purifying Water)

(1) Every general waterworks business operator shall meet the standards for purifying water, which are set by the Presidential Decree, in order to prevent tap water supplied for drinking from being contaminated by pathogenic germs.

(2) The Minister of Environment may, when any general waterworks business operator fails to satisfy the standards for purifying water referred to in the provisions of paragraph (1), order him/her to take measures necessary to improve his/her waterworks, etc.

Article 29 (Inspection of Water Quality and Analysis of Water Quantity)

(1) Every general waterworks business operator shall execute the inspection of water quality, and conduct analysis of water quantity such as the quantity of collected water, processed water and supplied water in order to confirm whether the natural and purified water is in conformity with the standards that are set by the Ordinance of the Ministry of Environment under the conditions as prescribed by the Ordinance of the Ministry of Environment.

(2) In order to execute the inspection of water quality, every general waterworks business operator shall install the inspection facilities which meet the criteria as prescribed by the Presidential Decree.

(3) In cases where any general waterworks business operator has performed the inspection of water quality and the analysis of water quantity as provided in paragraph (1), he/she shall prepare and keep on file a record of the inspection and analysis under the conditions as prescribed by the Ordinance of the Ministry of Environment.

(4) In cases where any general waterworks business operator publishes the false result of the inspection of water quality and analysis of the water quantity referred to in the provisions of paragraph (1) or makes a false report thereon to the Minister of Environment, the Minister of Environment may request the general waterworks business operator to take a disciplinary action against the person in charge of the inspection and analysis. In this case, the relevant general waterworks business operator shall comply with the request of the Minister of Environment unless special grounds make it impossible for him/her to do so.

Article 30 (Tap-Water Quality Evaluation Committee)

(1) Any Tap-Water Quality Evaluation Committee mandated to perform the work falling under each of the following subparagraphs shall be set in the Special Metropolitan City, the Metropolitan City and the *Si/Gun* (excluding *Gun* in the Metropolitan City):

1. Execution of the periodical inspections of tap water and publication of the results of the inspections;
2. Advices given to waterworks business operators about the control of water quality and the operation of waterworks; and
3. The selection of places subject to the periodical inspection referred to in the provisions of subparagraph 1.

(2) Matters necessary for the composition and operation of any Tap-Water Quality Evaluation Committee as provided in paragraph (1), shall be determined by the Municipal Ordinances

of the relevant local governments.

Article 31 (Tap-Water Quality Report)

(1) Every general waterworks business operator shall publish a tap-water quality report not less than once a year and deliver the tap-water quality report to each of the residents, who is supplied with tap water in his/her water-supply area.

(2) Necessary matters concerning the details of the tap-water quality report referred to in the provisions of paragraph (1) and ways to publish and deliver the report, etc. shall be prescribed by the Ordinance of the Ministry of Environment.

Article 32 (Medical Checkup)

(1) As for persons who discharge their duties at and around the water intake facilities, the water purification facilities, and the water supply facilities and other persons who reside within the area for the said facilities, every general waterworks business operator shall provide them with a medical checkup under the conditions as prescribed by the Ordinance of the Ministry of Environment.

(2) As for any person who is admitted to have a disease which is apprehended to throw or inflict a danger or damage on other persons as a result of the medical checkup referred to in paragraph (1), every general waterworks business operator shall not have said person work for his/ her waterworks business or reside within the area of such facilities.

(3) The provisions of Article 29 (3) shall apply *mutatis mutandis* to the preparation and preservation of the record of the medical checkup as provided for in paragraph (1).

Article 33 (Sanitary Measures)

(1) Every general waterworks business operator shall disinfect his/her waterworks, inspect water quality and take other sanitary measures for his/her waterworks (hereinafter referred to as the "sanitary measures including disinfection").

(2) The owner or manager (with respect to any collective housing provided for in the provisions of Article 2 of the Housing Act, the head of any maintenance office provided for in the provisions of Article 55 of the same Act shall be deemed the manager of any building or facilities; hereafter the same shall apply in paragraph (4) and Article 36 (1)) of any building or any facilities which require a lot of tap water and are larger than the size as prescribed by Presidential Decree shall take sanitary measures, including disinfection, for the water-supply facilities (excluding the portion thereof on which the general waterworks business operator holds the right to manage the waterworks). In such cases, any general waterworks business operator may subsidize part of the expenses necessary to perform the inspection of water quality under the conditions prescribed by Municipal Ordinance of the relevant local government.

(3) The owner or manager of the building or the facilities falling under each of the following subparagraphs shall periodically check the water-supply pipes (excluding the portion on which the general waterworks business operator holds the right to manage the waterworks) under the conditions prescribed by Ordinance of the Ministry of Environment and take measures necessary to wash, renew or replace them according to the outcome of the check (hereinafter referred to as the "measures including washing, etc."):

1. The building that is used by a large number of unspecified persons and falls under the type and the scale that are prescribed by Presidential Decree; and
2. The facilities that are installed by the State or any local government in order to improve the people's living and welfare and fall under the type and the scale that are prescribed by Presidential Decree.

(4) Every general waterworks business operator shall guide and supervise sanitary measures taken by the owner or the manager of the building or the facilities referred to in the provisions

of paragraph (2) or (3) to disinfect or wash them.

(5) Necessary matters concerning the sanitary measures including disinfection, etc., the measures including washing, etc., the frequency and items of inspection of water quality, the guidance and the supervision referred to in the provisions of paragraphs (1) through (4) shall be prescribed by Ordinance of the Ministry of Environment: *Provided*, That the sanitary measures including the disinfection, etc. for buildings or facilities except the buildings or the facilities, the scale of which exceeds the scale provided for in the provisions of paragraph (2) may be prescribed by Municipal Ordinance of the relevant local government.

Article 34 (Report on Water-Tank Cleanup Business)

(1) Any person who intends to run a cleanup business for the sanitary control of water-tank (hereinafter referred to as the "water-tank cleanup business") shall meet the criteria for the workforce, equipment, and facilities as prescribed by Ordinance of the Ministry of Environment, and then report his/her intended business to the head of *Si/Gun/Gu*. The foregoing shall also apply to cases where it is intended to change the important matters prescribed by Ordinance of the Ministry of Environment, from among the reported matters. *<Amended by Act No. 8805, Dec. 27, 2007>*

(2) Any person who has reported on his/her water-tank cleanup business (hereinafter referred to as the "water-tank cleanup businessman") shall report to the head of *Si/Gun/Gu* in cases where he/she intends to discontinue his/her business or suspend the operation thereof for a while.

(3) Any person who is ordered to close the place of his/her business under Article 35 (1) shall be prohibited from filing a report on the water-tank cleanup business within one year from the date on which he/she is given such order.

Article 35 (Suspension, etc. of Water-Tank Cleanup Business)

(1) In cases where a water-tank cleanup business operator falls under one of following subparagraphs, the head of *Si/Gun/Gu* may order him/her to suspend his/her business by fixing a period not exceeding three months or to close his/her place of business:

1. In cases where he/she has filed a report required by Article 34 by fraudulent or illegal means or run a water-tank cleanup business without filing such report;
2. In cases where he/she has failed to meet the criteria for the report as provided for in Article 34 (1); and
3. In cases where he/she has violated this Act or the order or other dispositions issued under this Act.

(2) The criteria for the disposition as prescribed in paragraph (1) shall be determined by Ordinance of the Ministry of Environment.

Article 36 (Education)

(1) Under the conditions as prescribed by Presidential Decree, any person who falls under any one of the following subparagraphs shall undergo the education administered by the Minister of Environment concerning the management of waterworks:

1. An owner or manager of the building or the facility as provided for in Article 33 (2);
2. A water-tank cleanup businessman; and
3. A general waterworks business operator.

(2) Every general waterworks business operator and every water-tank cleanup business operator shall cause the operators of waterworks and employees in charge of water-tank cleanup to undergo the education referred to in the provisions of paragraph (1) under the conditions as prescribed by Presidential Decree.

(3) The Minister of Environment may entrust the educational task as provided for in paragraphs (1) and (2) to the agencies or organizations designated by Presidential Decree.

Article 37 (Emergency Stop of Water Supply)

(1) Having perceived the fact that tap water has the possibility to inflict a damage on the state of health, every general waterworks business operator shall, without delay, cease the supply of tap water.

(2) Where a general waterworks business operator stops the supply of tap water pursuant to paragraph (1), he/she shall make the situation known to the Mayor/*Do* governor, the residents of the district concerned and the heads of the relevant agencies, and take necessary measures, such as the inspection of water quality and the supply of emergency water.

(3) Any person who has discovered the fact that the water provided by a general waterworks business operator has the possibility to inflict a damage on the state of health shall, without delay, notify the general waterworks business operator thereof.

Article 38 (Terms for Water Supply)

(1) Any general waterworks business operator shall determine the terms for the rates for tap water, the expenses for the installation of water-supply facilities and other conditions for the supply of tap water under the conditions as prescribed by Presidential Decree, and shall obtain approval therefor from the authorization office (referring to the Minister of Land, Transport and Maritime Affairs in cases of wide-area waterworks; hereafter the same shall apply in Article 65) before commencing the supply of tap water and the same shall also apply to cases where the approved matters are altered: *Provided*, That, in cases where a waterworks business operator is a local government, Municipal Ordinances of the local government concerned shall determine the terms and conditions. *<Amended by Act No. 8852, Feb. 29, 2008>*

(2) Any general waterworks business operator and any authorization office under the main sentence of paragraph (1) shall ensure that the entire costs for installing the relevant waterworks may be recovered by the service fees for tap water, in setting forth the terms for the supply of tap water or approving therefor.

Article 39 (Responsibility to Supply Tap Water)

(1) Any general waterworks business operator shall not refuse, without any justifiable reason, to supply tap water to the person who desires to be supplied with it.

(2) In cases where the general waterworks business operator cannot, for some unavoidable reason, supply tap water for a while, he/she shall determine the area and period, for which and in which tap water is not to be supplied, and give a public notice of them in advance.

Article 40 (Supply of Tap Water to Area Other Than Area to Which Tap Water is Supposed to be Supplied)

If the Minister of Environment deems it necessary for the convenience of the general consumers or for other public interests, he/she may cause the relevant local government that is a waterworks business operator to supply tap water to the area other than the area to which it is supposed to supply tap water.

Article 41 (Supply of Tap Water in Urgent Situation)

(1) In cases where the Mayor/*Do* governor deems it necessary to cope with an urgent situation, such as a natural disaster, etc., he/she may order the relevant waterworks business operator to supply tap water to other waterworks business operators, after having set the period, volume, and way: *Provided*, That in cases where the relevant waterworks business operator is the Mayor/*Do* governor, the Minister of Environment shall issue the order.

(2) The rates for tap water supplied under paragraph (1) shall be determined through consultation between the waterworks business operators concerned.

(3) In cases where the consultation as provided for in paragraph (2) does not lead to a satisfactory conclusion, the waterworks business operators concerned may apply for the adjudication by the relevant land expropriation committee under the conditions as prescribed by Presidential Decree.

(4) In cases where the relevant land expropriation committee has adjudicated on the matter under consideration, the adjudication shall be regarded as the same thing as the agreement reached through the consultation as provided for in paragraph (2).

Article 42 (Discontinuance or Suspension of Waterworks Business)

After having started to supply tap water, any general waterworks business operator shall not discontinue or suspend all or part of his/her general waterworks business: *Provided*, That the same shall not apply to cases where he/she has obtained permission from the authorization office according to the standards for granting permission for the discontinuance or the suspension, which are set by Presidential Decree.

Article 43 (Special Example of Waterworks Installed by State)

(1) In cases where the Minister of Environment or the Minister of Land, Transport and Maritime Affairs admits that the local government which is a general waterworks business operator cannot install or has difficulties in installing the general waterworks on account of financial, technical, or geographical reasons, he/she may install them in person. *<Amended by Act No. 8852, Feb. 29, 2008>*

(2) The Minister of Environment or the Minister of Land, Transport and Maritime Affairs may delegate the management of the waterworks installed in accordance with paragraph (1) to the relevant local government or may entrust their management to the Korea Water Resources Corporation. *<Amended by Act No. 8852, Feb. 29, 2008>*

(3) Intending to install the waterworks as provided for in paragraph (1) or intending to delegate or entrust the management of the waterworks as provided for in paragraph (2), the Minister of Environment or the Minister of Land, Transport and Maritime Affairs shall in advance consult with the Minister of Public Administration and Security about the matters under consideration: *Provided*, That this shall not apply to facilities which are installed by the Minister of Land, Transport and Maritime Affairs and entrusted to the Korea Water Resources Corporation. *<Amended by Act No. 8852, Feb. 29, 2008>*

(4) The Minister of Land, Transport and Maritime Affairs may have the Korea Water Resources Corporation supply tap water of wide-area waterworks for general consumers under the conditions as determined by Presidential Decree. In such cases, he/she shall obtain the consent of the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding *Gun* in the Metropolitan City) concerned in advance. *<Amended by Act No. 8852, Feb. 29, 2008>*

Article 44 (Purchase of Waterworks, etc.)

(1) In cases as falling under any one of the following subparagraphs and where any person (excluding the State) other than a local government runs the general waterworks business located within the jurisdictional area of the local government, the local government under consideration may purchase, from the said general waterworks business operator, the waterworks-related facilities, their affiliated land and building, and other things (hereinafter referred to as the "waterworks, etc."), after having obtained approval of the Mayor/*Do* governor for doing so:

1. In cases where the relevant waterworks business operator has not improved the water supply conditions after having received the order for the modification of the water supply conditions as provided for in Article 65;
2. In cases where the area to which tap water is to be supplied needs to be expanded;

and

3. In cases where tap water which is being supplied is apprehended to inflict a damage on the state of health, being deficient in terms of the criteria for the water quality as provided for in Article 26.

(2) In cases where a local government intends to purchase the waterworks-related facilities, etc. of the general waterworks as provided for in paragraph (1), the local government shall consult with the general waterworks business operator concerned on the price and other conditions for the purchase.

(3) In cases where the consultation as provided for in paragraph (2) fails to lead to a satisfactory conclusion, the local government and the general waterworks business operator may apply for the adjudication on the matter under consideration by the relevant land expropriation committee.

(4) The Act on the Acquisition of Land, etc. for Public Works and the Compensation Therefor shall apply *mutatis mutandis* to the adjudication by the relevant land expropriation committee as provided for in paragraph (3) and the adjudication on the objection raised and its legal effect, etc.

Article 45 (Hydrant)

Every general waterworks business operator shall install and manage a hydrant necessary for the prevention of a fire at the site of his/her waterworks.

Article 46 (Relation with Other Acts)

(1) In cases where any person who intends to run the general waterworks business has obtained authorization on the general waterworks business as provided for in Article 17 (1), he/she shall be regarded as having obtained permission, authorization, approval, license, recognition, designation or cancellation (hereinafter referred to as the “permission or authorization, etc.”) as specified in the following subparagraphs, and in cases where the public notice of authorization has been given, it shall be regarded as the same thing as the public notice or official announcement given under the relevant Acts of the following subparagraphs: *<Amended by Act No. 8338, Apr. 6, 2007; Act Nos. 8819 & 8820, Dec. 27, 2007; Act No. 8976, Mar. 21, 2008>*

1. Permission for the development acts under Article 56 (1) of the National Land Planning and Utilization Act;
2. Permission for the occupation and use of public waters as provided for in Article 5 of the Public Waters Management Act and approval or report of execution plan as provided for in Article 8 of said Act;
3. License for the reclamation as provided for in Article 9 of the Public Waters Reclamation Act, approval of the execution plan as provided for in Article 15 of said Act, and consultation on or approval for the reclamation of the public waters as provided for in Article 38 of said Act;
4. Permission for the execution of the river-related construction work as provided for in Article 30 of the River Act, and permission for the occupation, etc. of rivers as provided for in Article 33 (1) 1 through 4 of said Act;
5. Permission for the execution of the road construction as provided for in Article 34 of the Road Act, and permission for the occupation of roads as provided for in Article 38 of said Act;
6. Permission for the diversion of farmland as provided for in Article 34 of the Farmland Act;
7. Permission for the diversion of forest and report thereon under Articles 14 and 15 of the Management of Mountainous Districts Act, and permission for the deforestation

- of standing trees, etc. and report thereon under Articles 36 (1) and (4) and 45 (1) and (2) of the Creation and Management of Forest Resources Act: *Provided*, That the protection forest for genetic forest resources, seed-growing forest and experimental forest under the Creation and Management of Forest Resources Act shall be excluded;
8. Permission for the alteration of land form, etc. under Article 21-2 of the Grassland Act and permission for or report on the diversion of grassland under Article 23 of said Act;
 9. Permission for the deforestation, etc. as provided for in Article 14 of the Work against Land Erosion or Collapse Act, and cancellation of the designation of the land apprehended to be eroded and collapsed as provided for in Article 20 of said Act;
 10. Authorization of the use of the survey result as provided for in Article 25 of the Land Survey Act;
 11. Designation of a project operator as provided for in Article 16 (1) of the Industrial Sites and Development Act, and authorization of the execution plan as provided for in Articles 17 (1), 18 (1) and 19 (1) of said Act;
 12. Permission for the establishment of a private road as provided for in Article 4 of the Private Road Act; and
 13. Permission for the reburial of unknown person's graves in accordance with Article 23 (1) of the Funeral Services Act.
- (2) In cases where any authorization office intends to grant authorization on the general waterworks business in accordance with Article 17 (1) and where the business plan submitted for the purpose of obtaining authorization under consideration includes one of the subject matters specified in the subparagraphs of paragraph (1), the authorization office shall, in advance, consult with the head of the relevant administrative agency.
- (3) In cases where the general waterworks business operator which is the State or a local government is considered to have obtained permission or authorization, etc. in accordance with other Acts as prescribed in paragraph (1), it may be exempted from the charge or use fee imposed by the relevant Acts: *Provided*, That this shall not apply to the charges for preservation of farmland as prescribed in Article 38 of the Farmland Act and the charges for formation of substitute grassland as prescribed in Article 23 (6) of the Grassland Act.

Article 47 (Village Waterworks)

- (1) The State and a local government shall provide the technical and financial assistance necessary for the hygienic management of village waterworks.
- (2) The head of *Si/Gun/Gu* shall properly operate and manage the village waterworks in his/her jurisdictional area as prescribed by Municipal Ordinances of the relevant local government.

CHAPTER III INDUSTRIAL WATERWORKS BUSINESS

Article 48 (Industrial Waterworks Installed by State, etc.)

The State shall provide industrial water to an industrial complex as prescribed in subparagraph 5 of Article 2 of the Industrial Sites and Development Act after having installed the industrial waterworks facilities, or the State shall cause other waterworks business operator to install the industrial waterworks and provide the industrial complex under consideration with industrial water.

Article 49 (Authorization of Industrial Waterworks Business)

Any person who intends to run the industrial waterworks business shall obtain authorization therefor from the Minister of Land, Transport and Maritime Affairs, and, in such cases,

the Minister of Land, Transport and Maritime Affairs shall consult in advance with the Minister of Environment about it. This shall also apply to cases (excluding cases of alteration of insignificant matters prescribed by Presidential Decree) where the authorized matters are altered. *<Amended by Act No. 8852, Feb. 29, 2008>*

Article 50 (Provisions to be Applied *Mutatis Mutandis*)

The provisions of Articles 17 (3), 18, 20, 21 (1) and (5), 23 and 38 through 46 shall apply *mutatis mutandis* to the cases of the industrial waterworks and the industrial waterworks business.

CHAPTER IV EXCLUSIVE WATERWORKS

Article 51 (Exclusive Waterworks Installed by State)

Matters concerning the exclusive waterworks installed by the State shall be determined by Presidential Decree, unless otherwise prescribed by this Act.

Article 52 (Authorization on Private-Use Waterworks)

(1) A person who intends to install the private-use waterworks shall obtain authorization from the Special Metropolitan City Mayor, the Metropolitan City Mayor and the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City) and the requirements for such authorization shall be prescribed by Presidential Decree. *<Amended by Act No. 8805, Dec. 27, 2007>*

(2) When it is intended to alter important matters prescribed by Presidential Decree from among authorized matters under paragraph (1), authorization therefor shall be obtained and when it is intended to alter other matters, a report thereon shall be filed.

(3) Any installer of the private-use waterworks shall, when he/she intends to shut down or to discontinue the use of such private-use waterworks for a specified period of time, file a report thereon with the Special Metropolitan City Mayor, the Metropolitan City Mayor or the head of *Si/Gun* (excluding the head of *Gun* in the Metropolitan City).

Article 53 (Provisions to be Applied *Mutatis Mutandis* to Cases of Private-Use Waterworks)

The provisions of Articles 18, 19, 21 (5), 26, 29 (1) and (3), 32, 33, 37 and 61 shall be applied *mutatis mutandis* to the private-use waterworks.

Article 54 (Provisions to be Applied *Mutatis Mutandis* to Cases of Private-Use Industrial Waterworks)

The provisions of Articles 21 (5), 52 and 61 shall be applied *mutatis mutandis* to the private-use industrial waterworks.

Article 55 (Small-Sized Water Supply Facilities)

(1) The head of *Si/Gun/Gu* shall perform an inspection of water quality for small-sized water supply facilities under the conditions as determined by Ordinance of the Ministry of Environment.

(2) The head of *Si/Gun/Gu* shall strive to upgrade and manage small-size water supply facilities as prescribed by Municipal Ordinance of the relevant local government.

(3) The State and local governments shall provide technical and financial assistance necessary for the installation and sanitary management of small-sized water supply facilities.

CHAPTER V KOREA WATER AND WASTEWATER WORKS ASSOCIATION

Article 56 (Establishment of Korea Water and Wastewater Works Association)

(1) Waterworks business operators, public sewerage management offices under Article

18 of the Sewerage Act, persons who run the business related to waterworks (including sewerage; hereafter in this Chapter the same shall apply), persons who are engaged in the academic and research field related to waterworks, and persons determined by Presidential Decree, may establish the Korea Water and Wastewater Works Association (hereinafter referred to as the "Association"), in order to perform the research and development of waterworks to develop the necessary waterworks technologies, and to contribute, in any other way, to the development of waterworks.

(2) The Association shall maintain the status of a juristic person.

(3) The Association shall come into being when the establishment thereof is registered at the place where its principal office is located.

(4) The expenses required for the projects of the Association shall be met from member fees which are paid by members, such as waterworks business operators, and proceeds from projects and the State, local governments and the Korea Water Resources Corporation may support part of the expenses within the extent of the budget.

(5) When the Association is established under paragraph (1), waterworks business operators (excluding private waterworks business operators) and every public waterworks management office shall become *ex officio* members.

Article 57 (Exclusive Members of Association and How to Elect Them, etc.)

(1) The Association shall have a chairman, directors and an auditor as its exclusive members.

(2) Businesses of the Association shall be determined by Presidential Decree.

(3) Necessary matters concerning the fixed number, the term of office, the election method, etc. for the exclusive members of the Association shall be determined by its articles of association.

Article 58 (Supervision)

The Minister of Environment may cause the Association to investigate and research the matters concerning waterworks or to make some report deemed to be necessary for the fulfillment of the business works concerned.

Article 59 (Application *Mutatis Mutandis* of Civil Act)

With regard to the Association, the provisions concerning the aggregate corporation in the Civil Act shall be applicable *mutatis mutandis*, except for the cases as prescribed by this Act.

CHAPTER VI EXPROPRIATION AND USE OF LAND, ETC.

Article 60 (Expropriation and Use of Land, etc.)

(1) When it is necessary to carry out the waterworks business, any waterworks business operator may expropriate or use the land, the articles, and the rights (hereinafter referred to as the "land, etc.") as prescribed in Article 3 of the Act on the Acquisition of Land, etc. for Public Works and the Compensation Therefor.

(2) When authorization for the waterworks business is given and the public notification of such authorization is made under Article 17 (1)

and (3) (including cases where it is applied *mutatis mutandis* pursuant to the provisions of Article 50), such authorization shall be deemed the project authorization or public notice of the project authorization as prescribed in Articles 20 (1) and 22 of the Act on the Acquisition of Land, etc. for Public Works and the Compensation Therefor, and notwithstanding the provisions of Articles 23 (1) and 28 (1) of the Act on the Acquisition of Land, etc. for Public Works and the Compensation Therefor, the application for the ruling shall be made by the time of completion of the waterworks construction work.

(3) Except as otherwise stipulated in this Act, the Acquisition of Land, etc. for Public Works and the Compensation Therefor shall apply *mutatis mutandis* to the expropriation or use of land, etc. under paragraph (1).

Article 61 (Entry into Third Party's Land)

(1) When it is necessary to carry out the waterworks business or to inspect the water-supply facilities, any waterworks business operator may enter the land of a third party or temporarily use it. When it is particularly necessary, he/she may alter the positions of or may get rid of standing trees, bamboo trees, clay and rocks, or others.

(2) The provisions of Articles 130 (2) through (8) and 131 of the National Land Planning and Utilization Act shall be applied *mutatis mutandis* to the cases as prescribed in paragraph (1). In such cases, the term "undertaker of urban planning facility project" shall be read as the "waterworks business operator" in this Act.

CHAPTER VII SUPERVISION

Article 62 (Supervision and Control)

When it is deemed necessary for the installation plan for the waterworks and the management of the waterworks business in order to preserve and improve the quality of tap water, efficiently operate and manage waterworks, the Minister of Environment may ask the relevant waterworks business operator to modify the plan for the business, or may give an order to improve the management of the relevant business, or may take other necessary measures.

Article 63 (Measures against Violators, etc. of Acts and Subordinate Statutes)

(1) In cases where a waterworks business operator or an installer of exclusive waterworks falls under any of the following subparagraphs, the authorization office (including the Special Metropolitan City Mayor and Metropolitan City Mayors; hereinafter the same shall apply to the provisions of Articles 64 through 66) shall cancel the authorization under this Act:

1. In cases where construction work of the authorized waterworks or exclusive waterworks has not been commenced or completed even after one year has elapsed from the scheduled date for commencement or completion of the construction work;
2. In cases where tap water has not been supplied even after six months have elapsed from the scheduled date for commencement of water supply of the authorized waterworks; and
3. In cases where authorization, permission or approval under this Act has been obtained by deceitful or other unjust means.

(2) If a waterworks business operator (including a trustee) or an installer of exclusive waterworks falls under any of the following subparagraphs, the authorization office (including the Special Metropolitan City Mayor and Metropolitan City Mayors) may cancel authorization under this Act, suspend its effect, suspend construction work, order rebuilding, removal, alteration or clearance of structures, or take other necessary measures:

1. In cases where it has sold tap water filled in a container or sold it through retreatment with apparatus, etc. in violation of Article 13 (1);
2. In cases where it has changed the authorized matters without having obtained authorization under the latter parts of Article 17 (1) or 49;
3. In cases where waterworks have not met the standards for facilities under this Act in violation of Article 18 (including the cases where it is applied *mutatis mutandis* according to Articles 50 and 53);
4. In cases where it has not undergone an examination of water and has supplied tap

- water without having undergone the examination in violation of Article 19 (including the cases where it is applied *mutatis mutandis* according to Article 53);
5. In cases where it has not designated a manager of the waterworks under Article 21 (5) (including the cases where it is applied *mutatis mutandis* according to Articles 50, 53 and 54) or has not posted an operation administrator of the water purification facilities under paragraph (6) of the same Article;
 6. In cases where it has not reported the conclusion of an entrustment contract under Article 23 (2) (including the cases where it is applied *mutatis mutandis* according to Article 50);
 7. In cases where it has not advised the inhabitants of the facts of violation of the standards for water quality in violation of Article 27 (1) or has not taken necessary measures;
 8. In cases where it has not met the standards for water purification under Article 28 (1) (including the cases where it is applied *mutatis mutandis* according to Article 23 (3)) or has not carried out an order for measures under paragraph (2) of the same Article (including the cases where it is applied *mutatis mutandis* according to Article 23 (3));
 9. In cases where it has not examined the quality of water and has not analyzed the quantity of water, or has not draw up or kept a record of such examination and analysis in violation of Article 29 (1) and (3) (including the cases where it is applied *mutatis mutandis* according to Articles 23 (3) and 53);
 10. In cases where it has not provided a written report of the quality of tap water in violation of Article 31 (1);
 11. In cases where it has violated the regulations concerning medical examination under Article 32 (including the cases where it is applied *mutatis mutandis* according to Articles 23 (3) and 53);
 12. In cases where it has not taken sanitary measures such as disinfection, etc. under Article 33 (1) (including the cases where it is applied *mutatis mutandis* according to Articles 23 (3) and 53) or has not guided or supervised under paragraph (4) of the same Article;
 13. In cases where it has not had the personnel required for operation of waterworks receive education in violation of Article 36 (including the cases where it is applied *mutatis mutandis* according to Article 23 (3));
 14. In cases where it has violated the regulations concerning emergency suspension of water supply under Article 37 (including the cases where it is applied *mutatis mutandis* according to Articles 23 (3) and 53);
 15. In cases where it has not obtained approval of the authorization office or has not obtained approval on the modification in violation of Article 38 (1) (including the cases where it is applied *mutatis mutandis* according to Article 50);
 16. In cases where it has refused to supply tap water without any justifiable reason in violation of Article 39 (including the cases where it is applied *mutatis mutandis* according to Article 50) or has not made a public announcement in advance when it is unable to supply tap water unavoidably;
 17. In cases where it has not carried out an order for support for emergency water supply under Article 41 (1) (including the cases where it is applied *mutatis mutandis* according to Article 50);
 18. In cases where it has discontinued or suspended a general waterworks business without having obtained permission from the authorization office in violation of Article 42 (including the cases where it is applied *mutatis mutandis* according to Article 50);

19. In cases where it has not installed and managed the hydrant on waterworks in violation of Article 45 (including the cases where it is applied *mutatis mutandis* according to Article 50);
20. In cases where it has conducted the acts under Article 61 (1) without having obtained permission or consent under the provisions of Article 130 (2) through (4) of the National Land Planning and Utilization Act which is applied *mutatis mutandis* according to Article 61 (2) (including the cases where it is applied *mutatis mutandis* according to Articles 23 (3), 53 and 54);
21. In cases where it has not carried out an order for measures under Article 62;
22. In cases where it has not carried out an order for improvement under the provisions of Article 64 (1) through (3);
23. In cases where it has not carried out an order for modification under Article 65; and
24. In cases where it has refused, hindered or evaded the inspection or has not made a report under Article 66 (1).

[This Article Wholly Amended by Act No. 8805, Dec. 27, 2007]

Article 64 (Improvement Order, etc.)

(1) When any authorization office admits that the waterworks do not meet the criteria therefor as prescribed by this Act, it may give the order for the improvement of the relevant facilities to the relevant waterworks business operator or the installer of the relevant exclusive waterworks by fixing a period.

(2) When any authorization office admits that the management state of the waterworks is remarkably bad, it may give necessary orders to the relevant waterworks business operator or the installer of the relevant exclusive waterworks.

(3) When natural disasters or other accidents resulting in the pollution of water, etc. negatively affect or are apprehended to negatively affect the supply of tap water to a great extent, the relevant authorization office may issue necessary orders to the relevant waterworks business operators or the installer of the relevant exclusive waterworks.

(4) The provisions of Article 131 of the National Land Planning and Utilization Act shall apply *mutatis mutandis* where the orders issued by the authorization office as prescribed in paragraphs (1) through (3) cause any loss.

Article 65 (Modification of Terms for Supplying Tap-Water)

In cases where any authorization office admits the following items are remarkably unjust, that is, the rates for tap water, the bearing of the expenses of the installation of water-supply facilities or other conditions for supplying tap water as provided for in the terms for water supply which the waterworks business operator, other than a local government, has determined in accordance with the main sentence of Article 38 (1), the authorization office may order the relevant waterworks business operator to modify them.

Article 66 (Demand for Report, etc.)

(1) Any authorization office may have the relevant public officials enter the waterwork-related facilities to inspect documents concerned, facilities, equipment and water quality or have a waterworks business operator or an installer of exclusive waterworks file a necessary report in order to confirm whether to meet the criteria for facilities and water quality of waterworks.

(2) Any person who performs an inspection as prescribed in paragraph (1) shall carry the voucher of his/her authority and show it to the relevant persons.

CHAPTER VIII SUPPLEMENTARY PROVISIONS

Article 67 (Jurisdiction over Waterworks)

The jurisdiction of the Mayor/*Do* governor over the waterworks business whose facilities extend over two or more Cities or *Dos* or any exclusive waterworks, shall be determined through their consultation and shall be exercised accordingly.

Article 68 (Compulsory Collection of Tap-Water Rates, etc.)

(1) When any person who was supplied with tap water has not paid the rates for the supplied tap water, the expenses necessary to install the water-supply facilities or the charge imposed on the person who has caused to incur any expenses as prescribed in Article 71, the unpaid amount may be collected by the waterworks business operator who is the local government itself by referring to the practices of imposition of local taxes in arrears.

(2) Under the conditions prescribed by Presidential Decree, the local government who supplied tap water to the area other than its jurisdictional area in accordance with Article 40 may delegate or entrust the local government which has jurisdiction over the relevant area with the compulsory collection as prescribed in paragraph (1).

(3) The local government which is a waterworks business operator shall grant 4/100 of the collected money to the local government delegated or entrusted with the compulsory collection, as prescribed in paragraph (2).

Article 69 (Limitation on Use of Income)

Any waterworks business operator, other than the Korea Water Resources Corporation, shall not use the income from the waterworks business for anything but the expenses necessary for the waterworks business itself or matters prescribed by Presidential Decree.

Article 70 (Bearing of Costs for Installation of Waterworks)

Costs for installing the waterworks (excluding any water-supply facilities) shall be borne by a waterworks business operator.

Article 71 (Charges Imposed on Person who has Caused to Incur Expenses)

(1) In undertaking any waterworks work, the waterworks business operator may have a person who has caused to incur expenses (including any person who has caused new installation or expansion, etc. of waterworks facilities in a housing complex or industrial facilities, etc. which consume much tap water), or a person who has operated a business or has done an act that inflicts damage to waterworks facilities bear all or part of the expenses required for the construction work of the relevant waterworks, the maintenance of waterworks facilities or the protection from damage to waterworks facilities.

(2) The criteria for computing the charges under the provisions of paragraph (1), the collection methods of the expenses concerned, and other necessary matters shall be determined by Presidential Decree.

Article 72 (Charges Imposed on Person who has Inflicted Damage)

(1) In cases where there is a person who runs a business or commits an act that inflicts a damage on waterworks, the waterworks business operator may have the person under consideration bear the expenses for the required repair or maintenance of the relevant waterworks facilities or the expenses for establishing the facilities for the prevention of the expected damage.

(2) The provisions of Article 71 (2) shall apply *mutatis mutandis* to the case as provided for in paragraph (1).

《The amended provision of this subparagraph shall take effect until Jan. 3, 2008 in accordance with Article 3 of the Addenda of Act No. 8370, Apr. 11, 2007》

Article 73 (Research and Development of Technologies)

(1) In order to promote the research and development of the technologies concerning waterworks, the Minister of Environment may develop a plan for the research and development of the technologies concerned and have a professional waterworks research institute conduct such research and development with providing necessary support.

(2) In order to efficiently fulfill the education or training of the persons who are engaged in the field of waterworks, the Minister of Environment may develop a plan for the education or training concerning waterworks and may entrust the educating and training task to a professional waterworks research institute with providing necessary support.

(3) The Minister of Environment and the heads of local governments may implement policies designed to provide technical guidances and training programs for technicians in order to support manufacturers specializing in making waterworks, machinery and materials and to train waterworks specialists.

Article 74 (Technical Diagnosis on Waterworks)

(1) Every waterworks business operator shall every five years perform the technical diagnosis on the relevant waterworks including filtration plants and waterworks pipe network, etc. under the conditions as prescribed by Ordinance of the Ministry of Environment and develop and implement a plan for improving the waterworks taking into account the result of such technical diagnosis.

(2) Every waterworks business operator may have such a person as determined by Ordinance of the Ministry of Environment carry out the business on technical diagnosis referred to in paragraph (1).

(3) Every waterworks business operator shall notify the authorization office of the result of the technical diagnosis and the result of the development and implementation of the plan for improving the waterworks referred to in the provisions of paragraph (1).

Article 75 (Subsidy from National Treasury, etc.)

The State may provide any waterworks business operator with a subsidy or a loan to help meet with the expenses necessary for the waterworks business: *Provided*, That where the waterworks business operator which is a local government installs any waterworks or improves the wornout waterworks, all or part of the said expenses may be subsidized under the conditions as prescribed by Presidential Decree by taking account of the financial self-support level of the relevant local government.

Article 76 (Assistance to Persons Migrating from Area to be Submerged due to Construction of Dams for Waterworks Business)

The provisions of Articles 39 and 40 of the Act on the Construction of Dams and Assistance, etc. to their Environs shall apply *mutatis mutandis* to the assistance to persons migrating from the area to be submerged due to the construction of dams for waterworks business. In such cases, the term "person entrusted with dam management" and "person scheduled to be entrusted with dam management" referred to in the Act on the Construction of Dams and Assistance, etc. to their Environs shall be deemed to read "waterworks business operator" referred to in this Act.

Article 77 (Sales or Rents of Nationally-Owned Land)

As for the land which is categorized as the miscellaneous property of the State and which is directly in need for the waterworks business, the State may sell or rent it, by means of a contract *ad libitum*, to the waterworks business operator concerned, notwithstanding the provisions of Article 33 of the State Properties Act.

Article 78 (Delegation or Entrustment of Authority)

Under the conditions as prescribed by Presidential Decree, part of the authority rightly belonging to the Minister of Environment or the Minister of Land, Transport and Maritime Affairs under this Act may be delegated to the Mayor/*Do* governor or the head of any regional environmental office or may be entrusted to the Korea Water Resources Corporation or specialized institutions related to examination. *<Amended by Act No. 8805, Dec. 27, 2007; Act No. 8852, Feb. 29, 2008>*

Article 79 (Hearing)

Where the Minister of Environment, the Minister of Land, Transport and Maritime Affairs, the Mayor/*Do* governor or the head of *Si/Gun/Gu* intends to take a disposition falling under any of the following subparagraphs, he/she shall hold a hearing: *<Amended by Act No. 8852, Feb. 29, 2008>*

1. The revocation of the qualification of any certified operation manager of the water-purification facilities pursuant to Article 25;
2. Order for closure of water-tank cleanup business place pursuant to Article 35; and
3. Cancellation of authorization on waterworks business pursuant to Article 63.

Article 80 (Legal Fiction of Public Officials in Application of Penal Provisions)

Any officer and any employee who perform the waterworks management work under the supervision of anyone who is commissioned by the waterworks business operator (excluding any local government) pursuant to the provisions of Article 23 (including the cases where it is applied *mutatis mutandis* pursuant to Article 50) shall be each deemed a public official in the application of the provisions of Articles 129 through 132 of the Criminal Act.

CHAPTER IX PENAL PROVISIONS

Article 81 (Penal Provisions)

Any person who falls under any one of the following subparagraphs shall be punished by imprisonment for not more than five years or a fine not exceeding twenty million Won:

1. Person who has run the waterworks business without having obtained authorization as prescribed in the first part of the main sentence of Article 17 (1), or in the first part of the main sentence of Article 49; or
2. General waterworks business operator (including any commissioned person) or installer of the private-use waterworks who has not immediately ceased the supply of tap water in violation of the provisions of Article 37 (1) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53).

Article 82 (Penal Provision)

Any person who has sold tap water after putting tap water into a container or retreating tap water by making use of instruments, etc. in violation of the provisions of Article 13 (1) shall be punished by imprisonment for not more than three years or by a fine not exceeding fifteen million Won.

Article 83 (Penal Provisions)

Any person who falls under any one of the following subparagraphs shall be punished by imprisonment for not more than two years or a fine not exceeding ten million Won:

1. Person who has committed the prohibited or restricted acts as prescribed in Article 7 (3) or (4);
2. Waterworks business operator who has modified the authorized matters without having obtained authorization as prescribed in the latter part of the main sentence of Article

- 17 (1), or in the latter part of the main sentence of Article 49;
3. Person who has used waterworks machinery and materials which are not in conformity with the standards or installed water tanks which are not in conformity with the standards, in violation of Article 18 (2) and (3);
 4. Person who has installed waterworks connected to the existing tap-water pipelines, modified or damaged waterworks in violation of Article 20 (including the cases where it is applied *mutatis mutandis* pursuant to Article 50);
 5. Person who has lent his/her qualification certificate to any other person in violation of the provisions of Article 24 (4);
 6. General waterworks business operator (including any commissioned person), installer of private-use waterworks, or owner or manager of buildings or facilities who has failed to take sanitary measures including disinfection, etc. or measures including washing, etc. in violation of the provisions of Article 33 (1) through (3) (including the cases where it is applied *mutatis mutandis* pursuant to Article 23 (3) and 53);
 7. General waterworks business operator (including any commissioned person) or installer of private-use waterworks who has failed to make the situation known to the residents of the district concerned or failed to take necessary measures such as the inspection of water quality and the supply of emergency water in violation of Article 37 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53);
 8. Waterworks business operator who has not obtained the authorization from the authorization office or who has altered the contents of the authorization given by the authorization office in violation of Article 38 (including the cases where it is applied *mutatis mutandis* pursuant to Article 50);
 9. Waterworks business operator who has failed to comply with the order for the urgent supply of tap water as prescribed in Article 41 (1) (including the cases where it is applied *mutatis mutandis* pursuant to Article 50); or
 10. Waterworks business operator who has closed or suspended all or part of the waterworks business without having obtained permission as prescribed in Article 42 (including the cases where it is applied *mutatis mutandis* pursuant to Article 50).

Article 84 (Penal Provisions)

Any person who falls under any one of the following subparagraphs shall be punished by a fine not exceeding three million Won:

1. Person who has run the water-tank cleanup business without having made a report on it or who has made a false report on it in violation of Article 34 (1);
2. Person who has continued to run the water-tank cleanup business after having received the order for the closure of the place of water tank cleanup business as prescribed in Article 35;
3. Person who has, without any justifiable reason, interfered with or refused the execution of the waterworks business or the inspection of the water-supply facilities as prescribed in Article 61 (1); or
4. Person (including any commissioned person) who has performed an act prescribed in Article 61 (1) without obtaining a permit or approval provided for in the provisions of Article 130 (2) through (4) of the National Land Planning and Utilization Act which is applied *mutatis mutandis* in accordance with Article 61 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3), 53 and 54).

Article 85 (Penal Provisions)

Any person who falls under any one of the following subparagraphs shall be punished

by a fine not exceeding two million Won:

1. Waterworks business operator or installer of the exclusive waterworks who has provided tap water without having gone through the inspection of the quality of water in violation of the provisions of Article 19 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Article 53);
2. Waterworks business operator or installer of the exclusive waterworks who has not appointed the manager of the waterworks in violation of the provisions of Article 21 (5) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 50, 53 and 54);
3. General waterworks business operator who has failed to publish widely to residents in violation of the provisions of Article 27 (1);
4. General waterworks business operator (including any commissioned person) who has failed to comply with the order given to take measures in violation of the provisions of Article 28 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Article 23 (3));
5. General waterworks business operator or installer of the private-use waterworks who has failed to perform the inspection of water quality as provided in Article 29 (1) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53);
6. General waterworks business operator who has failed to make a written report on the tap-water quality in violation of the provisions of Article 31 (1);
7. General waterworks business operator (including any commissioned person) or installer of the private-use waterworks who has not arranged for the medical checkup as provided in Article 32 (1) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53);
8. General waterworks business operator (including any commissioned person) or installer of the private-use waterworks who has allowed the person, admitted to have a disease which is apprehended to throw or inflict a danger or damage on other people, to work for his/ her waterworks business or to reside within the area of the waterworks in violation of the provisions of Article 32 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53);
9. Waterworks business operator who has refused, without any justifiable reason, to supply tap water in violation of the provisions of Article 39 (1) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 50);
10. Waterworks business operator who has not installed a hydrant at the site of his/her waterworks in violation of the provisions of Article 45 (including the cases where it is applied *mutatis mutandis* pursuant to Article 50);
11. Person who has installed the exclusive waterworks without having obtained the authorization as prescribed in Article 52 (including the cases where it is applied *mutatis mutandis* pursuant to Article 54);
12. Waterworks business operator who has violated the request for modification of business plan, order for improvement of business management and other necessary measures and orders in violation of Article 62; or
13. Waterworks business operator or installer of the exclusive waterworks who has failed to comply with the order for the improvement of facilities as prescribed in Article 64 (1) through (3).

Article 86 (Joint Penal Provisions)

- (1) When the representative, agent, employee or other employed person of a juristic person

has violated Articles 81 through 85 concerning the business of the relevant juristic person, the juristic person shall be punished by a fine pursuant to the respective provisions in addition to the punishment on the offender.

(2) When the agent, employee or other employed person of an individual has violated Articles 81 through 85 concerning the business of the relevant individual, the individual shall be punished by a fine pursuant to the respective provisions in addition to the punishment on the offender.

Article 87 (Fine for Negligence)

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

1. Person who has failed to install used-water purification waterworks in contravention of Article 14 (1); or

《The amended provision of this subparagraph shall take effect until Sep. 27, 2007 in accordance with Article 3 of the Addenda of Act No. 8370, Apr. 11, 2007》

2. Person who has failed to install rain-utilization facilities in contravention of Article 16 (1).

(2) Any person falling under any one of the following subparagraphs shall be punished by a fine for negligence not exceeding three million Won:

1. Person who has failed to comply with an implementation order given by the head of *Si/Gun/Gu* in contravention of Article 14 (4):

《The amended provision of this subparagraph shall take effect until Sep. 27, 2007 in accordance with Article 3 of the Addenda of Act No. 8370, Apr. 11, 2007》

2. Person who has failed to install water-saving equipment and instruments in contravention of Article 15 (1) or (2); or

3. Waterworks business operator who has failed to make a report on the conclusion of his/her commission contract in violation of the provisions of Article 23 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Article 50).

(3) Any person falling under any of the following subparagraphs shall be punished by a fine for negligence not exceeding one million Won:

1. Person who has failed to make the report or notification in violation of the provision of Article 7 (4);

2. Person who has failed to follow an implementation order given by the head of *Si/Gun/Gu* under Article 15 (4);

3. Person who has failed to operate rain-utilization facilities in violation of the provisions of Article 16 (1);

4. General waterworks business operator (including any commissioned person) or installer of private-use waterworks who has failed to prepare and keep a record on the inspection of water quality in violation of the provisions of Article 29 (3) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53);

5. General waterworks business operator (including any commissioned person) or installer of private-use waterworks who has not prepared and kept a record on the medical checkup in violation of the provisions of Article 32 (3) (including the cases where it is applied *mutatis mutandis* pursuant to Articles 23 (3) and 53);

6. Person who has closed or suspended his/her business without having made the necessary report or notification in violation of the provisions of Article 34 (2);

7. Person falling under any of the following items, who has failed to receive the education about the management of the waterworks or has failed to cause any other person to receive such education in violation of the provisions of Article 36 (including the cases

where it is applied *mutatis mutandis* pursuant to Article 23 (3)):

- (a) Any owner or any manager of building or facilities;
 - (b) Any water-tank cleanup business operator; or
 - (c) Any general waterworks business operator (including any commissioned person);
8. Waterworks business operator who has not given, in advance, the public notice on the area in which and the period during which tap water cannot be provided in violation of the provisions of Article 39 (2) (including the cases where it is applied *mutatis mutandis* pursuant to Article 50); or
9. Waterworks business operator or installer of exclusive waterworks who has refused, or interfered with or avoided the inspection, or who has failed to make the necessary report, as prescribed in Article 66 (1).
- (4) Any fine for negligence as prescribed in paragraphs (1) through (3) shall be imposed and collected by the Minister of Environment, the Minister of Land, Transport and Maritime Affairs, the Mayor/*Do* governor or the head of *Si/Gun/Gu* (hereafter in this Article referred to as "imponent") under the conditions as prescribed by Presidential Decree. *<Amended by Act No. 8852, Feb. 29, 2008>*
- (5) Any person who is dissatisfied with the imposition of the fine for negligence in accordance with paragraph (4) may raise an objection to the imponent within thirty days after the date on which such imposition is notified.
- (6) In cases where the person who is subject to the imposition of the fine for negligence in accordance with paragraph (4) has raised an objection in accordance with paragraph (5), the imponent shall, without delay, notify the fact to the pertinent court of law, and the court of law notified thus shall adjudicate on the case of fine for negligence in accordance with the Non-Contentious Case Litigation Procedure Act.
- (7) In cases where no objection is raised or no fine for negligence is paid within the period under paragraph (5), the delinquent fine for negligence shall be collected in the same manner as the delinquent national taxes or the delinquent local taxes have been collected.

ADDENDA

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: *Provided*, That the amended provision of Article 19 (55) of the Addenda shall enter into force on July 4, 2007, the amended provisions of Articles 7 (3) 1 and 56 (1) on September 28, 2007, the amended provisions of Articles 68 and 71 on January 4, 2008.

Article 2 (Transitional Measures concerning Enforcement Date)

Pursuant to the proviso of Article 1 of the Addenda, the former provisions of Article 5 (3) 1 and 39 (1) that correspond to the amended provisions of Articles 7 (3) 1 and 56 (1) shall apply until the amended provisions of Articles 7 (3) 1 and 56 (1) enter into force.

Article 3 (Period of Validity)

The amended provisions of subparagraph 15 of Article 3, Article 14, and Article 87 (1) 1 and (2) 1 shall remain valid until September 27, 2007, and the amended provision of Article 72 shall remain valid until January 3, 2008.

Article 4 (Applicable Examples concerning Collection of Charges Imposed on Person who has Caused to Incur Expenses)

The portion concerning the collection of charges imposed on a person who has caused to incur expenses required for the waterworks construction work from among the amended provision of Article 51 (1) of the partial amendment to the Water Supply and Waterworks

Installation Act (Act No. 8208) shall apply to the charges imposed on or after January 4, 2008.

Article 5 (Transitional Measures concerning Designation of Water-Source Protection Area)

Any water-source protection area designated on or before December 15, 1992 pursuant to the former provisions of the Water Supply and Waterworks Installation Act (Act No. 4429) shall be deemed as the water-source protection area designated pursuant to this Act.

Article 6 (Transitional Measures concerning Authorization on General Waterworks Business)

The person who has received authorization on general waterworks business on or before August 3, 1994 pursuant to the former provisions of the Water Supply and Waterworks Installation Act (Act No. 4781) shall be deemed to have received authorization pursuant to this Act.

Article 7 (Transitional Measures concerning Authorization on Exclusive Waterworks)

The person who has received authorization on exclusive waterworks on or before March 1, 1998 pursuant to the former provision of the amended Water Supply and Waterworks Installation Act (Act No. 5396) shall be deemed to have received authorization pursuant to this Act.

Article 8 (Transitional Measures concerning Small-Sized Water Supply System)

The small-sized water supply systems which supply water for a population of less than 100 persons or supply water less than 20m³ a day pursuant to the former provision at the time when the amended Water Supply and Waterworks Installation Act (Act No. 5396) entered into force on March 1, 1998 shall be deemed as the small-sized water supply system designated pursuant to subparagraph 14 of Article 3.

Article 9 (Applicable Examples concerning Installation of Used-Water Purification Waterworks and Rain-Utilization Facilities)

The amended provisions of Articles 14 (1) and (4), and 16 shall apply to the construction permit granted on or after the date when the amended Water Supply and Waterworks Installation Act (Act No. 6449) enters into force.

Article 10 (Transitional Measures concerning Change of Authority)

Acts, such as administrative disposition, done by the Special Metropolitan City Mayor and Metropolitan City Mayor and acts, such as report, done toward the Special Metropolitan City Mayor and Metropolitan City Mayor on or before September 29, 2001 pursuant to the former provisions of Articles 5 (4), 21 (1) and (2), and 21-3 (1) of the amended Water Supply and Waterworks Installation Act (Act No. 6449) shall be deemed as the acts done by the Special Metropolitan City Mayor and Metropolitan City Mayor and the acts done toward the Special Metropolitan City Mayor and Metropolitan City Mayor pursuant to this Act.

Article 11 (Transitional Measures concerning Korea Tap-Water and Waterworks Association)

(1) The Korea Waterworks and Sewerage Association to be established pursuant to Article 39 of the amended Water Supply and Waterworks Installation Act (Act No. 6449) shall comprehensively succeed to the rights and responsibilities of the Korea Tap-Water and Waterworks Association pursuant to the former provision.

(2) The Korea Tap-Water and Waterworks Association at the time when the amended Water Supply and Waterworks Installation Act (Act No. 6449) entered into force on September 29, 2001 shall be deemed to have dissolved pursuant to Article 77 of the Civil Act at the time when the Korea Waterworks and Sewerage Association is established pursuant to Article 39 of the amended Water Supply and Waterworks Installation Act (Act No.

6449).

Article 12 (Applicable Examples concerning Bearing of Installment Costs for Waterworks)

The amended provision of Article 70 shall apply to the water-purification facility installed on or after the date when the amended Water Supply and Waterworks Installation Act (Act No. 6828) entered into force.

Article 13 (Transitional Measures concerning Succession to Position of Waterworks Business Operator)

The business operator of wide-area waterworks installed or under installation at the time when the amended Water Supply and Waterworks Installation Act (Act No. 6826) entered into force on December 26, 2002 may succeed to the position of the waterworks business operator who is being supplied with water from the relevant wide-area waterworks pursuant to the proviso to the former Article 52-2 (1) after refunding or paying by proxy the amount of the expense for installing water-purification facility. In this case, he/she shall consult with the relevant waterworks business operator in advance.

Article 14 (Refund of Expense Borne for Installation of Waterworks)

The refund of the amount that has been borne to cover the installation expense for water-purification facility pursuant to Article 12 of the Addenda shall be the same amount as the investment amount pursuant to the former Article 52-2 (3) at the time when the amended Water Supply and Waterworks Installation Act (Act No. 6828) entered into force.

Article 15 (Transitional Measures concerning Tap-Water Quality Evaluation Committee)

The selection, etc. of objects of inspection by the Tap-Water Quality Evaluation Committee pursuant to the former provision of Article 19-2 on or before June 30, 2006, the date when the amended Water Supply and Waterworks Installation Act (Act No. 7777) entered into force shall be deemed to have been executed by the Tap-Water Evaluation Committee pursuant to the provisions of Article 19-2 of the amended Water Supply and Waterworks Installation Act (Act No. 7777).

Article 16 (Transitional Measures concerning Collection of Charges Imposed on Person who has Caused to Incur Expenses)

The charges that have been imposed on a person who has inflicted damages pursuant to the former provisions on or before January 4, 2008, the date when the amended Water Supply and Waterworks Installation Act (Act No. 8208) enters into force shall be deemed to have been imposed pursuant to the same Act.

Article 17 (General Transitional Measures concerning Disposition, etc.)

The acts by administrative agencies and acts against administrative agencies pursuant to the former provisions at the time when this Act enters into force shall be deemed as the acts by administrative agencies and acts against administrative agencies pursuant to this Act corresponding thereto.

Article 18 (General Transitional Measures concerning Penal Provisions and Fine for Negligence)

The application of the penal provisions and fines for negligence to an act committed before this Act enters into force shall be governed by the former provisions.

Article 19 Omitted.

Article 20 (Relationship with Other Acts and Subordinate Statutes)

Where the former Water Supply and Waterworks Installation Act or a provision thereof is cited in other Acts and subordinate statutes at the time when this Act enters into force, this Act or the corresponding provision in this Act shall be deemed to have been cited in place of the former provision if there is a corresponding provision in this Act.

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. 8466, May 17, 2007>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDUM <Act No. 8805, Dec. 27, 2007>

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

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. 8820, 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: *Provided*, That ...<Omitted.>... amendments to the Acts the enforcement dates of which have yet to arrive, even though they have been promulgated before this Act enters into force, from among the Acts to be amended in accordance with Article 6 of the Addenda, shall enter into force on the date the relevant Act enters into force, respectively.

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.