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ENFORCEMENT DECREE OF THE NATIONAL FINANCE ACT

[Enforcement Date 01. Oct, 2025.] [Presidential Decree No.35811, 01. Oct, 2025.,
Amendment by Other Act]

기획예산처 (지출혁신과)044-214-1873



법제처 국가법령정보센터

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CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose) The purpose of this Decree is to provide for matters mandated by the National Finance Act and those necessary for the enforcement thereof.

Article 2 (Establishment of national financial management plans) (1) The Minister of Economy and Finance shall establish guidelines for preparing a financial management plan (hereinafter referred to as "national financial management plan") under Article 7 (1) of the National Finance Act (hereinafter referred to as the "Act"), and notify the head of a central government agency thereof no later than December 31 of the year preceding the pertinent fiscal year. <Amended on Feb. 29, 2008>

(2) The Minister of Economy and Finance may hold a public hearing, an open forum, etc. to collect opinions concerning the national financial management plans. <Amended on Feb. 29, 2008>

(3) The scope of mandatory expenditure prescribed in Article 7 (2) 4-2 of the Act shall be as follows: <Added on Dec. 30, 2011; Jul. 1, 2020>

1. Expenditure for which commitments to incur expenditure are prescribed pursuant to statutes and the scope of expenditures is determined pursuant to statutes or regulations, such as a local subsidy under the Local Subsidy Act and a local education subsidy under the Local Education Subsidy Act;
2. Expenditure which is incurred pursuant to an international treaty concluded with a foreign country or an international organization or pursuant to generally approved international laws;
3. Interest expenditure on national bonds and loans, etc.

(4) Pursuant to the proviso of Article 7 (2) 6 of the Act, the following funds shall be excluded from the consolidated fiscal balance (referring to the financial statistics that

combines general accounts, special accounts and funds, meaning the amount calculated by subtracting net expenditure from net income) in accordance with government finance statistics manuals published by the International Monetary Fund and guidelines for preparing public sector debt statistics published by the Organization for Economic Co-operation and Development, etc.: <Added on Jul. 1, 2020>

1. The Korea Technology Finance Corporation Fund established under the Korea Technology Finance Corporation Act;
2. The credit guarantee fund for farmers and fishers established under the Act on the Credit Guarantee for Farmers and Fishers;
3. The bounty fund for the raising lump-sum savings of farming and fishing households established under the Act on Raising Lump-Sum Saving of Farming and Fishing Households;
4. The Infrastructure Credit Guarantee Fund established under the Act on Public-Private Partnerships in Infrastructure;
5. The Trade Insurance Fund established under the Trade Insurance Act;
6. The Korea Credit Guarantee Fund established under the Credit Guarantee Fund Act;
7. The Redemption Fund for Deposit Insurance Fund Bonds established under the Depositor Protection Act;
8. The Housing Finance Credit Guarantee Fund established under the Korea Housing Finance Corporation Act;
9. The foreign exchange equalization fund established under the Foreign Exchange Transactions Act.

(5) The head of a central government agency shall request a consultation with the Minister of Economy and Finance on the medium- and long-term plan that entails the Treasury expenditure under Article 7 (10) of the Act, specifying the relationship, etc. between the scheme for raising financial resources and national financial management plans, at least 30 days before finally fixing such medium- and long-term plan. <Amended on Feb. 29, 2008; Jul. 9, 2010; Dec. 30, 2011; Jul. 1, 2020>

(6) Where a medium- and long-term plan under paragraph (5) requires at least 50 billion won a year or 200 billion won in total of fiscal expenditure, the head of a central government agency shall present such plan before an economy-related ministerial meeting under the Regulations on the Economy Related Ministerial Meeting, or an international finance ministers meeting under the Regulations on the International Finance Ministers

Meeting, stating whether the agreement prescribed in paragraph (5) has been reached, and if necessary, the head of a central government agency may present such plan before a meeting designated by the Minister of Economy and Finance, in consultation with the Minister of Economy and Finance. <Added on Jul. 9, 2010; Dec. 30, 2011; Apr. 5, 2013>

(7) The Minister of Economy and Finance may prepare guidelines regarding the subject matters of, procedures, etc. for the consultation under paragraph (5), and notify the head of a central government agency thereof. <Amended on Feb. 29, 2008; Jul. 9, 2010; Dec. 30, 2011>

(8) "Project equivalent to or exceeding the scale prescribed by Presidential Decree" in Article 7 (11) of the Act means a project for which the State grants financial subsidy amounting to or exceeding 30 billion won as part of the total project cost (or the estimated total project cost, if the total project cost has not been finally fixed yet; hereinafter the same shall apply). <Amended on Jul. 9, 2010; Dec. 30, 2011; Jul. 1, 2020>

(9) The head of each local government shall submit each project plan formulated under Article 7 (11) of the Act to the head of the competent central government agency no later than December 31 of the year preceding the pertinent year. <Amended on Jul. 9, 2010; Dec. 30, 2011; Jul. 1, 2020>

(10) The head of a central government agency shall reflect the project plans submitted by the heads of local governments in accordance with paragraph (9) in the medium-term project plan under Article 28 of the Act, and shall submit such plan to the Minister of Economy and Finance by January 31 each year. <Amended on Feb. 29, 2008; Jul. 9, 2010; Dec. 30, 2011>

(11) The Minister of Economy and Finance may establish and operate a support team composed of related experts to provide professional and technical support for formulating national financial management plans. <Added on Jun. 2, 2020>

(12) Detailed matters regarding the organization and operation of the support team under paragraph (11) shall be determined by the Minister of Economy and Finance. <Added on Jun. 2, 2020>

Article 2-2 (Financial Management Strategy Committee) (1) The Minister of Economy and Finance may operate a Financial Management Strategy Committee (hereafter in this Article referred to as the "Committee") to gather opinions from relevant central administrative agencies, experts, etc. on the formulation, etc. of efficient and sound financial management

strategies.

(2) The Committee shall advise the Minister of Economy and Finance on the following:

1. Matters concerning the formulation and implementation of strategies for the efficiency of Treasury expenditures and for the improvement of systems;
2. Matters concerning the formulation and implementation of strategies for the increase of Treasury revenue and for the improvement of systems;
3. Matters concerning mid- to long-term financial forecasts and examination and analysis of risk factors;
4. Matters concerning the establishment and implementation of national financial management plans and the improvement of systems;
5. Other matters on which the Minister of Economy and Finance seeks advice for formulating and implementing financial management strategies.

(3) The 2nd Vice Minister of Economy and Finance shall serve as the chairperson of the Committee (hereafter in this Article referred to as the "chairperson") and the following persons shall serve as members of the Committee:<Amended on Nov. 5, 2024; Oct. 1, 2025>

1. A person designated by the head of the relevant agency from among members of the Senior Executive Service of the Ministry of Science and ICT, the Ministry of Education, the Ministry of the Interior and Safety, the Ministry of Trade, Industry and Resources, the Ministry of Health and Welfare, the Ministry of Employment and Labor, and the Ministry of SMEs and Startups;
2. A person designated by the head of the relevant agency from among members of the Senior Executive Service of the relevant central administrative agency that the chairperson deems related to agenda items;
3. Not more than 15 persons commissioned by the Minister of Economy and Finance in consideration of gender from among experts with extensive knowledge of and experience in finance.

(4) The term of office for the members commissioned pursuant to paragraph (3) 3 (hereafter in this Article referred to as "commissioned members") shall be two years and may be renewed only once.

(5) Where any commissioned member falls under any of the following, the Minister of Economy and Finance may discharge the relevant commissioned member:

1. Where the member is no longer unable to perform his or her duties due to mental or physical disability;

2. Where the member is involved in corruption related to his or her duties;
 3. Where the member is deemed unsuitable as a member due to neglect of duties, injury to dignity, or any other reason;
 4. Where the member expresses difficulty in performing his or her duties.
- (6) Where the chairperson is unable to perform his or her duties due to any unavoidable reason, the member appointed by the chairperson in advance shall act on behalf the chairperson.
- (7) Except as provided in paragraphs (1) through (6), matters necessary for composing and operating the Committee shall be determined by the Minister of Economy and Finance.
- [This Article Added on Apr. 27, 2021]

Article 3 Deleted. <Mar. 22, 2022>

Article 4 Deleted. <Mar. 22, 2022>

Article 4-2 (Standards for designation of specialized survey and research institutions) (1)

"Institutions that meet the standards for designation prescribed by Presidential Decree in terms of expert personnel, survey and research capabilities, etc." in Article 8-2 (1) of the Act means the following institutions:

1. Government-funded research institutes established under the Act on the Establishment, Operation and Fostering of Government-Funded Research Institutes;
 2. Institutions, other than those referred to in subparagraph 1, which meet the following requirements:
 - (a) To be equipped with an organization to perform the relevant tasks;
 - (b) To secure expert personnel with a doctor's degree in fields related to the relevant tasks;
 - (c) To have a track record of conducting specialized surveys, research, and evaluations or providing consulting concerning fields related to the relevant tasks.
- (2) A person who intends to be designated as a specialized institution under Article 8-2 (1) of the Act shall submit an application for designation as a specialized institution in attached Form to the Minister of Economy and Finance. In such cases, an entity that does not fall under paragraph (1) 1 shall submit an application accompanied by documents certifying that it meets all of the requirements referred to in the items of paragraph (1) 2.

(3) Where the Minister of Economy and Finance authorizes a specialized institution designated under Article 8-2 (1) of the Act to conduct all or some of the business affairs provided for in the subparagraphs of Article 8-2 (1) of the Act, he or she shall conclude an agreement stipulating the following with the specialized institution:

1. Any plan to conduct the business affairs;
2. Matters concerning the method for payment, use and management of contributions;
3. Matters concerning reporting on the outcomes of conducting the business affairs;
4. Modifications and termination of the agreement;
5. Measures to be taken for violations of the agreement;
6. Other matters which the Minister of Economy and Finance deems necessary for the efficient conduct of the business affairs of the specialized institution.

[This Article Added on Sep. 18, 2014]

[Title Amended on Jan. 10, 2023]

Article 5 (Publication of fiscal information) (1) "Important matters prescribed by Presidential Decree concerning finances of the State and local governments" in Article 9 (1) of the Act means the following: <Amended on Mar. 25, 2009; Feb. 15, 2013; Oct. 18, 2016; Jul. 26, 2017; Mar. 22, 2022>

1. Current status of the State claims and details of changes thereof;
2. National financial management plans under Article 7 of the Act;
3. Results of performance evaluation of fiscal projects under Article 85-8 (1) of the Act;
4. The tax expenditure budget under Article 142-2 of the Act On Restriction On Special Cases Concerning Taxation;
5. The State debt management plans under Article 91 of the Act;
6. Deleted; <Dec. 30, 2011>
7. Items determined by the Minister of Economy and Finance in consultation with the Minister of Interior (referring to the Minister of Education in case of matters concerning local educational finance) from among items publicly announced pursuant to Article 60-2 (1) of the Local Finance Act.

(2) The Minister of Economy and Finance shall publicly announce the matters prescribed in Article 9 (1) of the Act. <Amended on Feb. 29, 2008>

(3) "Institutions prescribed by Presidential Decree" in the provisions, with the exception of the items, of Article 9 (2) 2 of the Act and in subparagraph 3 of that paragraph means

institutions determined and publicly notified by the Minister of Economy and Finance, among the institutions meeting the requirements classified in each of the following subparagraphs. In such cases, matters concerning local government-invested public corporations and local public agencies under the Local Public Enterprises Act shall be determined in consultation with the Minister of the Interior and Safety: <Added on Jul. 1, 2020>

1. In cases falling under Article 9 (2) 2 of the Act: The ratio of sales to production costs (hereinafter referred to as "cost compensation rate") shall not exceed 50 percent or the ratio of sales to the Government to the whole sales (hereinafter referred to as "government sales rate") shall be at least 80 percent;

2. In cases falling under Article 9 (2) 3 of the Act: The cost compensation rate shall exceed 50 percent or the government sales rate shall be less than 80 percent.

(4) The current status of operation of revenue and expenditure budgets mandated to be disclosed on the website pursuant to Article 9 (4) of the Act shall be as follows: <Added on Jun. 30, 2015; Jul. 1, 2020>

1. Status regarding collection of tax revenues of each central government agency and status regarding execution of expenditure budgets;

2. Status regarding operation of funds by each central government agency;

3. Other details necessary to transparently disclose the status of revenue and expenditure budgets, as determined by the Minister of Economy and Finance.

(5) Heads of each central government agency shall disclose every day the details set forth in the subparagraphs of paragraph (4) by classifying them by subparagraph prescribed in Article 21 (4) and 67 (3) of the Act and by subproject thereof; provided, if it is difficult to produce certain data every day due to their characteristics, the disclosure shall be done monthly, quarterly, biannually, or yearly, in accordance with the cycle of creation of such data. <Added on Jun. 30, 2015; Dec. 29, 2017; Jul. 1, 2020>

Article 6 (Composition and management of Advisory Council on Fiscal Policy) (1) An Advisory Council on Fiscal Policy under Article 10 (1) of the Act (hereinafter referred to as "Advisory Council") shall respond to inquiries made by the Ministry of Economy and Finance about the matters falling under each of the following subparagraphs: <Amended on Mar. 25, 2009>

1. Establishment of national financial management plans;
2. Formulation of a budget bill for each fiscal year and establishment of draft fund management plans and revision to fund management plans (in cases of the revision to fund management plans, limited to those submitted to the National Assembly pursuant to Article 70 (2) of the Act);
3. Establishment of guidelines for formulation of a budget bill for each fiscal year and guidelines for preparation of fund management plans;
4. Matters on creation, consolidation, and closure of special accounts and funds;
5. Results of evaluations of fund management conducted by the fund management evaluation team under Article 82 (2) of the Act and its recommendations;
6. Matters on enactment of and amendments to statutes or regulations related to the fiscal system;
7. Matters on improvement of systems related to budget and funds;
8. Deleted; <Nov. 23, 2009>
9. Other matters requested by the Minister of Economy and Finance.
 - (2) Deleted. <Mar. 25, 2009>
 - (3) The Advisory Council shall be comprised of the following persons: <Amended on Feb. 29, 2008; Mar. 25, 2009>
 1. The Minister of Economy and Finance;
 2. The Vice Ministers of administrative ministries;
 3. The vice heads of committees, administrative agencies, and offices administering funds;
 4. Mayors of the Special Metropolitan City and Metropolitan Cities, and Governors of Dosa and the Special Self-Governing Province;
 5. Up to 30 persons of non-official members commissioned by the Minister of Economy and Finance who have abundant knowledge and experience in fiscal operations.
 - (4) The Minister of Economy and Finance shall act as the chairperson of the Advisory Council. <Amended on Feb. 29, 2008>
 - (5) The term of office for the members commissioned pursuant to paragraph (3) 5 shall be two years; provided, the Minister of Economy and Finance may discharge a member commissioned pursuant to paragraph (3) 5 from his or her office in any of the following cases: <Amended on Feb. 29, 2008; Mar. 25, 2009; Dec. 31, 2015>
 1. Where the member is no longer able to perform his or her duties due to mental or physical illness;

2. Where the member is involved in corruption related to his or her duties;
 3. Where the member is deemed unqualified by reason of neglect of duties, injury to dignity, etc.;
 4. Where the member expresses difficulty in performing his or her duties.
- (6) If the chairperson of the Advisory Council is unable to perform his or her duties due to unavoidable circumstances, a person appointed by the chairperson shall act on behalf of the chairperson.
- (7) The chairperson of the Advisory Council shall, if necessary, convene a meeting of the Advisory Council; provided, where there is no sufficient time to convene a meeting or the chairperson otherwise deems it particularly necessary, the meeting may be substituted by collecting opinions in writing. <Amended on Mar. 25, 2009>
- (8) The chairperson of the Advisory Council may convene a separate meeting comprised of the advisory members set forth pursuant to paragraph (3) 2 through 5 about the agenda under paragraph (1) 1 through 9. <Amended on Mar. 25, 2009>
- (9) The Advisory Council may invite relevant public officials or competent experts to its meeting to hear their opinions, if considered necessary.
- (10) The Advisory Council shall have one administrative secretary for processing administrative affairs, who shall be appointed by the chairperson among the public officials in the Ministry of Economy and Finance. <Amended on Feb. 29, 2008>
- (11) Allowances, traveling expenses, and other necessary expenses may be reimbursed to non-official members and competent experts who attend any meeting of the Advisory Council, within the budget.
- (12) Other matters necessary for management of the Advisory Council shall be determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

CHAPTER II BUDGET

SECTION 1 General Provisions

Article 7 (Classification of budgetary items) The classification and categorization of sections, paragraphs, and items, the classification and categorization of chapters, sections, paragraphs, subparagraphs, and items of the expenditure budget and continuing expenditure, and the classification of acts of assuming national treasury obligations shall be determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

Article 7-2 (Citizen participation in the budget process) (1) The Government shall implement measures necessary for enhancing transparency and citizens' participation in the budget process as prescribed in subparagraph 4 of Article 16 of the Act.

(2) The Government shall examine opinions of citizens presented during their participation in the budget process and may incorporate the outcome thereof into budgeting.

(3) To facilitate gathering of opinions under paragraph (2), the Government may operate a delegation of participants consisting of citizens.

(4) Details necessary for formulating measures pursuant to paragraph (1) shall be determined by the Minister of Economy and Finance.

[This Article Added on Dec. 29, 2017]

Article 8 (Approval of acts of incurring expenditure during subsequent years for specified carryover fund) The head of a central government agency who wishes to obtain approval of the Minister of Economy and Finance for an act of incurring expenditure to be disbursed over subsequent years in accordance with Article 24 (2) of the Act shall submit a document in which the following matters have been clearly stated to the Minister of Economy and Finance: <Amended on Feb. 29, 2008>

1. The item and amount of the expense for which an act of incurring expenditure to be disbursed over subsequent years is required, and the ground on which such expenses are incurred;
2. The amount to be disbursed during the following year out of the amount set forth in subparagraph 1.

Article 9 (Particulars of gender-responsive budget and standards for preparation thereof) (1) Gender-sensitive budgets prescribed in Article 26 of the Act (hereinafter referred to as "gender responsive budget") shall contain the following descriptions: <Amended on Feb. 29, 2008; Mar. 25, 2009; Jul. 9, 2010>

1. Overview of the gender responsive budget;
2. Scale of the gender responsive budget;
- 2-2. The expected effects of gender equality, performance objectives, and benefit analysis by gender of the gender responsive budget;
3. Other matters determined by the Minister of Economy and Finance.

(2) Gender-sensitive budgets shall be prepared by the head of a central government agency according to the standards for preparation thereof (including standards for selecting a project subject to preparation of gender responsive budget) and methods set forth by the Minister of Economy and Finance after the consultation with the Minister of Gender Equality and Family. <Added on Mar. 25, 2009; Mar. 15, 2010; Jul. 9, 2010; Oct. 1, 2025>

[Title Amended on Jul. 9, 2010]

Article 9-2 (Contents of, and standards for preparing greenhouse gas responsive budget) (1)

The greenhouse gas responsive budget under Article 27 of the Act (hereinafter referred to as "greenhouse gas responsive budget") shall include the following:

1. Overview of the greenhouse gas responsive budget;
2. Scale of greenhouse gas responsive budget;
3. Expected effects on greenhouse gas reduction, performance objectives, and effect analysis of, the greenhouse gas responsive budget;
4. Other matters deemed necessary by the Minister of Economy and Finance to analyze the impact of the budget on greenhouse gas reduction.

(2) The head of a central government agency shall prepare a greenhouse gas responsive budget, in accordance with the preparation standards (including the standards for selecting projects subject to the preparation of a greenhouse gas responsive budget) and methods presented by the Minister of Economy and Finance in consultation with the Minister of Climate, Energy and Environment. <Amended on Oct. 1, 2025>

[This Article Added on Dec. 31, 2021]

SECTION 2 Formulation of Budget Bill

Article 10 (Contents of budget requests) (1) The requests for the revenue and expenditure budgets prescribed in Article 31 (1) of the Act shall be prepared in compliance with the division and classification under Article 21 of the Act and Article 7 of this Decree.

<Amended on Dec. 31, 2021>

(2) The requests for a continuing expenditure prescribed in Article 31 (1) of the Act shall indicate the grounds upon which each item of such expenditure is required, the total amount and the yearly installment payments for such items of expenditure. <Amended on

Dec. 31, 2021>

(3) The requests for a specified carryover fund prescribed in Article 31 (1) of the Act shall be prepared in compliance with the division and classification under Article 21 of the Act and Article 7 of this Decree, and shall indicate the grounds upon which such carryover is required and the amount to be carried over. <Amended on Dec. 31, 2021>

(4) The requests for a commitment to assume the national treasury obligations prescribed in Article 31 (1) of the Act shall clearly state the matters set forth in Article 25 (3) of the Act. <Amended on Dec. 31, 2021>

(5) The budget requests made under Article 31 (1) of the Act shall be accompanied by the following documents under conditions determined by the Minister of Economy and Finance: <Amended on Feb. 29, 2008; Jul. 27, 2009; Dec. 31, 2021>

1. An explanatory statement on each activity in the revenue and expenditure budgets and an itemization of each item;
2. An explanatory statement on the commitments to assume the national treasury obligations;
3. An explanatory statement on continuing expenditure;
4. A list of statutes or regulations that grant statutory authority for the revenue;
5. The project plans;
6. Tables of the employment quota by job classification and comparison with the quota for the preceding year;
7. A report on the management and operation of the State-owned assets and a table of comparison with the value as of the preceding year;
8. As regards the projects that fall under major continuing projects determined by the Minister of Economy and Finance pursuant to Article 28 of the Act, documents required for clearly supporting the project plans, detailed descriptions, and details of computation of the scale of each project; provided, documents necessary for analysis of project plans and progress management are required in the case of the projects subject to application of the budget management process under Article 31 (2) of the Act;
9. A comprehensive statement on the relationship between the change in basic policy for each assigned area and the budget request;
10. The gender responsive budget;

11. The greenhouse gas responsive budget;
 12. Other documents necessary to clarify the contents of the budget request.
- (6) The revenue section of the explanatory statement on each activity in revenue and expenditure budgets under paragraph (5) 1 shall indicate an estimate of the revenue and the basis of computation thereof, while the expenditure section therein shall include a comprehensive statement on new and major continuing projects and an overview of each unit project, the basis of computation of the required budget, and the expected outcome of the project. <Amended on Dec. 31, 2021>
- (7) The statement on each item of the revenue and expenditure budgets under paragraph (5) 1 shall indicate the amount in the settlement of accounts for the year immediately before the preceding year in parallel, compare the budget amount demanded and the budget amount for the preceding year, and indicate the amount and rate so increased or decreased. <Amended on Jan. 5, 2021>

Article 11 (Reduction in budget for independent government bodies) In referring a budget Bill to the State Council for deliberation pursuant to Article 32 of the Act, if the amount of the expenditure budget for an independent government body or the Board of Audit and Inspection is reduced to less than the amount demanded, the Minister of Economy and Finance shall attach a document showing the reasons for such reduction, a comparison sheet between the amount in the expenditure budget and the amount demanded, and other documents necessary for deliberation. <Amended on Feb. 29, 2008; Jan. 5, 2021>

Article 11-2 (Scope of large-scale projects) "Large-scale projects specified by Presidential Decree" in subparagraph 5-2 of Article 34 of the Act means projects falling under any subparagraph of Article 21 (1).

[This Article Wholly Amended on May 8, 2017]

Article 12 (Projects with apportionment in lump sum) (1) "Projects prescribed by Presidential Decree" in Article 37 (1) of the Act means the projects determined by the Minister of Economy and Finance among the following projects: <Amended on Feb. 29, 2008; Jul. 9, 2010; May 7, 2024>

1. A road repair project;
2. A project for road safety and environment improvement;

3. A project for maintenance and repair of port facilities;
4. A repair facility renovation project;
5. A spare part support project;
6. A project for repair and maintenance of heritage;
7. A large-scale investment or support project, other than those under subparagraphs 1 through 6.

(2) "Ratio prescribed by Presidential Decree" in Article 37 (2) of the Act means 3/100, based on the net accounts of the budget for each fiscal year.

Article 13 (Preliminary feasibility study) (1) Deleted. <Apr. 1, 2014>

(2) Deleted. <Apr. 1, 2014>

(3) In applying for a preliminary feasibility study pursuant to Article 38 (3) of the Act, the head of a central government agency shall submit to the Minister of Economy and Finance a written request for a preliminary feasibility study, specifying the name, overview, necessity, etc. of the project. <Amended on Feb. 29, 2008; Apr. 1, 2014>

(4) Upon receipt of a written request under paragraph (3) or ex officio, the Minister of Economy and Finance shall examine first whether the relevant project conforms to the medium- and long-term investment plan related to such project, whether it is urgently required to promote the project, and other matters, and determine whether to conduct a preliminary feasibility study following consultation with the relevant experts. <Amended on Feb. 29, 2008; Apr. 1, 2014>

(5) Once the Minister of Economy and Finance makes a decision to conduct a preliminary feasibility study pursuant to paragraph (4), he or she shall determine whether the project is feasible, considering comprehensively economic effects, policy needs, and other factors of the project subject to the study and shall disclose the results thereof to the public. <Amended on Feb. 29, 2008>

(6) Deleted. <Apr. 1, 2014>

Article 13-2 (Procedures for granting exemptions from preliminary feasibility studies) (1) The head of a central government agency who intends to be granted an exemption from a preliminary feasibility study pursuant to Article 38 (2) of the Act shall submit to the Minister of Economy and Finance a written request for a preliminary feasibility study, specifying the name, overview, necessity of the project, the grounds for exemption and

other relevant matters.

(2) Upon receipt of a written request for exemption from a preliminary feasibility study submitted under paragraph (1), the Minister of Economy and Finance shall determine whether to grant an exemption from a preliminary feasibility study after consulting thereon with the relevant experts, where it is related to any of the projects referred to in the subparagraphs of Article 38 (2) of the Act, and notify the head of the competent central government agency of his or her determination; provided, he or she need not consult with the relevant experts where the project is related to national secret the consultation may be omitted.

(3) Where the head of the competent central government agency has been notified of the determination of exemption from the preliminary feasibility study pursuant to paragraph (2), he or she shall obtain consent from the competent standing committee of the National Assembly, where such determination was made with respect to a project that needs to be urgently implemented for preventing disasters under Article 38 (2) 7 of the Act, and shall, if such determination was made with respect to a project falling under the first sentence of Article 38 (2) 10, report, without delay, the details of the project, and the grounds for exemption to the competent standing committee of the National Assembly.

[This Article Added on Apr. 1, 2014]

Article 13-3 (Entrustment of tasks related to preliminary feasibility surveys on national

research and development projects) (1) Pursuant to Article 38-3 (1) of the Act, the Minister of Economy and Finance may entrust the Minister of Science and ICT with the following tasks concerning preliminary feasibility surveys on national research and development projects: <Amended on Jul. 1, 2020; Mar. 22, 2022>

1. Designating specialized institutions under Article 8-2 (1) 1 of the Act;
2. Investigating funds to specialized institutions under Article 8-2 (2) of the Act;
3. Revoking designation and holding hearings under Article 8-2 (3) and (4) of the Act;
4. Conducting preliminary feasibility surveys and submitting the findings thereof to the National Assembly under Article 38 (1) of the Act;
5. Excluding from projects subject to preliminary feasibility surveys under Article 38 (2) of the Act;
6. Selecting projects subject to preliminary feasibility surveys under Article 38 (3) of the Act;

7. Conducting preliminary feasibility surveys under Article 38 (4) of the Act;
 8. Preparing and notifying guidelines for preliminary feasibility surveys under Article 38 (6) of the Act;
 9. Entrusting preliminary feasibility surveys to specialized institutions and disclosing data related to the findings of preliminary feasibility surveys under Article 38-2 of the Act.
- (2) Where the Minister of Economy and Finance entrusts any tasks pursuant to paragraph (1), he or she shall publicly notify the details of the tasks entrusted.
- (3) The scope of tasks to be entrusted pursuant to paragraphs (1) and (2) may be adjusted based on consultation between the Minister of Economy and Finance and the Minister of Science and ICT. In such cases, the Minister of Economy and Finance shall publish the details of such adjustment.

[This Article Added on Apr. 17, 2018]

Article 13-4 (Evaluation of affairs related to preliminary feasibility surveys on national

research and development projects) (1) Where the Minister of Science and ICT has conducted a preliminary feasibility survey concerning a national research and development project referred to in Article 11 of the Framework Act on Science and Technology (hereinafter referred to as "research and development project"), he or she shall submit the findings thereof to the Minister of Economy and Finance within three months of the end of the relevant fiscal year, to be evaluated pursuant to Article 38-3 (3) of the Act.

(2) The Minister of Economy and Finance may evaluate the adequacy of the operation of preliminary feasibility surveys on research and development projects every two years by reviewing the findings submitted pursuant to paragraph (1).

(3) Based on the findings from the evaluation conducted under paragraph (2), the Minister of Economy and Finance may recommend to the Minister of Science and ICT, improvements in operating systems, etc. related to preliminary feasibility surveys of research and development projects.

[This Article Added on Apr. 17, 2018]

Article 14 (Large-scale development projects) "Large-scale development project prescribed by Presidential Decree" in the main clause of Article 39 (1) of the Act means a project that costs at least 50 billion won in total; provided, where the large-scale development project is a construction project, it means a project that costs at least 20 billion won in total.

<Amended on Jul. 23, 2008; Nov. 10, 2010>

Article 14-2 (Exception to formulation of budget bill as continuing expenditure) The Minister of Economy and Finance may choose not to include the cost of a large-scale development project in the Budget Bill as continuing expenditure pursuant to Article 39 (3) of the Act in any of the following cases: <Amended on May 22, 2014; Jul. 1, 2020>

1. Where excessive financial rigidity would be caused if the costs of the large-scale project is included in the Budget Bill as continuing expenditure in the light of the financial conditions: where the scale of the budget bill to be formulated as continuing expenditure falls under any of the following:
 - (a) Where the percentage occupied by the amount of such scale in the budget bills as subdivided as sections pursuant to Article 21 (3) of the Act exceeds the standards determined in the Guidelines for Formulation of Budget Bills under Article 29 of the Act;
 - (b) Where the percentage occupied by the amount of such scale in the budget bill for facilities investments of the relevant central government agency exceeds the standards determined in the Guidelines for Formulation of Budget Bills under Article 29 of the Act;
2. Where it is inappropriate to include the cost of the larger-scale development project in the Budget Bill as continuing expenditure, in light of the nature of such project: Any of the following cases:
 - (a) Where the project does not require detail designs under Article 73 of the Enforcement Decree of the Construction Technology Promotion Act;
 - (b) Where the project is not a project subject to guidelines for management of total project costs established under Article 50 (5) of the Act;
 - (c) Where the total project cost is highly likely to be changed in the course of implementing the large-scale project due to any reason, such as the difference between the estimated price and the successful bid price (referring to the difference between the projected price as defined in subparagraph 2 of Article 2 of Presidential Decree of the Act on Contracts to Which the State Is a Party and the successful bid price);
 - (d) Where the plan for the large-scale project is highly likely to be changed due to any inevitable reason, including where a local government's funds, etc., other than National

funds are required or the payment of compensation for land, etc. is delayed;

- (e) Where a re-survey for demand forecasting is being conducted pursuant to the guidelines for the management of the total project costs under Article 50 (5) of the Act prior to a feasibility review of the project under Article 50 (2) and (4) of the Act, or where a feasibility review or resurvey for demand forecasting is to be conducted as the project meets the requirements for feasibility review or resurvey for demand forecasting provided for in Article 22 of this Decree and the guidelines for the management of the total project cost established under Article 50 (5) of the Act;
3. Where there are no practical benefits or it is inappropriate to include the costs of the large-scale project in the Budget Bill as continuing expenditure, in light of the duration and scale of such project: any of the following cases:
- (a) Where there are no practical benefits to including the cost for such project in the Budget Bill as continuing expenditure as the remaining period for implementing a large-scale development project is so short;
- (b) Where it is deemed likely to hinder the implementation of any other project because the amount of installments for each fiscal year of a single large-scale project is excessively large and standards determined by the Guidelines for Formulation of Budget Bill under Article 29 of the Act are met.

[This Article Added on Dec. 30, 2013]

SECTION 3 Budget Execution

Article 15 (Preparation of budget allocation request) The activities management plans and the budget allocation request prescribed in Article 42 of the Act shall be separately prepared for each quarter of a year as determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

Article 16 (Budget allocation) (1) The Minister of Economy and Finance shall prepare the budget allocation plan according to the activities management plans and the budget allocation requests submitted by the head of a central government agency pursuant to Article 42 of the Act. <Amended on Feb. 29, 2008>

(2) When it is necessary to revise the budget allocation plan already approved by the President pursuant to Article 43 (1) of the Act due to unavoidable grounds, the head of a

central government agency shall submit to the Minister of Economy and Finance the activities management plans and the requests for revision to the budget allocation plan in which the reason for such revision shall be clearly described. <Amended on Feb. 29, 2008>

(3) The Minister of Economy and Finance shall, upon receiving the activities management plans and the requests for revision to the budget allocation plan pursuant to paragraph (2), prepare the revised budget allocation plan after making necessary adjustments, and shall obtain approval of the President therefor, subject to prior deliberation by the State Council. <Amended on Feb. 29, 2008>

(4) The Minister of Economy and Finance shall, upon obtaining approval of the President for revision of the budget allocation plan pursuant to paragraph (3), allocate the budget to the head of the central government agency concerned according to the plan, and shall notify the Board of Audit and Inspection of the allocation. <Amended on Feb. 29, 2008>

(5) The expenses to which the budget may be allocated before the beginning of each fiscal year pursuant to Article 43 (3) of the Act are as follows:

1. Expenses to be incurred in foreign countries;
2. Expenses required for the operation, repair, etc. of ships;
3. Expenses to be incurred in the areas that have difficulties in transportations or telecommunications;
4. Expenses incurred in purchasing food required by each government agency or office;
5. Expenses incurred in extraordinary activities, such as criminal investigation;
6. Travel expenses;
7. Costs and expenses incurred in public projects for which early execution is required in the aspect of economic policy;
8. Expenses incurred in disaster recovery.

Article 17 (Budget reallocation) (1) The head of a central government agency may authorize the treasurer in a senior agency or office to further reallocate the budget to the treasurer in a subordinate agency or office within the extent of the expenditure budget reallocated, where considered necessary. <Amended on Mar. 22, 2022>

(2) Where the head of a central government agency intends to have the work of reassignment of quarterly expenditure budgets under Article 43-2 (1) and (2) of the Act vicariously performed pursuant to paragraph (4) of that Article, he or she shall request the Korea Fiscal Information Service under the Korea Fiscal Information Service Act to

vicariously perform such work before the relevant quarter. In such cases, the head of a central government agency may request the vicarious performance by electronic method through the digital budgeting system referred to in Article 5 (1) 1 of the Korea Fiscal Information Service Act. <Amended on Mar. 22, 2022>

Article 18 (Notice of guidelines for budget execution) (1) The Minister of Economy and Finance shall notify the head of a central government agency of the guidelines for budget execution under Article 44 of the Act no later than the end of January of each year. <Amended on Feb. 29, 2008>

(2) The guidelines for budget execution under paragraph (1) shall contain the following matters: <Amended on Feb. 29, 2008>

1. Matters concerning types of expenses and budget execution for each item of expense;
2. Matters concerning the scope of delegation of the rights of diversion and of use under Article 46 (2) of the Act and the proviso of Article 47 (1) of the Act;
3. Other matters deemed necessary by the Minister of Economy and Finance.

Article 19 (Diversion, use, and transfer of budget) (1) The head of a central government agency, who wishes to obtain approval of the Minister of Economy and Finance for the diversion or use pursuant to Article 46 (1) or the proviso of Article 47 (1) of the Act or intends to request the use pursuant to Article 47 (2) of the Act, shall submit to the Minister of Economy and Finance a document that clearly states the item and amount required for diversion or use, and the reason for such diversion or use. <Amended on Feb. 29, 2008>

(2) The head of a central government agency, who wishes to have the budget transferred pursuant to Article 47 (2) of the Act, shall submit to the Minister of Economy and Finance a document that clearly states the item and amount of the budget to be subject to the transfer, subject to prior consultation with the head of the central government agency who shall make the transfer. <Amended on Feb. 29, 2008>

Article 20 (Carryover of expenditure budget) (1) "Expense prescribed by Presidential Decree" in Article 48 (2) 3 of the Act means any of the following expenses:

1. An expense incurred in relation to a construction project that is executed through incidental tender pursuant to Article 19 of the Enforcement Decree of the Act on Contracts to Which the State Is a Party or examination of the pre-qualifications for participate in tenders pursuant to Article 13 of that Enforcement Decree;

2. An expense executed by contracting through negotiations pursuant to Article 43 of the Enforcement Decree of the Act on Contracts to Which the State Is a Party;
3. An expense incurred in conducting a construction project publicly notified pursuant to Article 80 (3) of the Enforcement Decree of the Act on Contracts to Which the State Is a Party;
4. An expense incurred in relation to a disaster recovery project.

(2) "Expense prescribed by Presidential Decree" in Article 48 (2) 4 of the Act means any of the following expenses:

1. An expense for which the survey and appraisal for the land, goods, etc. eligible for compensation had been completed, and the compensation process began or is in progress;
2. An expense for indirect compensation, such as an expense for compensating damages to and loss of fishing right, surviving after completion of a construction project, for which a service contract on appraisal necessary for compensation was concluded or the appraisal is in progress;
3. An expense incurred in compensating for a disaster recovery project.

(3) "Expense prescribed by Presidential Decree" in Article 48 (2) 5 of the Act means an expense determined by the Minister of Economy and Finance to be incurred in the maintenance and operation of each institution or facility. In such cases, the carryover ceiling shall be 15/100 of the budget for the pertinent expense.<Amended on Feb. 29, 2008; Nov. 23, 2009; Dec. 30, 2013>

(4) The carryover statement referred to in Article 48 (4) of the Act shall clearly describe the following matters:

1. The amount of expense for each item required to be carried over;
2. The amount disbursed or estimated to be disbursed out of the amount of expense under subparagraph 1;
3. The amount to be carried over to the following year out of the expenses referred to in subparagraph 1, and the budget items of the pertinent expenses for the current year and the following year;
4. The amount unused out of the amount of expense under subparagraph 1;
5. The grounds for carryover.

- Article 21 (Control of total project costs)** (1) "Large-scale project prescribed by Presidential Decree" in the former part of Article 50 (1) of the Act means a project falling under any of the following subparagraphs: <Amended on May 8, 2017; Apr. 17, 2018; Dec. 8, 2020>
1. A project falling under any of the following items, whose scale of the total project expenses and the State's financial support is not smaller than the scale (including cases where the relevant standards are met by increasing the scale of the total project expenses and the State's financial support in the course of implementing a project) prescribed in the main clause, with the exception of the subparagraphs, of Article 38 (1) of the Act:
 - (a) A project containing construction work; provided, a project for building shall be excluded;
 - (b) A project for informatization referred to in Article 14 (1) of the Framework Act on Intelligent Informatization;
 - (c) Other projects in the fields of social welfare, health, education, labor, culture and tourism, environment protection, agriculture and marine fisheries, industry, and small and medium enterprises;
 2. A project for building, or a research and development project, the total project expenses of which is at least 20 billion won (including cases where the total project expenses amount to at least 20 billion won as a result of an increase in the scale of the total project expenses in the course of implementing a project).
- (2) Notwithstanding paragraph (1), each of the following projects shall be excluded from a large-scale project, the total cost of which is subject to control:<Added on Nov. 10, 2010; May 8, 2017>
1. A project supported by the provision of a fixed amount from the National Treasury, the scale of the State's financial support for which is not increased in the course of its implementation;
 2. A project supported by the provision of a loan from the National Treasury;
 3. A private investment project under the Act on Public-Private Partnerships in Infrastructure;
 4. A project for simple improvement, maintenance and repair of existing facilities to enhance their usefulness, such as maintenance and repair of roads, improvement of old water supply facilities, etc.;

5. A research and development project not containing the establishment of facilities and equipment.

(3) Pursuant to Article 50 (1) of the Act, the head of a central government agency shall consult with the Minister of Economy and Finance on each stage of a preliminary feasibility survey, feasibility survey, establishment of master plans, basic drawings, working drawings, ordering, contracting, and construction. <Amended on Feb. 29, 2008; Nov. 10, 2010>

(4) When consulting with the Minister of Economy and Finance on the scale, total cost, and period of a project pursuant to Article 50 (1) of the Act, the head of a central government agency shall submit to the Minister of Economy and Finance the project plan with details, the basis of calculation of the scale of the project, and documents necessary for analyzing process management (including basic drawings and working drawings). <Amended on Feb. 29, 2008; Nov. 10, 2010>

(5) The head of a central government agency, who intends to revise the total cost of a project under paragraph (1) due to any ground set forth in the following subparagraphs, shall consult with the Minister of Economy and Finance, on the adequacy of the total project cost or the revised amount, subject to prior review by the Administrator of the Public Procurement Service: <Amended on Feb. 29, 2008; Nov. 10, 2010>

1. Where the working drawings service for the project is completed;
2. Where it is necessary to adjust the contract amount after executing the contract that incurs a burden on National Treasury for the relevant project due to fluctuations in prices set forth in Article 19 of the Act on Contracts to Which the State Is a Party;
3. Other cases where it is necessary for the Administrator of the Public Procurement Service to conduct a special review on the unit prices due to the addition of a new type of construction works or other grounds.

Article 22 (Assessment of feasibility) (1) "Project whose total project cost has increased over the scale prescribed by Presidential Decree" in Article 50 (2) 3 of the Act means a project for which total project cost, excluding price increases and increase in compensation for damages and losses to land, etc. required for a public project has increased by at least the ratio determined by the Minister of Economy and Finance on the basis of the scale of the total project expenses of the relevant project, within the scope of 10/100 to 20/100 of the total project expenses are firmly established in consultation with the Minister of Economy and Finance.

(2) "Project ... have decreased by at least the scale prescribed by Presidential Decree" in Article 50 (2) 4 of the Act means a project for which the estimated demand has decreased by at least 30/100.

[This Article Wholly Amended on Jul. 1, 2020]

Article 23 (Allocation of reserve funds) The Minister of Economy and Finance shall, upon obtaining approval of the President for the use of the reserve fund pursuant to Article 51 (3) of the Act, allocate the fund as part of the expenditure budget. <Amended on Feb. 29, 2008>

Article 24 (Exception to principles of comprehensiveness of budget) (1) The revenue substitution expense prescribed in Article 53 (1) of the Act (hereinafter referred to as "revenue substitution expense") means any of the following expenses determined by the Minister of Economy and Finance: <Amended on Feb. 29, 2008>

1. An expense for which the State provides a special service or facility and collects the expense from the person to whom such a service or facility is provided;
2. An expense where disbursement of total amount of related expenses is permitted within the extent of the revenue.

(2) "Expenses directly related to surplus revenue and expenses incidental thereto exceeding the budget," prescribed by Presidential Decree under Article 53 (1) of the Act means the following expenses: <Amended on Feb. 29, 2008>

1. Asset acquisition costs, domestic travel expenses, and expenses for maintenance and repair of the facility directly related to performance of related affairs;
2. Wages for temporary workers that are employed due to temporary increase in workloads;
3. Expenses paid as compensation for employees who have performed the affairs relating to the creations of surplus revenue;
4. Other expenses incidental to the surplus revenue, and determined by the Minister of Economy and Finance.

(3) The head of a central government agency that intends to disburse a revenue substitution expense in excess of the budget pursuant to Article 53 (1) of the Act shall notify each treasurer under Article 22 (1) of the Management of the National Funds Act of the limit of such revenue substitution expense to be disbursed in excess of the budget.

(4) Where the head of a central government agency disburses a revenue substitution expense in excess of the budget pursuant to Article 53 (1) of the Act, he or she shall forward a statement specifying the grounds for, and amount of, such expense, to the Minister of Economy and Finance and the Board of Audit and Inspection, respectively. <Amended on Feb. 29, 2008>

(5) Where the head of a central government agency disburses an in-kind loan financed with a loan from a foreign lender, or repays funds borrowed from a foreign lender for relending, in excess of the budget pursuant to Article 53 (3) and (4) of the Act, he or she shall notify the Minister of Economy and Finance and the Board of Audit and Inspection thereof, respectively. <Amended on Feb. 29, 2008>

(6) Deleted. <Sep. 18, 2014>

Article 25 (Management of subsidies) (1) The head of a central government agency shall submit a report on the results of granting subsidies of the National Treasury and the results of execution of subsidies under Article 54 of the Act to the Minister of Economy and Finance, and the competent Standing Committees and the Special Committee on Budget and Accounts of the National Assembly no later than May 31 of the following year. <Amended on Feb. 29, 2008; Jul. 9, 2010>

(2) In preparing a report on the results of execution of subsidies granted to local governments under Article 54 of the Act, the head of a central government agency shall prepare such report separately for each local government of the Special Metropolitan City, Metropolitan City, Do, and Special Self-Governing Province under Article 2 (1) 1 of the Local Autonomy Act. <Amended on Jul. 9, 2010>

[Title Amended on Jul. 9, 2010]

CHAPTER III SETTLEMENT OF ACCOUNTS

Article 26 Deleted. <Mar. 25, 2009>

Article 27 Deleted. <Mar. 25, 2009>

CHAPTER IV FUNDS

Article 28 (Preparation of draft fund management plans) The draft fund management plans under Article 67 (4) of the Act shall be prepared in the following manner:

1. The revenue plan among the fund management plans shall be prepared in compliance with the division and classification of sections, paragraphs, and items as with those in the Government's revenue budget, while the fund raising plan that shall be attached to the draft fund management plans shall be prepared in compliance with the classification of items as with those in the Government's revenue budget;
2. The expenditure plan among the fund management plans shall be prepared in compliance with the division and classification of chapters, sections, paragraphs, subparagraphs, and items as with those in the Government's expenditure budget, while the management of surplus funds, if any, for the current fiscal year shall be described in a separate paragraph, and the subject matters of such management shall be described in subparagraphs;
3. Deleted. <Mar. 25, 2009>

Article 28-2 (Particulars of gender-responsive fund management plans and standards for preparation thereof) (1) A gender-responsive fund management plan prescribed in Article 68-2 of the Act (hereinafter referred to as "gender-responsive fund management plan") shall include the following:

1. Overview of the gender-responsive fund management plan;
2. Scale of the gender-responsive fund management plan;
3. The expected effects of gender equality, performance objectives and benefit analysis by gender of the gender-responsive fund management plan;
4. Matters determined by the Minister of Economy and Finance, other than those under subparagraphs 1 through 3.

(2) Gender-responsive fund management plans shall be prepared by each fund managing entity (referring to an entity that manages and operates the fund under each statute; excluding an entity entrusted with the management and operation of the fund: hereinafter the same shall) according to the standards for preparation thereof (including standards for selecting a project subject to preparation of the gender-responsive fund management plan) and methods determined by the Minister of Economy and Finance following

consultation with the Minister of Gender Equality and Family. <Amended on Mar. 22, 2022;
Oct. 1, 2025>

[This Article Added on Jul. 9, 2010]

Article 28-3 (Contents of, and standards for, preparing greenhouse gas responsive fund

operation plan) (1) The greenhouse gas responsive fund operation plan under Article 68-3 of the Act (hereinafter referred to as "greenhouse gas responsive fund operation plan") shall include the following:

1. Overview of the greenhouse gas responsive fund operation plan;
2. Scale of the greenhouse gas responsive fund operation plan;
3. Expected effects on greenhouse gas reduction, performance objectives, and effect analysis, of the greenhouse gas responsive fund operation plan;
4. Other matters deemed necessary by the Minister of Economy and Finance to analyze the impact of the Fund on greenhouse gas reduction.

(2) Each fund managing entity shall prepare a greenhouse gas responsive fund operation plan, in accordance with the preparation standards (including the standards for selecting projects subject to the preparation of a greenhouse gas responsive fund operation plan) and methods presented by the Minister of Economy and Finance in consultation with the Minister of Climate, Energy and Environment. <Amended on Oct. 1, 2025>

[This Article Added on Dec. 31, 2021]

Article 29 (Revision to fund management plans) (1) A fund managing entity may revise the amount of expenditure in a subcategory in accordance with Article 70 (1) of the Act in cases where any of the following events occurs or grounds arises; provided, in the case of subparagraph 3, no revision shall be made for the purpose of misappropriating such amount to the part reduced in the course of examination of a draft fund management plan by the National Assembly:

1. When an unforeseeable commotion breaks out;
2. When an emergency is caused by a disturbance;
3. When a supplementary measure is taken for an existing project.

(2) The revision to the amount of expenditure in main categories under Article 70 (3) of the Act shall be based on the amount of expenditure in the main categories reflected in the fund management plans finally set by the National Assembly.

(3) The statement on the proposed revision to the amount of expenditure in a subcategory or a main category under Article 70 (4) of the Act shall be submitted within 20 days after such proposed revision is finalized.

(4) In preparing a revision under Article 70 (1) and (3) of the Act, the fund managing entity concerned shall consult with the Minister of Economy and Finance, in cases where it involves a category of expenditure specified in the guidelines for execution of the fund management plans under Article 36. <Amended on Feb. 29, 2008>

(5) In cases where a fund managing entity set out in paragraph (4) is not the head of a central government agency, the entity shall go through a consultation process with the head of the competent central government agency, as set out in that paragraph.

Article 30 (Contents of fund carryover statement) The carryover statement prescribed in Article 72 (2) of the Act shall clearly describe the following matters:

1. The amount of expense for each item required to be carried over;
2. The amount disbursed or estimated to be disbursed out of the amount of expense under subparagraph 1;
3. The amount to be carried over to the following year out of the amount of expense under subparagraph 1 and the expenditure item for the relevant expense for the current year and the following year;
4. The amount unused out of the amount of expense under subparagraph 1;
5. The grounds for carryover.

Article 31 (Entities subject to establishment of medium- and long-term fund financial management plans and procedures for establishment thereof) (1) "Managing entity of funds prescribed by Presidential Decree" in the former part of Article 73-4 (1) of the Act means a managing entity of any of the following funds (hereafter in this Article referred to as "fund managing entity subject to establishment of a medium- and long-term fund financial management plan"): <Amended on Mar. 24, 2014; Jun. 30, 2015; Apr. 2, 2019; Dec. 31, 2021; Feb. 17, 2022>

1. The Employment Insurance Fund established under the Employment Insurance Act;
2. The Public Officials Pension Fund established under the Public Officials Pension Act;
3. The National Pension Fund established under the National Pension Act;

4. The Military Pension Fund established under the Military Pension Act;
 5. The Restructuring Fund established pursuant to Article 43-2 of the Act on the Establishment of Korea Asset Management Corporation;
 6. The Pension Fund for Private School Teachers and Staff established pursuant to the Pension for Private School Teachers and Staff Act;
 7. The Industrial Accident Compensation Insurance and Prevention Fund established pursuant to the Industrial Accident Compensation Insurance Act;
 8. The Trade Insurance Fund established pursuant to the Trade Insurance Act;
 9. The Deposit Insurance Fund Bond Repayment Fund established pursuant to the Depositor Protection Act;
 10. Housing and urban funds established pursuant to the Housing and Urban Fund Act;
 11. The Fund for the Establishment and Promotion of SMEs and Startups established pursuant to the Small and Medium Enterprises Promotion Act.
- (2) "Matters prescribed by Presidential Decree" in Article 73-4 (2) 4 of the Act means the following: <Amended on Dec. 31, 2021>
1. Forecasts for medium- and long-term conditions to manage funds;
 2. Estimation of medium- and long-term changes of the assets held by the fund.
- (3) A fund managing entity subject to establishment of a medium- and long-term fund financial management plan shall establish a medium- and long-term fund financial management plan under the former part of Article 73-4 (1) of the Act (hereinafter referred to as "medium- and long-term fund financial management plan"), and submit such plan to the Minister of Economy and Finance before submitting a national financial management plan to the National Assembly; provided, matters referred to in Article 73-4 (2) 1 and 2 of the Act in the medium- and long-term fund financial management plan shall be submitted to the Minister of Economy and Finance, along with a medium-term project plan established under Article 66 (1) of the Act, no later than January 31 each year. <Amended on Dec. 31, 2021>
- (4) A fund managing entity subject to establishment of a medium- and long-term fund financial management plan shall consult with the Minister of Economy and Finance, when establishing a medium- and long-term fund financial management plan. <Amended on Dec. 31, 2021>

(5) When having consultation prescribed in paragraph (4), if a fund managing entity subject to establishment of a medium- and long-term fund financial management plan is not the head of a central government agency, it shall submit such plan through the head of the competent central government agency.

(6) If deemed necessary to establish medium- and long-term fund financial management plans, the Minister of Economy and Finance may prescribe how such plans are established and forms to be used, and notify fund managing entities thereof.

[This Article Added on Jul. 9, 2010]

Article 32 Deleted. <Mar. 25, 2009>

Article 33 (Composition and management of Deliberative Council on Fund Management) (1)

A Deliberative Council on Fund Management prescribed in Article 74 of the Act (hereinafter referred to as the "Deliberative Council") shall be comprised of 10 or fewer members, including one chairperson.

(2) The Deliberative Council members shall be appointed or commissioned by the fund managing entity from among the people set forth in the following subparagraphs:

1. Public officials who are members of the Senior Executive Service and are responsible for the affairs of fund management in the central government agency concerned;
2. Persons who have been recognized as having much expertise and experience in administration and management of funds;
3. Representatives and executive officers of institutions and organizations relating to the projects of the fund concerned.

(3) The Deliberative Council members' term of office shall be two years; provided, the term of office for a Deliberative Council member set forth in paragraph (2) 1 shall be the same as the period during which the relevant Deliberative Council member maintains his or her position as a public official.

(4) "Important matter concerning administration and management of funds prescribed by Presidential Decree" in Article 74 (2) 5 of the Act means the revision to subcategories of expenditure that shall be subjected to consultation with the Minister of Economy and Finance pursuant to Article 29 (4). <Amended on Feb. 29, 2008>

(5) Other matters necessary for composition and management of the Deliberative Council shall be prescribed by the chairperson, subject to resolution of the Deliberative Council.

Article 34 Deleted. <Mar. 25, 2009>

Article 35 (Composition and management of Asset Management Committee) (1) The Asset Management Committee prescribed in the provisions of Article 76 (1) of the Act (hereinafter referred to as the "Asset Management Committee") shall be comprised of 10 or fewer members, including one chairperson. <Amended on Mar. 25, 2009>

(2) "Person who satisfies the qualification prescribed by Presidential Decree" in Article 76 (4) 2 of the Act means any of the following persons: <Amended on Jul. 29, 2008; Dec. 31, 2008; Mar. 25, 2009; Feb. 29, 2012>

1. A person who has at least a five-year experience working in a position in charge of asset management, asset management evaluation, and risk management in a financial institution defined in subparagraph 1 of Article 2 of the Act on the Structural Improvement of the Financial Industry or a fund assessment company under Article 258 of the Financial Investment Services and Capital Markets Act;
2. A person who has at least a five-year experience working in a position in charge of finance or asset management in a stock-listed corporation under Article 9 (15) of the Financial Investment Services and Capital Markets Act, in a government enterprise under Article 2 of the Government Enterprise Budget Act, or in a public agency under Article 4 of the Act on the Management of Public Institutions;
3. A person who has at least a three-year experience conducting research on or teaching an academic field relating to economics, business administration, or finance, in a position of adjunct professor or higher in a school defined in the Higher Education Act;
4. A person who has at least a three-year experience working in a research institute or a public institution with a doctorate in a field relating to economics, business administration, or finance;
5. A person who has practiced as a lawyer or a certified public accountant for at least three years;
6. Any other person recognized by the fund managing entity as having knowledge and experience equivalent to or better than those set forth in subparagraphs 1 through 5.

(3) Each Committee member's term of office shall be two years; provided, the term of office for a Committee member who meets the qualification under Article 76 (4) 1 of the Act and is commissioned with a position assigned shall be the period during with the Committee member maintains his or her position as a public official.

(4) Other matters necessary for the composition and management of the Asset Management Committee shall be prescribed by the Committee chairperson, subject to resolution of the Asset Management Committee.

Article 36 (Guidelines for execution of fund management plans) (1) The Minister of Economy and Finance shall notify each fund managing entity of the guidelines for execution of the fund management plans under Article 80 of the Act no later than the end of January of each year. <Amended on Feb. 29, 2008>

(2) The guidelines for execution of the fund management plans under paragraph (1) shall include the following matters: <Amended on Feb. 29, 2008>

1. Matters concerning fund execution by type and by expense item;
2. Categories of expenditure that shall be subject to consultation with the Minister of Economy and Finance, in cases where the fund managing entity intends to make a revision under Article 29 (4);
3. Other matters deemed necessary by the Minister of Economy and Finance.

Article 37 (Selection of financial institution for integrated management of surplus funds) (1)

The Minister of Economy and Finance shall, subject to advice by the relevant experts, select a financial institution which integrates and manages surplus funds deposited by each fund managing entity pursuant to Article 81 of the Act, taking into account the following criteria for selection: <Amended on Feb. 29, 2008; Mar. 25, 2009; Nov. 23, 2009>

1. Soundness of financial status and management indicators;
2. Performance of asset management, such as return on investment;
3. Appropriateness of the strategy and plan for asset management;
4. Other matters determined by the Minister of Economy and Finance as necessary for efficient and stable asset management.

(2) Except as provided in paragraph (1), matters necessary for integrated management of surplus funds under Article 81 of the Act) shall be determined by the Minister of Economy and Finance. <Added on Mar. 25, 2009>

Article 37-2 (Evaluation of fund management) (1) The Minister of Economy and Finance shall evaluate the fund management results, suitability of management of surplus funds, etc. pursuant to Article 82 (1) of the Act.

(2) The Minister of Economy and Finance may establish guidelines for the evaluation of the fund management under paragraph (1) and then notify a fund managing entity thereof.

(3) A fund managing entity shall submit funds management results to the Minister of Economy and Finance by the last day of every February.

[This Article Added on Mar. 25, 2009]

Article 38 (Organization and operation of fund management evaluation team) (1) Pursuant to Article 82 (2) of the Act, the Minister of Economy and Finance may select members of the fund management evaluation team from among the following persons to organize and operate the fund management evaluation team on an occasional basis: <Amended on Feb. 29, 2008; Jan. 10, 2023>

1. A person at the rank of assistant professor or higher in a university or college who has expertise in fund management or a related field;
2. A person with a doctorate degree who works for a government-funded research institute and has expertise in funds;
3. A certified public accountant, an attorney-at law, or an expert in financial affairs who has practiced for at least 5 years;
4. Any other person recognized as having extensive expertise and experience in the survey and evaluation of the actual state of fund management.

(2) In organizing the fund management evaluation team, the Minister of Economy and Finance may accept a recommendation of a person who falls under any subparagraph of paragraph (1) from the head of the competent central government agency. <Amended on Feb. 29, 2008; Jan. 10, 2023>

(3) The fund management evaluation team may request fund managing entities to submit necessary data and information, and the fund managing entities shall comply with such request. <Amended on Jan. 10, 2023>

(4) The Minister of Economy and Finance may reimburse the expenses required for the fund management evaluation team's research or advisory activities for the fund system, activities for surveys and evaluations of the actual state of fund management, etc., within the budget. <Amended on Feb. 29, 2008; Jan. 10, 2023>

(5) Except as provided in paragraphs (1) through (4), matters necessary for the organization and operation of the fund management evaluation team shall be determined by the Minister of Economy and Finance, subject to advice by the Advisory Council. <Amended on

Feb. 29, 2008; Mar. 25, 2009; Jan. 10, 2023>

Article 39 (Provisions applicable mutatis mutandis) The provisions of Articles 13, 14, 21, and 22 shall apply mutatis mutandis to the funds.

CHAPTER IV-2 RESEARCH MANAGEMENT

Article 39-2 (Organization and operation of financial performance evaluation team) (1)

Pursuant to Article 85-5 (4) of the Act, the Minister of Economy and Finance may select members of the financial performance evaluation team from among the following persons to organize and operate the financial performance evaluation team:

1. A person at the rank of assistant professor or higher in a university or college who has expertise in finance;
2. A person with a doctorate degree who works for a government-funded research institute and has expertise in finance;
3. A certified public accountant, an attorney-at law, or an expert in financial affairs who has practiced for at least 5 years;
4. Any other person recognized as having extensive expertise and experience in finance.

(2) The Minister of Economy and Finance may reimburse the expenses required for the financial performance evaluation team's research or advisory activities for performance management, activities for surveys and evaluations of the actual state of financial management, etc., within the budget.

(3) Except as provided in paragraphs (1) and (2), matters necessary for the organization and operation of the financial performance evaluation team shall be determined by the Minister of Economy and Finance.

[This Article Added on Jan. 10, 2023]

[(Previous) Article 39-2 moved to Article 39-3 <Jan. 10, 2023>]

Article 39-3 (Performance evaluation of fiscal projects) (1) The Minister of Economy and Finance may require the heads of central government agencies and fund managing entities to conduct a self-evaluation on major fiscal projects (hereinafter referred to as "self-evaluation on fiscal projects") as determined by the Minister of Economy and Finance, pursuant to Article 85-8 (1) of the Act, and may conduct an in-depth evaluation on any of

the following projects; provided, for an evaluation of national research and development projects under Article 11 of the Framework Act on Science and Technology, a performance evaluation under the Act on the Performance Evaluation and Management of National Research and Development Programs may be substituted for a self-evaluation on fiscal projects or an in-depth evaluation:

1. Projects for which it is deemed necessary, as a result of the self-evaluation on fiscal projects, to conduct an additional evaluation;
2. Projects that are likely to waste budget due to similar or overlapping projects between ministries or inefficient implementation of projects;
3. Projects that require expenditure efficiency through objective verification due to a continuous surge in fiscal expenditure in the future;
4. Other projects that need to be inspected for project implementation performance through an in-depth analysis and evaluation.

(2) The Minister of Economy and Finance may evaluate the impact of major fiscal projects on the balanced regional development pursuant to Article 85-8 (1) of the Act. <Amended on Jul. 7, 2023>

[This Article Added on Mar. 22, 2022]

[Moved from Article 39-2; previous Article 39-3 moved to Article 39-4 <Jan. 10, 2023>]

Article 39-4 (Reflection of outcomes of performance management of fiscal projects) The Minister of Economy and Finance may analyze and evaluate the adequacy of the fiscal expenditure structure and the priority of fiscal expenditure by field, in order to reflect the results of the evaluation of fiscal projects in fiscal management pursuant to Article 85-10 (2) of the Act.

[This Article Added on Mar. 22, 2022]

[Moved from Article 39-3 <Jan. 10, 2023>]

CHAPTER V IMPROVEMENT OF FINANCIAL SOUNDNESS

Article 40 (Enactment of, and amendment to, statutes or regulations that entails treasury burden) (1) The estimated data under Article 87 (1) through (3) of the Act shall include the following information: <Amended on Jul. 9, 2010>

1. The name of the legislative Bill and the relevant text thereof;
2. Detailed estimates of Treasury demands:
 - (a) Main grounds for causing Treasury burden;
 - (b) Premise of the estimation;
 - (c) Output of the estimation;
 - (d) Breakdown of the estimates;
3. The person who has prepared the data.
 - (2) The period for the estimation under paragraph (1) shall be five years beginning on the enforcement date of the relevant legislative Bill; provided, the period for the estimation may be extended, where it is difficult to grasp changes in expenses within the period of five years.
 - (3) The fund raising scheme under Article 87 (1) through (3) of the Act shall specifically indicate schemes for fund raising, such as adjustment between items of the existing budgets or funds, tax revenue, non-tax revenue, issuance of State bonds, borrowing a loan, and transfer from general accounts, special accounts or funds. <Amended on Jul. 9, 2010>
 - (4) The Minister of Economy and Finance may request a competent specialized institution to conduct a survey and research in order to enhance the feasibility and accuracy of data for estimation under paragraph (1) and schemes for fund raising under paragraph (3). <Added on Jul. 9, 2010>
 - (5) "Where any matter prescribed by Presidential Decree changes" in Article 87 (3) of the Act means any of the following cases: <Added on Jul. 9, 2010>
 1. Where the scale of Treasury expenditures changes not less than 20/100;
 2. Where the scale of yearly Treasury expenditures changes not less than 10 billion won;
 3. Where the enforcement date or enforcement period of the legislative Bill changes not less than one fiscal year;
 4. Where deemed necessary by the Minister of Economy and Finance, other than cases under subparagraphs 1 through 3.
 - (6) The Minister of Economy and Finance may prescribe other matters necessary for preparation of the data of estimates and the fund raising scheme. <Amended on Feb. 29, 2008; Jul. 9, 2010>

Article 41 (Restriction on rebate or reduction of national taxes) (1) "Total national tax revenue for the current year prescribed by Presidential Decree" in Article 88 (1) of the Act means

the sum of the amount of national taxes received in the settlement of accounts prepared by the Government pursuant to Article 61 of the Act (for the fiscal year prior to preparation of the settlement of accounts, it means the amount of the revenue budget for national taxes in a budget Bill under Article 33 of the Act) and the amount of local consumption tax under Article 72 (1) of the Value-Added Tax Act. <Amended on Jun. 2, 2020>

(2) "Total amount of national taxes rebated or reduced" in Article 88 (1) of the Act means the amount of national taxes rebated or reduced in the tax expenditure report under Article 142-2 of the Act on Restriction on Special Cases concerning Taxation. <Amended on Mar. 25, 2009; Dec. 30, 2011; Feb. 15, 2013>

(3) "Ratio prescribed by Presidential Decree" in Article 88 (1) of the Act means the ratio calculated by dividing the aggregate of the ratios of national taxes rebated and reduced during the 3 years immediately preceding the current year by 3 and then adding 5/1000 thereto. In such cases, a value of fewer than 1/1000 shall be deemed as nil in calculating the ratio.

Article 42 (Submission of proposals for tax reduction or exemption) (1) The head of a central government agency who requests a new privilege of national tax reduction or exemption pursuant to Article 88 (2) of the Act, shall submit a recommendation for tax reduction or exemption under Article 142 (2) of the Act on Restriction on Special Cases concerning Taxation.

(2) The head of a central government agency who submits a recommendation for tax reduction or exemption under paragraph (1) shall attach the opinion of a specialized research institute in the relevant field.<Amended on Feb. 29, 2008; Nov. 10, 2010>

Article 43 (Management of State obligations) (1) "Other matters prescribed by Presidential Decree" in Article 91 (1) 5 of the Act means the following matters: <Amended on Feb. 29, 2008>

1. Current status of the commitments to assume the national treasury obligations under Article 25 of the Act;
2. Other matters that the Minister of Economy and Finance deems necessary.

(2) "Accounts or funds prescribed by Presidential Decree" in Article 91 (2) 1 of the Act means the accounts or funds not managed or operated by the head of any central

administrative agency.

(3) "Obligations prescribed by Presidential Decree" in Article 91 (2) 4 of the Act means the obligations for which performance of subrogated payment has been finally fixed among the State's guarantee obligations under Article 92 of the Act.

(4) Deleted. <Feb. 29, 2008>

- Article 44 (Bearing and management of State's guarantee obligations)** (1) An obligor or an obligee who wishes to have the State to guarantee performance of obligations shall submit to the Minister of Economy and Finance an application for guarantee for obligations with an opinion given by the head of the central government agency concerned in advance about necessary matters, including the details of project, the scope of the obligations to be guaranteed (hereinafter referred to as "principal obligations"), the obligee's name, the obligor's name and the plan for prepayment or recovery. <Amended on Feb. 29, 2008>
- (2) The Minister of Economy and Finance shall, upon receiving an application under paragraph (1), proceed to due process for obtaining the National Assembly's consent under Article 92 (1) of the Act, subject to prior deliberation by the State Council and the approval of the President, in cases where it is determined necessary for the State to guarantee the principal obligations. <Amended on Feb. 29, 2008>
- (3) The Minister of Economy and Finance shall, upon obtaining the National Assembly's consent under paragraph (2), notify the applicant of the State's commitment to guarantee the performance of the principal obligations in writing. <Amended on Feb. 29, 2008>
- (4) The written notice to the applicant under paragraph (3) shall contain the following descriptions: <Amended on Feb. 29, 2008>
1. Scope of the obligations guaranteed by the State;
 2. Obligor and obligee;
 3. Provisions to which the obligor or the obligee shall adhere, determined by the Minister of Economy and Finance.
- (5) The obligee or the obligor, who intends to revise or change any part of the project or the obligations guaranteed, shall obtain approval of the Minister of Economy and Finance therefor. In such cases, the Minister of Finance and Economy shall approve such revision or change with prior approval of the National Assembly, in cases where the revision or change is of an important part of the contract at issue. <Amended on Feb. 29, 2008>

(6) The Minister of Economy and Finance may, when undertaking guarantee obligations pursuant to paragraphs (1) through (5), levy guarantee fee on the applicant. In such cases, the guarantee fee shall be determined by the Minister of Economy and Finance, taking into consideration the nature and amount of the guaranteed obligations, the guarantee period, etc. <Amended on Feb. 29, 2008>

(7) The State guarantee obligation management plan under Article 92 (2) of the Act shall be prepared, including the forecast, grounds for calculation, management plan, etc. of guarantee obligation during the period of not less than five fiscal years from the current fiscal year. <Added on Jul. 9, 2010>

(8) The Minister of Economy and Finance shall report to the National Assembly the matters concerning management of guarantee obligations along with the settlement of revenue and expenditure every year. <Amended on Feb. 29, 2008; Jul. 9, 2010>

CHAPTER VI SUPPLEMENTARY PROVISIONS

Article 45 (Handling of money in custody) Matters necessary for the procedure for handling cash in the custody of the head of a central government agency shall be determined by the Minister of Economy and Finance, except as provided for specifically by statutes or regulations. <Amended on Feb. 29, 2008>

Article 46 (Management of securities) (1) The securities in the custody of the head of a central government agency shall be managed by the head of the agency.

(2) The securities owned by the State shall be managed by the Minister of Economy and Finance; provided, those that belong to a special account established pursuant to Article 4 (3) of the Act or a fund established pursuant to Article 5 (1) of the Act shall be managed by the head of the central government agency who administers such special account or fund. <Amended on Feb. 29, 2008>

(3) The securities prescribed in paragraphs (1) and (2) may be entrusted to the Bank of Korea or any of the financial institutions specified in paragraph (4) for handling, determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

(4) The financial institutions under Article 93 (2) and (3) of the Act shall be as follows:
<Amended on Nov. 15, 2010>

1. Banks prescribed in Article 2 (1) 2 of the Banking Act (excluding foreign banks);
 2. The Korea Development Bank under the Korea Development Bank Act;
 3. The Export-Import Bank of Korea established under the Export-Import Bank of Korea Act;
 4. Deleted. <Mar. 25, 2009>
- (5) The Bank of Korea and the financial institutions that handle the securities in the custody of the State pursuant to Article 93 (2) and (3) of the Act shall submit a statement on supply and demand for the securities to the Minister of Economy and Finance and the Board of Audit and Inspection, respectively. In such cases, the statement on supply and demand submitted to the Board of Audit and Inspection shall be accompanied by evidentiary documents. <Amended on Feb. 29, 2008>

- Article 47 (Keeping of accounting books)** (1) The head of a central government agency shall keep accounting books for recording the State's obligations and other accounting books as deemed necessary.
- (2) The Bank of Korea entrusted with securities for safekeeping pursuant to Article 93 (2) of the Act shall keep accounting books to record receipts and disbursements pertaining to the issuance and redemption of state bonds and accounting books to record the supply and demand for the securities, and keep records of the receipts and disbursements of cash or the supply and demand for securities handled for and on behalf of the State.
- (3) The financial institutions entrusted with securities for safekeeping pursuant to Article 93 (2) of the Act shall keep accounting books to record supply and demand for the securities, and keep records of supply and demand for the securities.

- Article 48 (Control of financial execution)** (1) The head of a central government agency and each fund managing entity alike shall submit a report on execution of activities and a report on execution of the budget and the fund management plans under Article 97 (1) of the Act covering the following matters to the Minister of Economy and Finance on or before the 20th day of the following month after the end of each month (or after the end of each quarter in the case of the foreign exchange equalization fund under Article 13 of the Foreign Exchange Transactions Act). In such cases, the fund managing entity who is not the head of a central government agency, shall submit the said reports via the head of the competent central government agency: <Amended on Feb. 29, 2008>

1. The results of monthly execution of the budget and fund management plans;
2. The grounds as to why the execution of the budget, the fund, etc. has made poor progress and the future improvement plan;
3. Reported cases of extravagant budget spending by ministries and agencies and the results of countermeasures taken (including the details of demands for redressing pursuant to Article 100 of the Act and the results of measures taken accordingly);
4. Other matters determined by the Minister of Economy and Finance for efficient execution of the budget and fund management plans.

(2) The Minister of Economy and Finance may establish and operate the financial management monitoring team in order to check and monitor the current state of execution of the budget and the funds under Article 97 (2) of the Act and the cases of extravagant spending. <Amended on Feb. 29, 2008>

(3) Further details of the matter concerning organization, management, etc. of the financial management monitoring team shall be determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

Article 48-2 (Provision of finance-related information for the National Assembly) (1) Scope of the finance-related information mandated to be submitted by the Minister of Economy and Finance and the heads of central government agencies pursuant to Article 97-2 (3) of the Act shall be as follows:

1. Status regarding collection of tax revenues of each central government agency and status regarding execution of expenditure budgets;
2. Status regarding operation of funds by each central government agency;
3. Other details demanded by the National Assembly and deemed necessary to efficiently conduct the inspection or investigation of state administration.

(2) The finance-related information prescribed in paragraph (1) shall be provided to the National Assembly by either of the following means:

1. Electronic documents, computer magnetic tape, computer magnetic disc, or other similar media;
2. Information disclosure system.

(3) If deemed necessary to provide information to the National Assembly pursuant to Article 97-2 (3) of the Act, the Minister of Economy and Finance may request the provision of information from the head of the central government agency relevant to the provision

of information.

[This Article Added on Jun. 30, 2015]

Article 49 (Deliberative Council on Budget Execution) (1) The head of a central government agency shall establish and operate a Deliberative Council on Budget Execution, comprised of public officials concerned under his or her control and of people having much knowledge and experience in budget accounting in order to ensure appropriateness of internal control under Article 98 of the Act.

(2) Matters necessary for the establishment and management of Deliberative Councils on Budget Execution under paragraph (1) shall be determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

Article 50 (Citizen monitoring against unlawful spending of budget and funds) (1) The head of a central government agency or a fund managing entity may demand to supplement the data within a certain period as prescribed, in cases where it finds that a demand for correction under Article 100 (1) of the Act fails to satisfy the requirements.

(2) The head of the central government agency or the fund managing entity concerned shall issue a notice of the results of the measures taken to the person who filed a demand for correction in accordance with Article 100 (2) of the Act within 30 days (excluding period for supplementation under paragraph (1)) from the date the request for correction was delivered; provided, in cases where it is found difficult to take corrective measures within the afore-said time period, the reasons, the period required for such measures, etc. shall be notified to the person who filed the request for correction.

(3) A fund managing entity who is not the head of a central government agency, shall consult with the head of the competent central government agency about the measures taken before notifying the results of such measures taken in accordance with Article 100 (2) of the Act.

(4) The head of the central government agency or the fund managing entity shall not disclose or suggest the identification of the person who requests a corrective measure in accordance with Article 100 (1) of the Act to someone else without his or her consent.

(5) Matters necessary for operation of the citizen monitoring system against unlawful spending of a budget and funds, including the procedure for notification of the results of measures taken in accordance with Article 100 (2) of the Act shall be determined by the

Minister of Economy and Finance in further detail. <Amended on Feb. 29, 2008>

Article 51 (Establishment and operation of reporting center on extravagant budget spending)

(1) The head of a central government agency or each fund managing entity shall establish and operate the reporting center on extravagant budget spending that shall receive and process citizens' demands for corrective measures against unlawful spending of budget and funds pursuant to Article 100 (1) of the Act, reports on extravagant budget spending, proposals relating to budget reduction, etc.

(2) The head of a central government agency or a fund managing entity shall, upon receiving a report on cases of extravagant budget spending or a proposal relating to budget reduction pursuant to paragraph (1), notify the person who made such a report or proposal of the results of the measures taken accordingly.

(3) The head of a central government agency or a fund managing entity may pay the budgetary incentive under Article 49 of the Act to a person who made a report on an extravagant budget spending case, a proposal relating to budget reduction, etc. pursuant to paragraph (1).

(4) The provisions of Article 50 (2) through (5) shall apply mutatis mutandis to the processing of reports on cases of extravagant budget spending, proposals on budget reduction, etc.

(5) Further specific matters necessary for establishment and management of the reporting center on extravagant budget spending under paragraph (1) shall be determined by the Minister of Economy and Finance. <Amended on Feb. 29, 2008>

Article 51-2 (Payment of monetary award) (1) The head of a central government agency, or each fund managing entity may pay a monetary award not exceeding six million won to any of the following persons; provided, no monetary award shall be paid, where any award, etc. is granted pursuant to the Regulations on Citizen Proposals or other statutes or regulations and it is deemed inappropriate to pay a monetary award under this Decree:
<Amended on Aug. 14, 2018>

1. A person demanding the rectification of any unlawful spending of budget and funds under Article 100 (1) of the Act;
2. A person reporting any budget waste;

3. A person making a proposal concerning budget reduction.

(2) Matters necessary for the concrete standards, methods, procedures, etc. for paying monetary awards under paragraph (1) shall be determined and published by the Minister of Economy and Finance.

[This Article Added on May 8, 2017]

Article 52 (Training of finance-related public officials) (1) The Minister of Economy and Finance shall establish an education plan to enhance the professional competency of public officials engaged in fiscal affairs, notify the heads of central government agencies thereof, and conduct such education at least once a year under Article 101 of the Act.

<Amended on Jun. 2, 2025>

(2) The head of a central government agency shall, in accordance with the education plan notified under paragraph (1), assess the training needs of public officials under his or her jurisdiction who are engaged in fiscal affairs and ensure that such officials can participate in the education under paragraph (1). <Added on Jun. 2, 2025>

(3) The Minister of Economy and Finance may entrust the education under paragraph (1) to any of the following corporations, institutions, or organizations: <Amended on Feb. 29, 2008; Feb. 3, 2016; Jun. 2, 2025>

1. The National Human Resources Development Institute under Article 3 (1) of the Act on the Capacity Development of Public Officials;
2. The Korea Fiscal Information Service, established under the Korea Fiscal Information Service Act;
3. The Korea Development Institute and the Korea Institute of Public Finance established under the Act on the Establishment, Operation and Fostering of Government-Funded Research Institutes;
4. Other corporations, institutions, or organizations with expertise in the field of finance, as determined and publicly notified by the Minister of Economy and Finance.

(4) The Minister of Economy and Finance may separately determine other matters necessary for the education of public officials in charge of fiscal affairs. <Amended on Feb. 29, 2008; Jun. 2, 2025>

Article 53 (Processing of personally identifiable information) When the Minister of Economy and Finance allows the use of information and communication mediums and programs,

etc. developed pursuant to Article 97-2 of the Act and deems it unavoidable to discern users who perform fiscal tasks, he or she may process data in which a resident registration number or an alien registration number is included pursuant to subparagraph 1 or 4 of Article 19 of the Enforcement Decree of the Personal Information Protection Act.

[This Article Added on Jan. 16, 2013]