

Comment on the Seoul Japan Club' s Recommendation in 2012

May 2012

Ministry of Knowledge Economy

1. Details of recommendation

• Recommendation field: labor/labor relations (4 cases), finance (3 cases), intellectual property (22 cases), others (6 cases)

• Ministry and agency concerned: 13 ministries and agencies, including the Ministry of Employment and Labor, the Financial Services Commission, the Korean Intellectual Property Office, and the Ministry of Health and Welfare

Field	New	Continued	Subtotal
Labor/labor relations	-	4	4
Finance	2	1	3
Intellectual property rights	5	17	22
Others	3	3	6
Subtotal	10	25	35

2. Result of review

Division	Labor/Labor Relations	Finance	Intellectual Property	Others	Total
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			Rights		
Accepted	2	1	16	6	25
Long-term review	1	-	5	-	6
Difficult to accept	1	2	1	-	4
Total	4	3	22	6	35

*Accepted: including partially accepted

3. Comment

a. Labor/labor relations

Details of recommendation	Ministry concerned	Comment	Note
1. Abolition of the Obligation to Receive Approval When Making Disadvantageous Changes of the Rules of Employment	Ministry of Employment and Labor	<ul style="list-style-type: none"> The rules of employment include major details about employment relations, but unlike employment contracts or collective agreements, since the employers unilaterally makes the decisions, In the case where there are disadvantageous changes made in employment conditions, in order to protect the trust of existing worker and prevent arbitrary interpretation of employers, it is necessary to maintain, in principle, the principle of equality in determining employment conditions by regulating getting approval of the employee group. Disclosure of the interpretation and operational guideline on the rules of employment (April 24, 2009): sent separately 	Difficult to accept
2. Prohibition of Compensations for Paid Vacation	Ministry of Employment and Labor	<ul style="list-style-type: none"> In the case where it is regulated to give annual paid leaves that have not been used in the rules of employment and collective agreements, since it is established to pay for the allowances between labor and management, Even if the employer has unilaterally adopted a system for facilitating the use of vacations, the validity of the rules of employment and collective agreements comes first due to the principle of priority of advantageous conditions. Also, in the case where the system for 	Partially accepted

		<p>facilitating the use of annual paid leaves at workplaces has been adopted, it is appropriate to change the rules of employment and collective agreements because it is reasonable to provide protective measures where the workers understand its contents and effects and express his or her opinions.</p> <ul style="list-style-type: none"> • In order to adopt a system for facilitating annual paid leaves, it is necessary to change the rules of employment and collective agreements, which is why it is difficult to amend the law like suggested in the recommendation. - Since the annual paid leaves that are not used is paid to workers through judicial precedents, the exemption through the system facilitating the use of annual paid leaves falls under disadvantageous change, which is why it is difficult to say that it isn't disadvantageous change without any evidence. <p>*Generally, the judicial precedents makes the judgment that it is disadvantageous change even if it is recognized to be needed economically and systematically to make an unfavorable change of regulations on pay, including bonuses and severance pay, and it exceeds the legal standards (89daka24780, 92da32357, and 92da49323 of the Supreme Court)</p> <ul style="list-style-type: none"> • Recently, the Labor Standards Act has been amended (promulgated on February 1, 2012, implemented on August 2, 2012) to bring forward the timing of facilitating the use of annual paid leaves from before three months to before six months. 	
<p>3. Extension of the Restriction on Employment Period of Non-Regular Workers</p>	<p>Ministry of Employment and Labor</p>	<ul style="list-style-type: none"> • The bill for extending the employment period of fixed-term workers from 2 years to 4 years is pending at the National Assembly, but it has not been tabled because of differences between the ruling party and the opposition party. - Instead of implementing the extension of fixed-term by force, the Labor Market Advancement Committee is discussing additional exceptions to restrictions on the period from the perspective of rationalizing the employment as well as other agendas for discussion. - Adding exceptions to the restrictions on the employment period of fixed-term workers is an important issue that can bring a ripple effect in the labor market, which is why it is necessary to establish a consensus through sufficient discussions. - Plan to carefully review the issue through 	<p>Long-term review</p>

		<p>sufficient discussion and revision among experts in labor relations by considering the circumstances of the future labor market.</p> <ul style="list-style-type: none"> • Dispatching workers through permanent employment is companies that outsource workers that are hired and used permanent workers, which have the positive effect of contributing to job security of employees, <p>- In 2011, the government-ruling party worked on an amendment bill for the act of dispatching permanent workers (bill proposed by the national assemblyman, Ju Young Lee), but it had been deleted in the process of discussion at the National Assembly due to opposition from the opposing party and the labor industry.</p> <p>-Meanwhile, there is a huge opposition regarding job insecurity and deterioration of working conditions, including the fixation of indirect employment during dispatching permanent workers and the replacement of permanent positions with temporary workers.</p> <p>- Therefore, regarding the legalization of dispatching permanent workers, there will be careful review through sufficient discussion and revision among experts regarding the future labor market condition and labor relations.</p>	
<p>4. Flexible Management of the Obligation to Hire a Person of National Merit</p>	<p>Ministry of Patriots & Veterans Affairs</p>	<ul style="list-style-type: none"> • The obligation to hire a persons of national merit is a mandatory obligation that is applied to foreign investment companies that are doing business in Korea through the special system in accordance with Paragraph 6 of Article 32 of the constitution. <p>-However, in the case of residential companies regions that are designated as a foreign investment region, the obligation of employment is exempted in a separate act (suspension).</p> <ul style="list-style-type: none"> • The Ministry of Patriots & Veterans Affairs amended the 'Act on the Honorable Treatment and Support of Persons, etc. of Distinguished Services to the State' (implemented on August 7, 2009) to make continuous efforts to coexist with companies. <p>※ Details of amendment</p> <ol style="list-style-type: none"> ① Purify the term from 'employment order' to special employment of persons of national merits ② Recommend five times the number of persons available for the job position to give 	<p>Partially accepted</p>

		<p>the right to select talented workers.</p> <p>③ Strengthen the professionalism of the process of applying for job position through professional consultants for employment.</p> <p>④ Support the development of work capabilities to improve the ability to find jobs.</p> <p>⑤ Operate outstanding corporate employment programs by linking 'university students-companies'</p> <ul style="list-style-type: none"> • According to different field of business, the mandatory number of employees hired is 3~8% across the board, but as of December 2011, the ratio of fulfillment for mandatory hiring of persons of national merits by foreign investment companies is around 42.9%. - In the case where a company fulfilling mandatory employment is facing difficulty due to poor business situation, the operation of flexible management is allowed that considers business status, including a one year grace period from mandatory employment (implemented on July 1, 2009). • In the future, the ability to find jobs will be vitalized to make sure talented workers that are needed by companies are developed. Also, compensations after employment require mid-and long-term review from related agencies because it involves the budget. - The system that supports the employment of persons of national merits shouldn't be approached from economic logic, but it is necessary to have the perception of providing stable life and self-support assistance for persons of national merits. 	
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b. Finance

Details of recommendation	Ministry concerned	Comment	Note
5. Inclusion in Deductible Expenses for Interest	Ministry of Strategy and	•Similar to loans, the guarantee of payment of foreign controlling shareholders is applied	Difficult to accept

Expenses on Domestic Borrowings through the Guarantee of Payment of Foreign Controlling Shareholders	Finance	<p>with taxation on thin capitalization by reflecting the fact that it falls under the avoidance of funding owned capital of foreign controlling shareholders.</p> <ul style="list-style-type: none"> - In the case of foreign controlling shareholders, the guarantee of payment is selected by considering the liquidity restrictions that occur during the financing of owned capital or direct loans. - Guarantee of payment by foreign controlling shareholders is required when it is difficult for domestic corporations to borrow independently, which is highly likely to transfer to secured debts in the future. <p>•Even if it is a domestic borrowing done through the guarantee of payment of a foreign controlling shareholder, considering the fact that the final burden falls on the foreign controlling shareholder, it is actually the same as borrowing. Therefore, it is reasonable to apply taxation on thin capitalization regardless of whether or not it is domestic or foreign borrowing.</p>	
6. Simplification of the 'Reporting on Business Outsourcing' in the 'Financial Investment Services and Capital Markets Act'		<ul style="list-style-type: none"> • Introduce a post reporting system for business outsourcing (amendment of the Regulation on Financial Investment Services, January 3, 2012) <p>- In the case where the details are the same as the details of business outsourcing already reported, or in the case where there is a minor change, such as changing commission fee or changing contract period, it is allowed to make post reporting.</p> <ul style="list-style-type: none"> • The reporting of business outsourcing by a financial investor (including financial investor also conducting another business) according to the current Capital Market Act is carried out by a single division (Financial Investment Team of the Financial Supervisory Service). <p>*A person that conducts business in more than one financial investment service in accordance with the Capital Market Act, including bank, insurance, etc.</p>	Accepted
7. Easing of the Regulation on Foreign Currency Funding, including the Macro-prudential Stability Levy, etc.		<ul style="list-style-type: none"> • The Macro-prudential Stability Levy is adopted to ease the rapid fluctuations of capital inflow and outflow resulting from excessive borrowing, which is applied without discrimination at local commercial banks and branches of overseas bank. <p>- The high burden ratio of branches of overseas bank is due to its characteristic of</p>	Difficult to accept

		<p>raising funds with high ratio of foreign currency borrowing.</p> <p>- However, considering the characteristic of branches of overseas banks, funds that are raised for a long period by the head office have already been excluded from being subject to the system.</p> <p>• Meanwhile, it is necessary to consider that the branches of overseas banks are already getting preferential treatment by not being applied with the regulation of foreign currency stabilization*, which is already applied to local banks.</p> <p>* Foreign currency liquidity ratio, gap ratio for 7 days (1 month), medium and long-term foreign currency loan financing ratio</p>	
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c. Intellectual Property Rights

Details of recommendation	Ministry concerned	Comment	Note
8. Simplification of Proving Infringements	Korean Intellectual Property Office	<ul style="list-style-type: none"> Regarding the authorization of orders to submit documents to court, it is possible to order the submission of documents, certifications, and statements to prove a party's argument according to Article 292, Article 344, Article 347, Article 366 and Article 367 of the Civil Procedures Act. -Also, in the case of documents needed to calculate the amount of damage, it is possible to order according to Article 132 of the Patent Act, Article 30 of the Utility Model Act, Article 70 of the Trademark Act, Article 67 of the Design Protection Act, and Article 14-3 of the Unfair Competition Prevention Act. Korean Intellectual Property Office is currently implementing the system for ordering confidentiality and the system for punishing the violation of this system, which is adopted in individual intellectual property right act (submitted for legislation at National Assembly in October, 2008) The secret examination system of Paragraph 2 of Article 105 of the Japanese Patent Act is already regulated in Paragraph 4 of Article 347 of the Korean Civil Procedures Act, which is stipulated in law to be not disclosed. 	Accepted

9. Expansion of the Regulation on Indirect Infringements	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Expanding the scope of indirect infringements may abuse the rights of patent holders and increase patent disputes, which is why it has to be reviewed carefully. - Therefore, it should be reviewed from a long-term perspective by considering the following: the perspective of protecting the rights of patent holders, the perspective of fairness between patent holders and third parties, and the perspective of international harmony. 	Long-term Review
10. Determination of the Validity and Invalidity of Patent Rights, etc. in a Infringement Lawsuit	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Cases where an appeal of invalidity is strictly restricted by a civil court in patent infringement litigation, or whether or not it recognizes the appeal of invalidity is determined by the court's decision. • Determination of the validity and invalidity of patent rights is the most accurate when it is tried by a patent tribunal, consisting of examiners with professional knowledge and experience on patents. - It is unreasonable to systemize the determination on the validity and invalidity of patents rights in infringement trials at court. 	Difficult to accept
11. Abolition of Restrictions on the Eligibility of Persons Filing for an Invalidation Trial	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Anyone can file for an invalidation trial within 3 months from the day of registered public notice, but later on, only the stakeholders and examiners can file for permission. - This reflects the basic principle of the Civil Procedures Act where there is no right to file for a trial if that person has no benefit from the trial. - The patent tribunal widely recognizing the scope of stakeholders does not mean that it recognizes a third party with no relations as qualified to file for a trial. - If anyone is allowed to file for invalidation at any time, there could be the problem of money and costs spent by patent holders because of people filing for invalidation here and there. - It is very rare for the qualification of an applicant to affect the court decision, which is why there should be long-term review considering the possibility of abusing the filing for invalidation by a third party who has no relations. 	Long-term Review
12. Expansion of the Scope of Amendments Based on	Korean Intellectual	<ul style="list-style-type: none"> • Currently, the amendment of the Patent Act and the Utility Model Act is taking place aimed for implementation after 2013 to 	Accepted

PCT Applications	Property Office	<p>advance the patent system (reflecting the details of PLT, etc.)</p> <ul style="list-style-type: none"> • In the amendment of the Patent Act and the Utility Model Act (prior announcement of legislation: August 2, 2011~August 22, 2011), there are details included that allow the original text (foreign language) of applications to be the basis for amendments during the domestic procedure. 	
13. Adoption of Patent Applications in Foreign Language	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Currently, the Patent Act and the Utility Model Act is being amended for the advancement patent systems aiming for implementation after 2013 (reflecting PLT details, etc.) • The bill for the amendment of the Patent Act and the Utility Model Act (prior announcement of legislation: August 2, 2011~August 22, 2011) includes details that recognize applications in foreign language (expected to be restricted to some languages). 	Accepted
14. Extension of the Response Period on the Notice of Reasons for Refusal Regarding Patent Applications & the Period for an Appeal against Examiner's decision of refusal	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Extending the response period on the notice of reasons for refusal and the period for an appeal against examiner's decision of refusal, <ul style="list-style-type: none"> - May cause damages to a third party because of delay in the examination period and extension of the period of unconfirmed rights, which is why long-term review should be considered for the benefit of applicants and international harmony. • Meanwhile, in the case where there is no response within designated period, an extension system for designated period should be adopted to regard it as a period where an extension has been applied. - It is included in the amended legislation of the Patent Act and the Utility Model Act (prior announcement of legislation: August 2, 2011~August 22, 2011), which will reflect the purpose of PLT aiming to unify the patent systems of various countries with the goal of implementing it after 2013. 	Partially Accepted
15. Easing of the Timing Conditions for Divisional Patent Applications	Korean Intellectual Property Office	<ul style="list-style-type: none"> • In the case where a chance is given for reapplication through divisional application after patent decision, it is likely to cause damages to many unspecified people, which can increase the burden of examination resulting from the increase of divisional applications. - Considering the burden of monitoring from 	Long-term Review

		third parties and the trend of divisional applications, there will be long-term review to expand the divisional opportunities after patent decision.	
16. Approval of Multiple Dependent Claims for Patent Applications	Korean Intellectual Property Office	<ul style="list-style-type: none"> • In the case where multiple dependent claims are used for patent applications, such as using more than two claims, the details of the invention gets too complicated, making it difficult for a third party, examiner and court to identify the scope of rights. - In 6.4 Rule of PCT, it regulates that “the scope of multiple dependent claims should not be used based on other scope of multiple dependent claims”, which shows its deficiency. • Therefore, there should be long-term review considering the workload of examiners, the easiness of understanding by a third party, and the international harmony. 	Long-term Review
17. Protection of the Computer Program Itself According to the Patent Act	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Under the current legal system, computer programs stored on recorded media are protected. • It requires continuous research and review through collecting information and analyzing the trend of software industry development, opinions of related industry and media, and examples of other countries regarding providing programs that use the network. 	Long-term Review
18. Improvement of Conditions for Registering Designs	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Taking into consideration that it is the trend of the industry to protect the design of parts with high creativity and originality after first developing the overall product design, - In order to resolve the problem where the registration is determined according to the order of design applications for the whole design and part design, the amendment of the Design Protection Act (July 2010) has been submitted to the National Assembly so that prior applications are not applied in expansion by the same person. 	Accepted
19. Expansion on the Protection of Screen Designs in the Case where the Product and the Receiver is Separated	Korean Intellectual Property Office	<ul style="list-style-type: none"> • The amendment of the Design Protection Act added graphic symbols as being subject to design protection in order to protect plane surface designs. - screen designs and icon designs that have been suggested are plane surface designs, which can be applied and protected as independent products after the amendment bill passes in the future. 	Accepted

		<ul style="list-style-type: none"> • After the amendment of the Design Protection Act is implemented, it is possible to apply for screen designs that appear on TV through DVD players, regardless of the product whether it is the monitor or the DVD player. 	
20. Scope of Protection on Logos and Icons According to the Design Protection Act	Korean Intellectual Property Office	<ul style="list-style-type: none"> • It will be reflected in the amendment bill of the Design Protection Act submitted to the National Assembly (July 2010), which is expected to be revised through the examination process of the National Assembly. 	Accepted
21. Reconsideration of Non-Examined Products According to the Enforcement Rules of Design Protection Act	Korean Intellectual Property Office	<ul style="list-style-type: none"> • Currently, the Design Protection Act is being amended aiming for implementation in October 2012. - It is expected that designs will be classified according to the Locarno classification system joined in April 2011, and whether or not a product should be non-examined products will be decided through the matching with the Korean classification currently being used. - According to the result of the matching, it is possible for products that had been classified as non-examined products to be examined products, and vice versa. 	Partially Accepted
22. Improvement of the Timing of Making Decisions on the Regulation of Prior and Subsequent Applications for Trademark	Korean Intellectual Property Office	<ul style="list-style-type: none"> • In the case where the cited trademark of a subsequent application is the original trademark of a prior application, the examination of the trademark of subsequent application will be withheld until the original trademark of prior application has reached a decision on refusal or withdrawal and registered. - Since whether or not the trademark of subsequent application is registered or not is determined by reflecting the final status of the trademark of the prior application, it is judged based on the actual decision of registration. • However, in the case where there are subsequent applications of the same or similar trademarks after filing for cancellation trial of the trademark of prior registration, the timing of judgment will be when the application has been made to protect the applicant of cancellation trial for not using. 	Partially Accepted
23. Improvement of Writing Down Detailed Products of Trademark to Allow Comprehensive Reporting	Korean Intellectual Property Office	<ul style="list-style-type: none"> • In order to get trademark registration, it should be used domestically, or there should be an intention to use it, which means the designated product is listed as individual 	Partially Accepted

		<p>items instead of comprehensively.</p> <ul style="list-style-type: none"> • Comprehensive terms have the advantage of giving rights all at once for many designated products, but it allows excessive rights to a specific person, which requires a cautious approach because it can interfere with the trademark use of a third party if it is not being used. • However, like it is recognized in Japan to use the comprehensive term 'electronic applied machine and equipment and its parts (11C01), Korea also recognizes comprehensive terms of some designated products, including electronic printer and its parts (G3908). 	
24. Improvement of Search Systems for Designs and Trademarks Provided by the Website of Korean Intellectual Property Office (KIPRIS)	Korean Intellectual Property Office	<ul style="list-style-type: none"> • KIPRIS allows users to search in English, including the name of the trademark in English. • In order to increase the convenience of foreign users searching, additional service of translating English keywords into Korean so that an expanded functions for searching is possible ('Eng-Kor'). - In the future, in order to secure same search results for both Korean and English, the 'Eng-Kor' function will be strengthened through expanding synonym and similar words of Korean that apply to English keyword. 	Accepted
25. Provision of Judicial Precedents on Intellectual Property	Supreme Court of Korea	<ul style="list-style-type: none"> • Since the Civil Procedures Act has been partially amended on July 18, 2011, Article 163-2 has been added, which is expected to be implemented starting from January 1, 2015. - Regarding the court decision on intellectual property, Article 163-2 of the Civil Procedures Act has been applied to allow copying and searching through electronic methods on the electronic information system starting from January 1, 2015. • However, it is difficult to accept the request to disclose the real name of the company since like Paragraph 2 of Article 163-2 of the amended Civil Procedures Act, "it is the protect measures of the rules of the Supreme Court of Korea not to disclose personal information, including name, on the written judgments that have been searched and copied". 	Partially Accepted

<p>26. Simplification of Applications for Corrective Orders and Related Procedures on the Infringement of Copyrights in Korea by Foreign Rights Holder (Organization)</p>	<p>Ministry of Culture, Sports and Tourism</p>	<ul style="list-style-type: none"> • It is possible to report on the infringement of copyrights through the website for reporting illegal counterfeits (www.copy112.or.kr), which is taking measures that include correction orders on reported cases. - After 2013, there will be services provided in English to improve the convenience of reporting by foreign rights holders. • However, in the case where services are needed in Japanese, it is more efficient to handle it through reciprocity, such as signing MOU between the Japanese Copyright Information Center and the Korean Copyright Committee. • For reference, Korea is a country that takes the strongest measures to protect copyrights in the world (Britain, Economist magazine, August 20, 2011) - There are strong protection measures taken, including the implementation of the three-strike-out system, the bulletin board service stop system, and the implementation of web hard registration. 	<p>Accepted</p>
<p>27. Problems with TV programs for Korean Viewers and Movie License Business</p>	<p>Ministry of Culture, Sports, and Tourism</p>	<ul style="list-style-type: none"> • It is the most important to educate and promote public awareness on protecting copyrights. -Operating a visiting copyright class reflected in the regular courses of elementary, middle and high schools, which showed results of remote system through the internet *Persons that benefited from copyright education: 900,000 persons (2009) → 350,000 persons (2010) - In the future, instead of just giving knowledge about copyrights, there will be more educational and promotional programs that receive agreement and consensus • Regarding the illegal distribution of counterfeits that interfere with the order of copyrights, it is necessary to make continuous and strict responses. - In order to achieve this, a system has been adopted (2009) to order the suspension of accounts and bulletins for frequent uploader (heavy uploader) of illegal counterfeits. - Efforts to prevent the infringement of copyrights have been enhanced by effectively implementing the expansion of special police system, the operation of the digital copyright forensic team, and the operation of home monitoring. • Among the TV programs, in the case of specific details that can be recognized for its originality, efforts will be made to ensure the 	<p>Accepted</p>

		protection of rights.	
28. Strengthening of Border Measures	Korea Customs Service	<ul style="list-style-type: none"> • Amendment of the Customs Act to expand the scope of protection for intellectual property rights during the customs stage (December 30, 2010) - Not only the trademark rights and copyrights, but the rights subject to the protection of intellectual property rights has been expanded to include the variety protection rights, the geographical indication rights, the patent rights, and the design rights. *However, the patent design rights will be implemented from July 1, 2013. - Products subject to protection have been expanded from import/export products to products of transshipment, multiple shipments, bringing in to the bonded area, and temporary uploading of bonded transportation. 	Accepted
29. Strengthening of Import/Export and Clearance Regulations of Products Infringing on Intellectual Property Rights & Expansion of Training to Distinguish Counterfeit Goods for Employees Concerned	Korea Customs Service	<ul style="list-style-type: none"> • An extensive crack down on illegally smuggled products through international mail to Japan, which helped Korea get rid of its image for fake goods. * Results of crack down (August 2009~December 2011): total of 590 cases, 9,096 items, and about KRW 7 billion - The results of crack down on products that infringed the intellectual property rights of Japanese customs showed that the imported goods to Korea have decreased hugely every year. * Ratio of imported goods to Korea from the results of crack down: 6.8% in 2009 to 3.4% in 2010 to 2.0% in 2011. • In order to improve the ability to crack down on products that infringe on the intellectual property rights of customs employees, the capability to execute intellectual property rights have been strengthened by consigning training to TIPA. * Results of training: 15 customs, total of 5 times, 437 persons (2011) 	Accepted

d. Other Recommendations

Details of recommendation	Ministry concerned	Comment	Note
<p>30. Necessity of Comprehensive and Proper Judgment When Conducting Surveys on Market Prices and Internet Prices Regarding Supply Prices of Multiple Supplier Contracts</p>	<p>Public Procurement Service</p>	<ul style="list-style-type: none"> • The Public Procurement Service makes the contracted parties according to Article 22 of the Regulation on Handling Multiple Supplier Agreement to maintain preferential prices - The violation of preferential prices is determined on whether or not the market trading prices of the contracted party ensures appropriate price management. - Regarding transactions that does not ensure price management from the contracted party or individual transactions through the internet, there is no forced price reduction. * Supply prices that ensure price management: refers to the supply price of exclusive distributor, the sales price of direct branches, and the prices registered on company's homepage and catalogues. - Also, the violation of preferential prices will be determined by taking into consideration of the contract condition of the opposite party of the contract (after service period, delivery condition, etc.) 	<p>Accepted</p>
<p>31. Prior Notification and Approval of Postponement Regarding Investigations Conducted by Fair Trade Commission</p>	<p>Fair Trade Commission</p>	<ul style="list-style-type: none"> • In principle, investigations are conducted after notification, including a public notice of investigation before starting on-site investigation. - However, an exception is allowed in the case where there is a concern for destruction of evidence if prior notification is provided, such as cartel investigation. • The Fair Trade Act and the Enforcement Decree specifies the reasons for applying for postponement of investigations and dispositions, in the case of an application is made for postponement, the approval is determined through committee's decision (Article 50-3 of the Act, Article 57-2 of the Enforcement Decree) - In the case where a postponement is approved because of reasons of urgent business reasons, which is vague, it is difficult to acquire evidence and conduct timely investigations. 	<p>Partially Accepted</p>

<p>32. Unification of the Agency in Charge of Managing the Wastes of Electric and Electronic Products</p>	<p>Ministry of Environment</p>	<ul style="list-style-type: none"> • Manufacturers and importers of electric and electronic products fulfill the obligation to comply with post-management according to the Act on Resource Circulation of Electrical and Electronic Equipment and Vehicles, such as achieving the ratio of obligation for recycling and preventive regulations for restricting the use of harmful substances. * The performance of implementation is mandatory through the EcoAS recycling system managed by the Korea Environment Corporation. • In the case of some electric and electronic product work sites that have certificates for reporting persons that discharge wastes, the occurrence and performance results of wastes are submitted according to the Waste Management Act, but wastes are from work sites that are not related to the recycling of electric and electronic products. * Submission of results is mandatory through Allbaro managed by the Korea Environment Corporation. • Therefore, there is no correlation between the purpose and function pursued by each law, which makes it difficult to accept the request for unification of managing agencies because of lack of efficiency. • However, there will be revision to establish an integrated management system for ID and verification for users of both EcoAS and Allbaro systems. 	<p>Partially Accepted</p>
<p>33. Improvement of Post-Management System for Drug Prices</p>	<p>Ministry of Health and Welfare</p>	<ul style="list-style-type: none"> • In the past, 54.5% was registered for most of the first generics, but the reorganization of the system has provided a minimum reduction of 53.55%. • Allowing price differences between originals with patent expiration and generics go against the purpose of the drug pricing system to provide the same price to drugs with the same effects. • The market-oriented trading system offsets the effect of post-management through the reorganization of the drug pricing system, which is currently in a grace period of one year (Feb. 1, 2012~Jan. 31, 2013) for the payment of incentives. There are discussions at drug system consultative bodies to improve problems shown in the process. • Regarding drug prices that are in violation of rebate, the drug prices were lowered, 	<p>Partially Accepted</p>

		<p>which is being considered to get rid of these drugs in violation of rebate from the list of salary in the future.</p> <ul style="list-style-type: none"> •Through the agreement between on-site workers and experts, efforts are made to increase appropriateness, transparency, predictability to provide a medium and long-term drug pricing system, which talk about the overall drug pricing system at the drug pricing consultative bodies consisting of experts recommended by each organization. 	
34. Improvement of New Drug Pricing System	Ministry of Health and Welfare	<ul style="list-style-type: none"> • Since there is independent purpose of the drug negotiation for the National Health Insurance Corporation and the economic assessment of the Health Insurance Review and Assessment Service, it is not possible to omit one of them. <p>- Bilateral systems will be maintained, but the procedure for registration will be improved to improve efficiency, including standard and implementing bodies (implemented in August 2009)</p> <ul style="list-style-type: none"> • Currently, the evaluated amount of economic assessment by the HIRA is considered as reference prices for negotiation with the National Health Insurance Corporation. <p>-However, the economic assessment of HIRA is evaluating only the comparison of drug prices. Therefore, it is reasonable to consider the expenses spent on alternative drugs as reference prices for negotiation.</p> <ul style="list-style-type: none"> • The standard for calculating the drug prices reflects not only patient treatment, but also the overall situation, including the financial condition of insurance, while the improvements areas will be reviewed later in detail. 	Partially Accepted
35. Improvement of Traffic Problems	National Police Agency	<ul style="list-style-type: none"> • The National Police Agency will educate and promote compliance with the traffic laws and regulations. <p>-In particular, in order to eradicate cars causing traffic at crossroads, a bill is pending at the National Assembly to levy fines with unmanned equipment, while there are plans to levy penalties for parking two-wheeled vehicles on the pedestrian.</p> <ul style="list-style-type: none"> • In the future, the guidance and training on violations of traffic laws and regulations will be strengthened to ensure the safety of transportation. 	Accepted

