

## Your Guide To Regulatory Developments In South Korea

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**Risks** 

#### September, 2022



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#### **About The Author**



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Hee-Ji Lee is a Regulatory and Requirements Compliance Specialist with the Global Regulatory Compliance Team. Her work is focused on conducting extensive legal research for clients as

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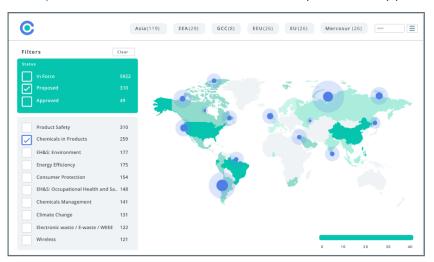
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### 1. Introduction

Over the past year, South Korean authorities have introduced a large number of regulatory measures that apply to several key industrial sectors.

This whitepaper aims to give an overview of South Korean legislation enacted and proposed for the period from July 2021 to June 2022, and will cover key regulatory changes in the following five regulatory topic areas:

- Product Safety,
- Energy Efficiency,
- Circular Economy,
- Ecolabelling,
- Data Protection.

It will cover changes in requirements for consumer products, electrical and electronic equipment, medical devices and other products, as well as changes to business obligations related to certain personal information.

The overview presented in this paper will help various stakeholders, including manufacturers, importers and business operators, to understand and comply with new requirements applicable to their products and legal obligations imposed on them.



## 2. Product Safety: Expansion of Product Safety Control Targets

#### A.) Consumer Products

The safety management system for consumer products in South Korea consists of i) safety certification, ii) safety verification, iii) supplier's declaration of conformity, and iv) compliance with the safety standards system according to the level of potential risk associated with using and handling products under the Electrical Appliances and Consumer Products Safety Control Act.<sup>1</sup>

In the last year, several regulations were issued to strengthen control of consumer goods by adding certain products to these safety management targets.

In August 2021, the South Korean Agency for Technology and Standards (KATS) issued Notice 2021-226<sup>2</sup> adding cosmetic devices to consumer products subject to safety verification.

Manufacturers/importers of these products subject to safety verification (26 product categories as of August 2022) must undergo safety verification tests at a testing institute for each product model, before releasing their products or customs clearance. In addition, they must then confirm that their products meet product safety standards and report this to a safety certification agency.

<sup>&</sup>lt;sup>1</sup> Electrical Appliances and Consumer Products Safety Control Act

<sup>&</sup>lt;sup>2</sup> Notice No. 2021-226



Notice 2021-226 primarily adds Annex 74 which stipulates safety requirements, labeling requirements, as well as test methods that cosmetic devices must comply with, to the Safety Standards for Products Subject to Safety Verification.<sup>3</sup> It applies to:

- LED mask type devices;
- Scalp care devices;
- Eye massagers;
- Plasma skin care devices.

However, products licensed or certified as medical devices in accordance with the Medical Device Act are out of scope.

The applicable products and their packaging must bear the following information in Korean:

- Model name;
- Month/year of manufacture;
- Manufacturer's name;
- Importer's name (limited to imported goods);
- Address and phone number;
- Country of manufacture;
- Safety signs or rating, etc.

The Notice entered into force on 22 March 2022.

<sup>&</sup>lt;sup>3</sup> Notice on Safety Standards for Consumer Products Subject to Safety Verification



In December 2021, Notice No. 2021-369<sup>4</sup> was also issued to expand safety verification targets.

The draft aims to strengthen the safety management of personal electric mobility devices with a speed of less than 25 km/h used for leisure and mobility. It primarily adds safety standards for low-speed electric two-wheeled vehicles (Chapter 5) and common safety standards for other electric personal mobility devices (Chapter 6) to Annex 72 on electric personal mobility.

"Low-speed electric two-wheeled vehicles" refer to mobility devices with a fixed seat and a maximum speed of less than 25 km/h powered by electric energy. Electric kick-boards with a detachable seat and products with pedals are excluded from the product scope.

"Other electric personal mobility devices" refer to products of a similar type to those specified in parts 1 to 4 of Annex 72. This includes electric two-wheeled parallel vehicles or electric paddle boards with seats, or fusion type products of skateboards and electric paddle boards



Examples of low-speed electric two-wheeled vehicles



Examples of other electric personal mobility devices

<sup>&</sup>lt;sup>4</sup> Notice No. 2021-369



The new standards for these products contain safety, testing and labelling requirements, etc.

Note that the above proposal (Notice No. 2021-369) has been finalised in KATS Notice 2022-303 dated 6 September 2022.

The Notice 2022-303 will enter into force on 7 March 2023.

Other than that, Notice No. 2021-313<sup>5</sup> was also issued in October 2021 to add new products to targets for supplier's declaration of conformity.

Manufacturers/importers of these consumer products subject to supplier's declaration of conformity (17 product categories as of August 2022) must test their products for each product model by themselves or request a third party to test their products before releasing their products or customs clearance, to confirm that their products meet safety standards.

Notice No. 2021-313 establishes a preliminary safety standard for electronic masks to facilitate the market launch of electronic masks that utilise innovative technologies. The standard applies to mask products that are used in daily life and have a built-in electronic filtering device operated by a fan.

However, it does not apply to products separately managed by other laws such as the Occupational Health and Safety Act, Pharmaceutical Affairs Act, and Medical Devices Act.

<sup>&</sup>lt;sup>5</sup> Notice No. 2021-313



Also, it sets out structural and physical safety requirements, restrictions on hazardous substances, test methods, labelling requirements, etc. Hazardous substances contained in materials that come into contact with skin of the products must comply with the following criteria:

Hazardous Substances	Limits		
Formaldehyde for textiles		75 mg/kg or less	
Arylamine for dyed fiber		30 mg/kg or less	
PH for textiles		4.0 ~ 7.5	
Fluorescence brightening agent for textile	es	No fluorescence	
Organotin compounds (Tributyltin) for coated, printed textiles and leather		1.0 mg/kg or less	
Allergic dyes for dyed certain fiber		50 mg/kg or less	
Dimethyl fumarate for leather and fur		0.1 mg/kg or less	
Harmful elements for painting and	Total Lead	100 mg/kg or less	
similar coatings, etc.	Total Cadmium	75 mg/kg or less	
DEHP			
Phthalate plasticizer for textiles coated	DBP	Not more than 0.1% in	
or printed with synthetic resin BBP		total	
Dimethylformamide for certain nonwovens and polyurethanes		5 mg/kg or less	
Dimethylacetamide for certain nonwovens and polyurethanes		5 mg/kg or less	

The Notice entered into force on 22 December 2021.



In May 2022, a draft amendment (Notice 2022-151<sup>6</sup>) to the Safety Standards for Consumer Products Subject to Supplier's Declaration of Conformity<sup>7</sup>, was also issued to solicit public opinion related to the above preliminary standard for electronic masks. According to the Korean Agency for Technology and Standards (KATS), this draft primarily aims to convert the preliminary standard for electronic masks into an official standard.

If the proposal is approved, the standard will be included in Annex 17 on Masks for Cold weather, Fashion, and Sports of the Notice.

<sup>6</sup> Notice 2022-151

<sup>&</sup>lt;sup>7</sup> Notice on Safety Standards for Consumer Products Subject to Supplier's Declaration of Conformity



#### B.) Children's Products

In October 2021, several South Korean National Assembly members issued a draft amendment (Bill No. 21128018) to the Special Act on the Safety of Products for Children9, to establish stricter safety management requirements for infant products.

Currently, the safety of infant products is not separately controlled by the law. The draft stipulates that products used by or for infants under the age of 2 shall be designated as "infant products" and classified as products subject to mandatory safety certification.

Moreover, changes in the manufacturing process or raw materials used in products intended for young children require submission of an application for change in safety certification.

In the case of children's products subject to safety verification, changes shall similarly be reported when the raw materials or manufacturing process of the product are changed.

Further, manufacturers of children's products subject to supplier's declaration of conformity must go through the conformity confirmation procedure again, if there is any change in raw materials or manufacturing process.

The above proposed changes have not yet been approved.

<sup>9</sup> Special Act on the Safety of Products for Children

<sup>&</sup>lt;sup>8</sup> Bill No. 2112801



In July 2021, the South Korean Ministry of Trade, Industry and Energy (MOTIE) issued Notice No. 2021-132<sup>10</sup> amending the Common Safety Standards for Children's Products<sup>11</sup> that all children's products must comply with.

The amendment was issued to strengthen safety requirements for phthalate-based plasticizers used in children's products, to protect children from harmful substances.

Specifically, it adds DIBP (Diisobutyl phthalate, CAS No. 84-69-5) to the list of restricted phthalates plasticizers which include "DEHP, DBP, BBP, DINP, DIDP, DnOP" in Article 3. These limits apply to synthetic resins, including those coated on fibers or leather.

In accordance with this new requirement, the total content of the 7 substances in products for children under the age of 13 must be less than 0.1% as below:

Substances	Limits					
DEHP		Di-(2-ethylhexyl) phthalate, CAS No. 117-81-7				
DBP		Dibutyl phthalate, CAS No. 84-74-2				
BBP		Benzyl butyl phthalate, CAS No. 85-68-7				
DINP		Diisononyl phthalate, CAS No. 28553-12-0 or 68515-48-0				
DIDP	Total less than 0.1%	Diisodecyl phthalate, CAS No. 26761-40-0 or 68515-49-1				
DnOP		Di-n-octyl phthalate, CAS No. 117-84-0				
DIBP		Diisobutyl phthalate, CAS No. 84-69-5				

The Notice entered into force on 1 January 2022.

<sup>&</sup>lt;sup>10</sup> Notice No. 2021-132

<sup>&</sup>lt;sup>11</sup> Notice on Common Safety Standards for Children's Products



#### C.) Medical Devices

Changes recently introduced to medical device regulations primarily strengthen the obligations imposed on medical device manufacturers/importers as follows:

In July 2022, the South Korean president issued an amendment (Decree No. 32817<sup>12</sup>) to the Enforcement Decree of the Medical Devices Act.

The amendment aims to align with changes introduced in the amendment (Act No. 18319 of 2021<sup>13</sup>) to the Medical Device Act which requires manufacturers/importers of harmful medical devices to purchase liability insurance. Specifically, the amendment stipulates that manufacturers and importers of implantable medical devices that are inserted into the human body for more than 30 days must purchase insurance.

The following businesses are excluded from this obligation:

- Manufacturers and importers of implantable medical devices licensed or certified for export only;
- Importers of implantable medical devices that meet the following requirements:
  - Insurance or relief purchase from a foreign implantable medical device manufacturer or distributor meeting the insurance amount criteria under Article 12-6(1);
  - Insurance or relief shall also cover damage to domestic patients.

<sup>&</sup>lt;sup>12</sup> Decree No. 32817 of 2022

<sup>&</sup>lt;sup>13</sup> Medical Device Act (Act No. 18319 of 2021)



Relevant businesses must purchase the insurance, etc. prior to placing their medical devices onto the Korean market. In addition, they must enter the insurance or mutual aid company name, contractor, insurance amount, and subscription period into the information system until the following period:

- Implantable medical device manufacturers/importers within 14 days from the date of purchase of medical device liability insurance;
- Importers of implantable medical devices under Article 12-5 (1-3): 3 days prior to the date of first importation of implantable medical devices that have obtained import permission/certification

The Decree entered into force on 21 July 2022.

Note that implantable medical device manufacturers/importers who have obtained manufacturing permission/certification or import license/certification before 21 July 2022 must purchase medical device liability insurance, etc. by 20 Jan 2023.

Further, if implantable medical device importers who have obtained import license/certification before 21 July 2022, import implantable medical devices that meet conditions prescribed in Article 12-5 (1-3), they must enter insurance information to the online system by 20 August 2022.

In October 2021, the Ministry of Food and Drug Safety issued Notice No. 2021-84<sup>14</sup> stipulating procedures and methods for reporting foreign substances found in medical devices.

The Notice defines foreign substances as substances that are not raw materials normally used inside medical devices or in containers and packaging or substances that are likely to cause harm when used or are unsuitable for use.

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<sup>&</sup>lt;sup>14</sup> Notice No. 2021-84



Medical device manufacturers, importers, and distributors who find these foreign materials in medical devices must report them to the Ministry of Food and Drug Safety. The scope of foreign substances to be reported includes:

- Textiles, rubbers, etc. separated from work clothes;
- Dust caused by static electricity;
- Insects, parasites and their eggs, carcasses of animals, and human hair and eyebrows;
- Fragments of raw materials used during the medical device manufacturing process;
- Other substances recognised by the Minister of Food and Drug Safety.

The head of the local Food and Drug Administration may conduct investigations into the cause of foreign material contamination, and may order necessary measures to the relevant manufacturers and importers.

The Notice entered into force on 29 October 2021.

In addition to the above, some regulatory changes were introduced to ease the administrative burden on medical device companies.

In July 2022, the Ministry of Food and Drug Safety issued Notice No. 2022-52<sup>15</sup> amending the Regulation on Medical Device Approval Report Review<sup>16</sup>, to make reasonable improvements to change procedures for authorisation/certification/notification of medical device software.

According to the Notice, medical software businesses are required to obtain change authorisation/certification or report changes only for software upgrades, and may report on other changes afterwards.

<sup>&</sup>lt;sup>15</sup> Notice No. 2022-52

<sup>16</sup> Regulation on Medical Device Approval Report Review



Moreover, Bill No. 2112921<sup>17</sup> issued to amend the Medical Devices Act in October 2021, proposes to expand targets excluded from clinical trial plan approval.

The existing regulations require that those who wish to conduct clinical trials with medical devices must prepare a clinical trial plan and obtain approval from the Minister of Food and Drug Safety. The draft proposes to exclude clinical trials that are less likely to directly affect the safety of clinical trial subjects from this approval requirement.

The above proposed changes, if adopted, will be effective 6 months after publication.

<sup>&</sup>lt;sup>17</sup> Bill No. 2112921

# 3. Energy Efficiency: Strengthening Energy Efficiency Requirements For Certain EEE

South Korea's energy efficiency management system consists of i) energy efficiency grade labeling ii) high efficiency energy equipment certification, and iii) standby power reduction program, under the Energy Use Rationalization Act<sup>18</sup>.

Among these systems, the standby power reduction program aims to expand the supply of products that use reduced standby power when not in use, and to promote the development of related technologies.

In accordance with the E-Standby Program Application Regulation<sup>19</sup>, manufacturers/importers of 14 products subject to warning signs that are included in the list of products subject to standby power reduction (19 product categories in total as of August 2022), must test their products at a standby power testing agency according to specified technical standards and measurement methods, and report the results to the Korea Energy Agency within 60 days.

Products that do not meet the standby power reduction standards must bear a standby power warning label. An energy saving mark that can be affixed to products that satisfy the standards may be voluntarily attached.



Standby Power Warning Label



**Energy Saving Label** 

<sup>&</sup>lt;sup>18</sup> Energy Use Rationalization Act

<sup>&</sup>lt;sup>19</sup> E-Standby Program Application Regulation (Notice No. 2022-33)



In February 2022, the South Korean Ministry of Trade, Industry and Energy (MOTIE) issued Notice No. 2022-33 amending the E-Standby Program Application Regulation.

The amendment removes computers and monitors from the list of Products Subject to Reduction of Standby Power. This change was introduced for computers and monitors to be designated/managed as Products Subject to Efficiency Management, under the Regulation on Energy Efficiency Labeling & Standards<sup>20</sup>.

Those products subject to efficiency management (33 product categories as of August 2022) must comply with certain requirements, such as energy efficiency labelling, product declarations, and compliance with the minimum energy performance standard (MEPS).

Energy efficiency grades are divided into 1 to 5 levels, depending on energy efficiency or energy consumption of appliances, and a label according to these grades must be affixed to 19 specified product types. Other 14 products not covered by this energy efficiency grade label, must bear a separate energy consumption efficiency label.

Manufacturers/importers are also required to test their products at an efficiency management testing agency in accordance with specified technical standards and measurement methods, and to report the products to the Korea Energy Agency within 90 days.

Notice No. 2022-64<sup>21</sup> issued in April 2022, adds monitors that were removed from the E-Standby Program Application Regulation to the Regulation on Energy Efficiency Labeling & Standards.

<sup>21</sup> Notice No. 2022-64

<sup>&</sup>lt;sup>20</sup> Regulation on Energy Efficiency Labeling & Standards



#### Applicable products include:

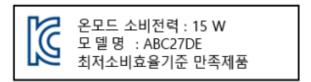
- Monitors with a diagonal screen length of 153 cm or less for the visible screen, consisting of display screens and related electronic devices that can express visual information from computers, workstations, or servers via input terminals, such as VGA, DVI, HDMI, DisplayPort, fire wire(IEEE 1394), and USB;
- Products sold as monitors that have both monitor and television functions.

#### Excluded from scope are:

- Monitor-integrated desktop computers;
- Broadcast-only monitors;
- Medical monitors;
- Point of sale (POS) devices;
- KVMs;
- TV receivers and signage displays under Article 4 of Regulation on Energy Efficiency Labeling & Standards.

The Minimum Energy Performance Standard (MEPS), including the on-mode/sleep-mode/off-mode power consumption standard, and testing methods for the monitors are provided in Annex 1 of the Notice.

The energy consumption efficiency label may be attached to the front or back of the product, and the label must indicate the on-mode power consumption and whether the MEPS are satisfied, as follows:



**Energy Consumption Efficiency Label for Monitors** 

The above requirements for monitor products will come into effect on 1 May 2023.



The said Notice No. 2022-64 also brought changes to requirements for the following products.

## A.) Kimchi Refrigerators

The energy efficiency rating criteria and MEPS for kimchi refrigerators have been newly classified and raised as follows:

Product Type	Standard Formula for Maximum Power Consumption
	From 1 July 2017
Adjusted volume less than 300L, and less than 2 kimchi storage rooms	P ≤ 0.022AV+20.11
Adjusted volume 300L or more, or over 3 kimchi storage rooms	P ≤ 0.034AV+16.04+0.022 × Length of kimchi storage home bar gasket (cm)

#### Existing MEPS For Kimchi Refrigerators

Product Type	Reference Values for Minimum Consumption Efficiency (Unit: Wh/L)		
	From 1 May 2023		
Adjusted volume less than 300L	125.0		
Adjusted volume 300L or more, and 3 doors or less	50.0		
Adjusted volume 300L or more, and 4 doors or more	45.0		

Changed MEPS For Kimchi Refrigerators

Also, energy efficiency targets, which will be applied from May 2026 and May 2029 by product type, have been added, as follows:

	From 1 May 2026		From 1 May 2029	
Product Type	(Unit:Wh/L)		(Unit:Wh/L)	
	Maximum	Minimum	Maximum	Minimum
Adjusted volume less than	45.6	100.0	44.2	96.3
300L	43.0	100.0	44.2	90.5
Adjusted volume 300L or more,				
and	33.0	48.5	32.0	47.0
3 doors or less				
Adjusted volume 300L or more,				
and	27.2	43.7	26.3	42.3
4 doors or more				

Energy Efficiency Targets For Kimchi Refrigerators

Furthermore, an energy efficiency grade label can be affixed to the front of this product. In the case of a product with a replaceable panel, if it is difficult to attach the label on the front side, it may also be affixed to the side.

These revised requirements for kimchi refrigerator products will come into effect on 1 May 2023.

## B.) Washing Machines

The efficiency rating criteria and MEPS for washing machines has been also strengthened, as follows:

Product Type	Maximum Power Consumption Standard (Unit: Wh/kg)		
	From 1 July 2018		
Standard washing capacity 2.0kg or more and 8.0kg or less	41.0		
Standard washing capacity exceeding 8.0kg and up to 13.0kg	28.0		
Standard washing capacity over 13.0kg and 25.0kg or less	17.0		

#### **Existing MEPS For General Washing Machines**

	Maximum Power Consumption	
Product Type	Standard (Unit: Wh/kg)	
	From 1 November 2022	
Standard washing capacity 2.0kg or more	39.8	
and 8.0kg or less	66.6	
Standard washing capacity exceeding 8.0kg	27.2	
and up to 13.0kg	27.2	
Standard washing capacity over 13.0kg and	16.5	
25.0kg or less	10.0	

Changed MEPS For General Washing Machines

Product Type	Maximum Power Consumption Standard (Unit: Wh/kg)	
	From 1 July 2018	
Standard washing capacity 2.0kg or more and 5.0kg or less (Cold water washing)	20.0	
Standard washing capacity 2.0kg or more and 8.0kg or less	118.0	
Standard washing capacity from over 8.0kg to 13.0kg or less	100.0	
Standard washing capacity from over 13.0kg to 25.0kg or less	87.0	

## Existing MEPS For Front-Loading Washers

Product Type	Maximum Power Consumption Standard (Unit: Wh/kg)	
	From 1 November 2022	
Standard washing capacity 2.0kg or more and 5.0kg or less (Cold water washing)	19.4	
Standard washing capacity 2.0kg or more and 8.0kg or less	114.5	
Standard washing capacity from over 8.0kg to 13.0kg or less	90.0	
Standard laundry capacity from over 13.0kg to 25.0kg or less	77.7	

Changed MEPS For Front-Loading Washers

The Notice also provides energy efficiency targets, which will be applied from November 2025 and November 2028, for general washing machines and front-loading washers.

	From 1 November 2025		From 1	November
Product Type	(Unit: Wh/kg)		2028	
			(Unit: Wh/kg)	
	Maximum	Minimum	Maximum	Minimum
Standard washing capacity	22.9	38.6	22.6	37.4
2.0kg or more and 8.0kg or less	22.0	30.0	22.0	37.4
Standard washing capacity				
exceeding 8.0kg and up to	12.0	26.4	11.9	25.6
13.0kg				
Standard washing capacity	8.5	16.0	8.4	15.5
over 13.0kg and 25.0kg or less	0.0	10.0	0.4	10.0

**Energy Efficiency Targets For General Washing Machines** 

	From 1 November 2025		From 1	November
Product Type	(Unit: Wh/kg)		2028	
			(Unit: Wh/kg)	
	Maximum	Minimum	Maximum	Minimum
Standard washing capacity				
2.0kg or more and 5.0kg or less	7.6	18.8	7.3	18.2
(Cold water washing)				
Standard washing capacity	72.8	111.1	70.5	107.6
2.0kg or more and 8.0kg or less	72.0	111.1	70.0	107.0
Standard washing capacity				
from over 8.0kg to 13.0kg or	51.9	87.3	50.3	84.6
less				
Standard laundry capacity from	44.4	75.4	43.1	73.0
over 13.0kg to 25.0kg or less				

**Energy Efficiency Targets For Front Loading Washers** 

Moreover, the Notice changes items to be indicated on the energy efficiency rating label, from "power consumption per kg" to "power consumption for one washing", and from "water consumption per 1 kg of washing" to "water consumption per washing". Accordingly, washing machines must bear the following label:



Energy Efficiency Rating Label for Washing Machines

The above changed requirements for washing machines will take effect on 1 November 2022.

## C.) Electric Air Conditioners-Heaters

The Notice No. 2022-64 also increased the efficiency rating criteria and MEPS for Electric air conditioners-heaters.

Product Type		Minimum Energy Performance Standard (Unit: W/W)  From 1 October 2018		
HSPF (Heating Seasonal Performance Factor)	2.73			
Rated cooling capability 4kW or more and less than 10kW	CSPF	4.80		
	HSPF	2.38		
Rated cooling capability 10kW or more and less than 23kW	CSPF	4.60		
	HSPF	2.36		

Existing MEPS for Electric Air Conditioners-heaters

Product Type		Minimum Energy Performance Standard (Unit: W/W) From 1 November 2022		
Separation Type	Rated cooling capability less than 4kW	CSPF (Cooling Seasonal Performance Factor)	5.25	
		HSPF (Heating Seasonal Performance Factor)	2.75	
	Rated cooling capability 4kW or more and less than 10kW	CSPF	4.80	
		HSPF	2.69	
	Rated cooling capability 10kW or more and less than 23kW	CSPF	4.60	
		HSPF	2.63	

Changed MEPS For Electric Air Conditioners - heaters

Also, energy efficiency targets applied from November 2025 and November 2028 have been presented, according to the rated cooling capacity classification of equipment.



			From 1	November	From 1	November
Product Type			2025 2028			
		(Unit: W/W)		(Unit: W/W)		
			Maximum	Minimum	Maximum	Minimum
	Rated	CSPF	7.11	6.04	7.31	6.17
	cooling					
	capability	HSPF	4.33	3.00	4.45	3.08
	less than					
	4kW					
Separation	Rated	CSPF	6.90	5.30	7.10	5.43
Type	cooling					
	capability					
	4kW or more	HSPF	4.12	2.93	4.24	3.01
	and less					
	than 10kW					
	Rated	CSPF	6.50	4.83	6.68	4.96
	cooling					
	capability					
	10kW or	LICDE	4.10	0.07	4.04	0.05
	more and	HSPF	4.12	2.87	4.24	2.95
	less than					
	23kW					

Energy Efficiency Targets For Electric Air Conditioners - Heaters



Furthermore, the energy efficiency rating label for air conditioners-heaters has been changed to display the cooling and heating efficiency ratings separately, as follows:



Energy Efficiency Rating Label For Air Conditioners - Heaters

The above revised requirements for air conditioners-heaters will take effect on 1 November 2022.

In addition to the above, a final notice adding computer products that had been removed from the E-Standby Program Application Regulation, to the Regulation on Energy Efficiency Labeling & Standards has not yet been published.

According to the Korea Energy Agency which is currently participating in the revision, the schedule for the revised notice has not yet been fixed.

In accordance with supplementary provisions of the Notice No. 2022-33<sup>22</sup>, the previous version (Notice No. 2020-211<sup>23</sup>) of E-Standby Program Application Regulation still applies to computers, before the revised Regulation on Energy Efficiency Labeling & Standards that adds computers, comes into effect.

A proposed amendment issued to add computers to products subject to efficiency management can be found in Notice No. 2021-601<sup>24</sup>.

<sup>&</sup>lt;sup>22</sup> Notice No. 2022-33

<sup>&</sup>lt;sup>23</sup> Notice No. 2020-211

<sup>&</sup>lt;sup>24</sup> Notice No. 2021-601



## 4. Circular Economy: Bills On Right To Repair

Over the past year, the most significant changes in South Korea's regulations with regard to the circular economy are those related to the "right to repair." Amid a growing interest in the right to repair globally for the past few years, South Korean lawmakers have also proposed the following bills.

In September 2021, the several South Korean National assembly members issued a draft amendment (Bill No. 2112523<sup>25</sup>) to the Mobile Device Distribution Improvement Act.

The proposal primarily prohibits mobile phone manufacturers from refusing or delaying the supply/sale of parts, manuals, equipment, etc. necessary for repairing the mobile phone even though the user's negligence has not been proven. These manufacturers are also prohibited from installing or operating any software that restricts cell phone repair.

Violators may be subject to correction orders or fines imposed by the Korea Communications Commission.

A Bill on the Right to Repair (Bill No. 2113302<sup>26</sup>) was also proposed in November 2021. This draft aims to give consumers the right to repair their own products in use, and thereby extend the usable period of products.

<sup>&</sup>lt;sup>25</sup> Bill No. 2112523

<sup>&</sup>lt;sup>26</sup> Bill No. 2113302

Items covered by the right to repair would be selected after being reviewed by the right to repair policy committee. Products subject to this review include products:

- With total domestic sales of KRW 100 billion or more in the previous year;
- With electrical, electronic, and communication functions;
- Means of transporting people or cargo;
- Consumer Products under Article 2 of the Electrical Appliances and Consumer Products Safety Control Act;
- Machinery/equipment used in agriculture, livestock, fishery, etc.;
- Specially designated by the policy committee;
- With a final purchase price of KRW 300,000 or more;
- Whose frequency of use by consumers and the shelf life of products exceed standards prescribed by Presidential Decree.

Also, the draft provides obligations of business operators who manufacture or distribute the target products. The relevant companies must:

- Notify "the right to repair" when consumers purchase the target products;
- Endeavour to ensure that consumers have no difficulty in obtaining the parts and equipment necessary for the repair of their products;
- Provide product repair instructions;
- Ensure that necessary repair parts, connecting parts, repair equipment, etc. can be easily obtained by anyone without discrimination;
- Not give disadvantages or discriminate in the process of after-sales service because of the reason that consumers or repair businesses already repaired the products;
- Repair the products themselves if requested by a consumer;
- Report necessary information regarding the right to repair to the competent administrative agency periodically.

If the proposal is approved, it will enter into force one year after publication.



In addition to the foregoing, Bill (No. 2115160)<sup>27</sup> to amend the Consumer Protection Law was also introduced in April 2022.

The proposal is intended to prevent infringement of the consumer's right to repair caused by companies failing to inform consumers of the retention period for product parts. It requires the government to set labelling standards for the retention period of product parts and induces companies to comply with the labelling standards.

If the proposed changes are approved, the amendment will enter into force 6 months after publication.

<sup>&</sup>lt;sup>27</sup> Bill No. 2115160



## 5. Ecolabelling: Changes In Eco-Label Certification Standards For Certain Products

South Korea's ecolabelling system is a voluntary certification system selecting eco-friendly products that reduce energy and resource consumption and minimise the generation of pollutants throughout the entire process, from production to use and disposal.

Those who have received the eco-label certification may display the following labels on their materials and product packaging or containers.



Eco Label Design

Over the past year, the South Korean Ministry of Environment has issued two amendments to the Notice on Eco-label Products and Standards, to change certification standards for products subject to eco-label certification.

Notice No. 2021-164<sup>28</sup> issued in August 2021, revises certification standards for 33 product categories, reflecting the recent product/technology level and environmental management level of companies.

<sup>&</sup>lt;sup>28</sup> Notice No. 2021-164



Specifically, it introduces changes to sections on environmental criteria, quality criteria, verification methods, testing methods, and cited standards in the ecolabelling certification standards of the following products:

- EL141 Copying Machines,
- EL142 Printers,
- EL172 Furniture,
- EL209 LED Lamps for General Use,
- EL210 LED Lighting Luminaires,
- EL311 Clothing,
- EL315 Bedding,
- EL764 Batteries, etc.

Notice No. 2021-164 entered into force on 24 August 2021.

The second amendment, Notice No. 2022-1<sup>29</sup> issued in January 2022, also changes the eco label certification standards for certain products.

The amendment primarily strengthens the global warming potential (GWP) of certain materials in 24 product types. Details of the changes are as below.

- Products with the GWP criteria changed from 1,600 to 100:
  - EL327 Indoor Floor Mats of Foamed Plastic;
  - EL329 Baby Care and Moving Supplies;
  - EL331 Water Play Supplies;
  - o EL483 Beds.
- Products with GWP criteria changed from 3,000 to 100:
  - EL175 Chair;
  - EL179 Auxiliary Parts for Furniture;
  - EL256 Decorative Synthetic Leather;
  - EL315 Bedding;
  - EL325 Toys;
  - EL704 Electric Motorcycle with Two-Wheels.

<sup>&</sup>lt;sup>29</sup> Notice No. 2022-1



- Products with GWP criteria changed from 2,500 to 1,000:
  - EL262 Heat Pump Systems;
  - EL401 Air Conditioners;
  - EL409 Multi Air Conditioners;
  - EL410 Clothes Dryers.

Moreover, disposable products of packaging materials (EL 606) and biomass synthetic resin products (EL 727) have been excluded from eco label certification targets, and environmental criteria, verification methods and test methods for certain products, including personal computers (EL 144), notebook computers (EL145) and furnitures (EL172), etc. have been also changed.

The Notice entered into force on 3 January 2022. However, depending on product categories, existing materials or those with slightly relaxed GWP standards may be applied until 31 December 2025.

In addition to the above, a proposed amendment (Notice No. 2022-327<sup>30</sup>) to the Notice on Eco-label Products and Standards was issued in May 2022, to change the certification standards for 51 product types including furniture and notebook computers, and to establish/delete some products subject to certification. These changes have not yet been approved.

<sup>&</sup>lt;sup>30</sup> Notice No. 2022-327



# 6. Data Protection: Obligations Imposed on Businesses Handling Location Information

Recent regulatory changes in data protection are primarily concerned with the protection of location information. These changes include obligations and measures to be followed by location information providers, as well as related penalties.

In October 2021, the South Korean National Assembly published an amendment (Act No. 18517<sup>31</sup>) to the Act on the Protection and Use of Location Information. This amendment introduces obligations for location information service providers and location-based service providers as follows:

- When the said businesses collect, use or provide personal location information, they must obtain the consent of the data protection subject, with respect to the purpose of retention and the retention period of personal location information;
- For the data protection subject, they must disclose the handling policy for personal location information, which includes the handling purpose and retention period of personal location information, grounds for retention and retention period of data on the collection/use/provision of personal location information, as well as procedures and methods for destroying personal location information;
- If there are justifiable reasons for preserving/retaining personal location information under other laws, they may retain it as prescribed by Presidential Decree, and the method and procedure for destroying personal location information would be determined by Presidential Decree.

The Act enters into force on 20 April 2022.

In relation to the use of location information, two bills to amend the Act on the Protection and Use of Location Information have been also issued.

<sup>&</sup>lt;sup>31</sup> Act No. 18517 of 2021



The first is Bill No. 2112882<sup>32</sup> which was proposed in October 2021. It requires that location information providers and location-based service providers must process location data in a way to minimise the invasion of privacy of the subject of personal location information.

The second one is Bill No. 2116046<sup>33</sup> which was proposed in June 2022. The draft primarily requires that data subjects may request location information service providers to transmit their personal location information to data subjects themselves or other personal location information businesses. Location information service providers received such a request must transmit relevant data in a form that can be processed by an information processing device, such as computers, without delay.

Lastly, the South Korea Communications Commission (KCC) issued the following new regulations in 2022, for location information businesses:

- Notice No. 2022-7<sup>34</sup> Guidelines on Disposition of Fines under the Act on the Protection and Use of Location Information,
- Notice No. 2022-8<sup>35</sup> Standards for Imposition of Penalties for Violation of Laws on Location Information Protection,
- Notice No. 2022-11<sup>36</sup> Criteria for Administrative and Technical Protection Measures for Location Information.

<sup>&</sup>lt;sup>32</sup> Bill No. 2112882

<sup>&</sup>lt;sup>33</sup> Bill No. 2116046

<sup>&</sup>lt;sup>34</sup> Notice No. 2022-7

<sup>35</sup> Notice No. 2022-8

<sup>&</sup>lt;sup>36</sup> Notice No. 2022-11



### 7. Conclusion

This paper examined major changes in Korean legislation enacted and proposed during a twelve month period from July 2021 to June 2022 in the following five key regulatory areas: Product Safety, Energy Efficiency, Circular Economy, Ecolabelling, and Data Protection.

Regulations related to product safety were issued during this period which have reinforced product safety control by adding new products to safety management targets whilst energy efficiency requirements have also been tightened for certain appliances.

In the circular economy field, new bills on consumers' rights to repair products have been proposed whilst certain eco label certification requirements have also been introduced.

Data protection measures have also been strengthened and tightened with a reinforcement of obligations applicable to data handlers.

Overall, there has been a marked and noticeable strengthening of recent regulatory measures in South Korea over the past 12 months in these five regulatory areas which manufacturers must comply with.

Compliance and Risks will continue to monitor further developments in these areas as well as all relevant draft proposals that have yet to be enacted and finalised.

#### References

- Electrical Appliances and Consumer Products Safety Control Act
- Notice on Safety Standards for Consumer Products Subject to Safety Verification
- Notice on Safety Standards for Consumer Products Subject to Supplier's Declaration of Conformity
- Special Act on the Safety of Products for Children
- Notice on Common Safety Standards for Children's Products
- Medical Devices Act
- Enforcement Decree of the Medical Devices Act
- Regulations on the Subject and Procedure for Reporting Foreign Substances in Medical Devices
- Regulations on Medical Device Approval, Report, Review
- Energy Use Rationalization Act
- E-Standby Program Application Regulation
- Regulation on Energy Efficiency Labeling & Standards
- Bill No. 2113302 on Right to Repair
- Mobile Device Distribution Improvement Act
- Consumer Protection Law
- Notice on Eco-label Products and Certification Standards
- Act on the Protection and Use of Location Information
- Notice on Criteria for Administrative and Technical Protection Measures for Location Information
- Notice on Guidelines for Disposition of Fines under the Act on the Protection and Use of Location Information
- Notice on Standards for Imposition of Penalties for Violation of Laws on Location Information Protection
- Korean Agency for Technology and Standards
- Ministry of Food and Drug Safety
- Korea Energy Agency
- Korea Environmental Industry & Technology Institute