Nuclear Liability Act

Enacted by Act No. 2094, Jan. 24, 1969;
(Entered into force Jan. 24, 1969)

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Article 1 (Purpose)
The purpose of this Act is to protect victims of nuclear damage and contribute to the sound development of the nuclear energy industry by prescribing those matters concerning liability for nuclear damage arising from the operation, etc. of nuclear reactors.

Article 2 (Definitions)
(1) The terms used in this Act shall be defined as follows:
1. The term "operation, etc. of nuclear reactors" means those falling under any of the following items, as well as the transportation, storage or disposal of nuclear fuel materials or other materials contaminated by such nuclear fuel materials (including byproducts from nuclear fission; hereinafter the same shall apply) incidental thereto:

(a) Operation of nuclear reactors;
(b) Conversion of nuclear fuel materials, as prescribed by Presidential Decree;
(c) Fabrication of nuclear fuel materials, as prescribed by Presidential Decree;
(d) Processing of spent nuclear fuel, as prescribed by Presidential Decree;
(e) Use of nuclear fuel materials, as prescribed by Presidential Decree;
(f) Storage, treatment or disposal of radioactive waste, as prescribed by Presidential Decree.

2. The term "Nuclear Damage" means any costs provided for in the following subparagraphs and damage (including the loss of economic interest arising from significant impairment of environment, which is related to utilization of environment) caused by the effects of the fission process of nuclear fuel material, or by the effects of radiation or toxic natures of nuclear fuel material or other materials contaminated thereby. Provided, that damage suffered by nuclear operator concerned or by its employees as a result of performance of their duties shall be excluded.

   a. Costs for measures taken or to be taken in accordance with the plan as specified by the Basic Framework Act on Management of Disaster and Safety or other laws relevant thereto, in order to reinstate the significantly impaired environment,

   b. Costs of preventive measures (including the additional loss or damage arising from the preventive measures) taken in accordance with the measures plan referred to in related laws including the Basic Framework Act on Management of Disaster and Safety and the Act on Physical Protection and Radiological Emergency in order to mitigate or minimize damage or costs, in case of nuclear incident, and in order to prevent or minimize damage or costs in case of a grave and imminent threat of occurrence of such incident.

3. The term "nuclear operator" means any person who is or has been any of the following:

   (a) A person who has been granted the construction permit or operating license for nuclear reactors and related facilities;
   (b) An operator of a foreign nuclear-powered vessel who has reported entry into or departure from a port of the Republic of Korea;
   (c) A person who has been permitted to engage in a fabrication business (including conversion business);
   (d) A person who has been designated to engage in a spent nuclear fuel processing business;
   (e) A person who has been permitted to use nuclear fuel material;
   (f) A person who has been permitted to construct and operate disposal facilities, etc.;
(g) Nuclear research and development institutions, as well as institutions providing services and manufacturing products related to nuclear energy as prescribed in the Nuclear Promotion Act;

(h) Institutions dedicated to nuclear safety, as prescribed in the Nuclear Safety Act.

4. The term “nuclear incident” means any occurrence which results in nuclear damage or poses a grave and imminent threat of nuclear damage (including a series of occurrences having the same origin).

(2) The terms used in this Act shall have meanings as prescribed by the Nuclear Promotion Act and the Nuclear Safety Act, except for those prescribed in paragraph (1).

Article 2-2 (Scope of Application)

(1) This Act shall apply to nuclear damage suffered as a result of nuclear incidents occurring within the territory of the Republic of Korea (including its territorial waters) and the exclusive economic zone of the Republic of Korea.

(2) The application of this Act to those individuals, corporations, organizations or the government of a country which prohibits or limits compensation for nuclear damage suffered by the people of the Republic of Korea, corporations or organizations established under acts and subordinate statutes of the Republic of Korea, or the Government of the Republic of Korea may be excluded or limited.

Article 3 (Strict Liability, Channeling of Liabilities, etc.)

(1) The nuclear operator shall be liable for nuclear damage caused by the operation, etc. of a nuclear reactor. Provided, that this shall not apply to the damage caused by an act of armed conflict or hostilities among the nations, civil war or insurrection.

(2) When nuclear damage has been caused as a result of transportation between nuclear operators of nuclear fuel materials or other materials contaminated thereby, the nuclear operator who is the consignor of nuclear fuel materials shall be liable for the damage: Provided, That in cases where a special agreement has been made between nuclear operators with regard to the liability for nuclear damage, such special agreements shall govern.

(3) Any person other than the nuclear operators who are liable for the nuclear damage in accordance with paragraph (1) or (2) above shall not be liable for the nuclear damage.

(4) Articles 769, 770, 773, 875, and 881 of the Commercial Act shall not apply to nuclear damage occurring as a result of the operation, etc. of a nuclear reactor installed in a vessel.

(5) The provisions of the Product Liability Act shall not apply to nuclear damage caused by the operation, etc. of nuclear reactors.

Article 3-2 (Limit on Liability Amount)

(1) Nuclear operators shall be liable for nuclear damage within a limit of 300 million Special Drawing Rights for each nuclear incident: Provided, That in cases where a nuclear incident has occurred due to a willful act or omission on the part of a nuclear operator with intention or awareness that such damage may occur, this shall not apply.

(2) “Special Drawing Right” under paragraph (1) means an amount equivalent to the special drawing right of the International Monetary Fund.
Article 4 (Right of Recourse)

(1) In case nuclear damage is caused by a willful act or gross negligence of a third party, the nuclear operator who has compensated for the nuclear damage in accordance with Article 3 retains rights of recourse against such a third party. Provided, that in case nuclear damage occurred in the course of supply of material or service for the operation etc. of nuclear reactor (including labor; hereinafter referred to as “supply of material”), the nuclear operator may retain the rights of recourse only insofar as the supplier of said materials or the employees of said supplier have been intentional or grossly negligent.

(2) When a special agreement concerning the right of recourse has been made in cases of paragraph (1), such special agreements shall govern.

Article 5 (Obligation to Provide for Financial Security)

(1) A nuclear operator shall be prohibited from operation, etc. of the nuclear reactor unless the financial security for compensation of the nuclear damage (hereinafter referred to as “financial security”) has been provided.

(2) The financial security under paragraph 1 shall be provided by means of the nuclear liability insurance contract and an indemnity agreement for nuclear liability or by means of placing in public deposit

Article 6 (Financial Security Amount)

(1) The amount covered by a nuclear liability insurance contract and an indemnity agreement for nuclear liability or the amount of deposit pursuant to Article 5(2) shall be prescribed by Presidential Decree (hereinafter referred to as “financial security amount”) taking into consideration the type of facilities utilizing nuclear energy, nature of nuclear fuel materials to be handled, consequences of the occurrence of a nuclear incident, etc., within the limits on liability amount stipulated by Article 3-2.

(2) When due to the payment of compensation for nuclear damage the amount available for compensation of future nuclear damage falls short of the financial security amount, the Nuclear Safety and Security Commission may, if necessary to ensure the implementation of compensation for damage, order the relevant nuclear operators to make up for such shortage in order to reach financial security amount within a set period.

(3) The provisions of Article 5(1) shall not apply to the case of order in accordance with paragraph (2).

Article 7 (Liability Insurance Contract for Nuclear Damage)

(1) A liability insurance contract for nuclear damage under Article 5(2) means a contract under which the insurer (limited to a person authorized to engage in liability insurance business, as prescribed by the Insurance Business Act) agrees to indemnify a nuclear operator for losses arising from the compensation of nuclear damage due to certain causes in case when nuclear operator becomes liable for nuclear damage as pursuant to Article 3 and under which the nuclear operator agrees to pay a premium to the insurer.

(2) When a nuclear operator subscribes to an insurance contract for nuclear damage, he/she shall obtain approval for the conditions therein from the Nuclear Safety and Security Commission.
**Article 8 (Priority of Claims for Nuclear Damage)**

(1) A victim shall, with respect to his/her claim for nuclear damage, hold priority of payment over other creditors.

(2) The insured may claim the insurer to make the insurance payment only to the extent that the insured has paid or has acquired the consent of the victim with regard to the amount of compensation.

(3) The right to claim an insurance payout under an insurance contract for nuclear damage shall not be assigned, held as security, or seized. Provided, that this shall not apply if the victim levies an attachment on the right of the claim for the nuclear damage.

**Article 9 (Indemnity Agreement for Nuclear Liability)**

(1) The indemnity agreement for liability of nuclear damage as specified in Article 5 Paragraph 2, shall be the contract under which, in case the nuclear operator becomes liable for the compensation of nuclear damage in accordance with Article 3, the Government agrees to indemnify a nuclear operator for his loss arising from compensating for nuclear damage not covered by the liability insurance contract, and under which the nuclear operator agrees to pay the indemnity fee to the Government.

(2) Matters necessary for indemnity agreements for liability of nuclear damage shall be prescribed by a separate act.

**Article 10 (Priority of Claims for Indemnity)**

The provisions of Article 8 shall apply mutatis mutandis to claims for indemnity under indemnity agreement.

**Article 11 (Deposit)**

Deposit as financial security shall be made in the district court having jurisdiction over the principal office of the nuclear operator, either in cash or in securities as prescribed by the Presidential Decree.

**Article 12 (Receipt out of Deposit)**

The victim shall, with regard to his claim for the nuclear damage, be entitled to receive the compensation out of the cash or securities deposited by nuclear operators.

**Article 13 (Taking back of Deposit)**

(1) The nuclear operator may take back the deposited cash or securities with an approval of the Nuclear Safety and Security Commission if;
   1. another financial security has been provided in lieu of the deposit, or
   2. operation, etc. of the nuclear reactor is ceased.

(2) The Nuclear Safety and Security Commission may grant an approval pursuant to the provisions of paragraph 1, to the extent that it deems necessary for ensuring the fulfillment of the compensation of the nuclear damage, with designation of time and amount of the taking back.

**Article 13-2 (Extinctive Prescription)**

(1) The right to make a claim for compensation for nuclear damage under this Act shall lapse by prescription if it is not exercised within three years from the date upon which a victim or his/her legal representative became aware of such
damage and of the identity of the person liable for such damage, as prescribed in Article 3.

(2) The right to make a claim for compensation for nuclear damage under this Act shall lapse by prescription if it is not exercised within 10 years from the date upon which a nuclear incident occurred: Provided, that the right to claim for nuclear damage due to personal injury, disease or loss of life shall lapse by prescription if it is not exercised within thirty years commencing from the date on which the nuclear incident occurred.

Article 14 (Measures by Government)

(1) The Government shall, in case nuclear damage occurs, give nuclear operator necessary aids when the amount for which he is liable in accordance with Article 3 exceeds the financial security amount concerned and the Government deems it necessary to attain the purpose of this Act.

(2) In cases of the proviso to Article 3 (1), the government shall take measures necessary to rescue victims and prevent the further spread of damage.

(3) When providing aid under paragraph (1), the government shall provide aid to the extent authorized by resolution of the National Assembly.

Article 15 (Deliberation Committee for Nuclear Liability)

(1) The Nuclear Safety and Security Commission may establish a Deliberation Committee for Nuclear Liability (hereinafter referred to as "Deliberation Committee" in this Article) to mediate disputes concerning compensation for nuclear damage.

(2) The Deliberation Committee shall manage the following duties:

1. Mediation of disputes;

2. Investigation into and assessment of nuclear damage as necessary for conducting those duties under subparagraph 1.

(3) Matters necessary for the organization and operation of the Deliberation Committee, as well as for the mediation and handling of disputes, shall be prescribed by Presidential Decree.

Article 16 (Report and Examination)

(1) The Nuclear Safety and Security Commission may, if deems it necessary, have a nuclear operators to report or have public officials belonging to the Nuclear Safety and Security Commission to enter the offices, plants or places of business of nuclear operators (where a nuclear reactor is installed in a vessel, the said vessel) and examine books, documents or other necessary items or ask questions of interested persons.

(2) Public officials who conduct examinations or inquiries pursuant to paragraph (1) shall carry a certificate indicating their identity and present it if requested by concerned persons.

Article 17 (Consultation with Related Ministries)

The Nuclear Safety and Security Commission shall consult with relevant Ministers when it intends to issue orders under Article 6 (2).

Article 18 (Exclusion of Application)

Articles 5 through 13 shall not apply in cases where the government undertakes a nuclear project.
Article 19 (Penal Provisions)

Any person who has violated Article 5 shall be punished by imprisonment for not more than three years or by a fine not exceeding three million won. In such cases, he/she may be punished by both imprisonment and a fine.

Article 20 (Fines for Negligence)

(1) Any of the following persons shall be punished with a fine for negligence not exceeding 500 thousand won:

   1. Any person who has not reported or has reported fraudulently in violation of Article 16;
   2. Any person who has refused, obstructed or evaded an inspection, has not responded to queries, or has made a fraudulent statement in violation of Article 16

(2) Fines for negligence under paragraph (1) shall be imposed and collected by the Nuclear Safety and Security Commission in accordance with prescribed by Presidential Decree.

(3) Any person contesting a fine for negligence under paragraph (2) may raise an objection to the Nuclear Safety and Security Commission within 30 days from the date of awareness of such disposition.

(4) When a person who has been issued a fine for negligence under paragraph (2) raises an objection as prescribed in accordance with paragraph (3), the Nuclear Safety and Security Commission shall notify the competent court of such fact without delay and the court so notified shall try said case of fine for negligence pursuant to the Non-Contentious Case Litigation Procedure Act.

(5) When neither an objection is raised within the period prescribed in paragraph (3) nor is a fine for negligence paid, it shall be collected in the same manner as are dispositions of national taxes in arrears.

Article 21 (Joint Penal Provisions)

Where a representative of a corporation, or an agent, employee or other servant of a corporation or an individual commits an offense under Article 19 in connection with the business of that corporation or individual, not only shall the violator be punished, but also the corporation or individual shall be punished by a fine under the relevant provisions: Provided, that this shall not apply where the corporation or individual has not neglected to provide due attention and supervision regarding the relevant business in order to prevent such violations.

Article 22 (Report to National Assembly)

The Government shall, in case the nuclear damage occurs in a considerable scale, report to the National Assembly without delay on the state of such damage and the measures taken by the Government in accordance with this Act.

Article 23 Omitted.

ADDENDUM <Act No. 2094, Jan. 24, 1969>

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

ADDENDUM <Act No. 2765, Apr. 7, 1975>

This Act shall enter into force on the date of its promulgation.
ADDENDA <Act No. 3549, Apr. 1, 1982> (Atomic Energy Act)

Article 1 (Enforcement Date)
This Act shall enter into force within six months from the date of its promulgation, and the date shall be prescribed by Presidential Decree.

Articles 2 through 5 Omitted.

Article 6 (Revision of other Acts)
The Nuclear Liability Act shall be amended as follows:

“Nuclear fission material or ... such nuclear fission material” in Article 2 (1) shall be revised to “nuclear fuel materials or ... such nuclear fuel materials”; “fabrication” in subparagraph 2 of the same paragraph of the same Article to “conversion”; “reprocessing” in subparagraph 3 to “fabrication”; “use of nuclear fission material” in subparagraph 4 to “processing of spent nuclear fuel”; and subparagraph 5 shall be inserted as follows:

5. Use of nuclear fuel materials, as prescribed by Presidential Decree.
In Article 2 (2), “of nuclear fission material” shall be revised to “of nuclear fuel materials”; “nuclear fission material or ... such nuclear fission material” to “nuclear fuel materials or ... such nuclear fuel materials.”
In Article 2 (3) 1, “permitted to establish nuclear reactors (including designation; hereinafter the same shall apply)” shall be revised to “permitted to construct or operate nuclear reactors and related facilities”; “fabrication” in subparagraph 2 to “conversion”; “permitted to use nuclear fission material” in subparagraph 3 to “permitted to engage in fabrication business”; “reprocessing” in subparagraph 4 to “processing of spent nuclear fuel”; and subparagraph 5 shall be as follows and subparagraph 6 shall be inserted as follows.

5. A person who has been permitted to use nuclear fuel materials.

Article 2 (5) shall be as follows:

(5) “Nuclear fuel materials” in this Act means nuclear fuel materials (including spent nuclear fuel) as prescribed in subparagraph 3 of Article 2 of the Atomic Energy Act. Article 2 (6) through (8) shall be omitted and paragraphs (6) through (9) shall be inserted as follows:

6) “Radiation” in this Act means radiation as prescribed in subparagraph 7 of Article 2 of the Atomic Energy Act;
7) “Conversion” in this Act means conversion as prescribed in subparagraph 12 of Article 2 of the Atomic Energy Act;
8) “Fabrication” in this Act means fabrication as prescribed in subparagraph 13 of Article 2 of the Atomic Energy Act;

In Article 3 (2), “nuclear fission material or ... such nuclear fission material” shall be revised to “nuclear fuel materials or ... such nuclear fuel materials,” and “of nuclear fission material” shall be revised to “of nuclear fuel materials.”

ADDENDUM <Act No. 3849, May 12, 1986>

This Act shall enter into force 30 days after the date of its promulgation.
ADDENDA <Act No. 4940, Jan. 5, 1995> (Atomic Energy Act)

Article 1 (Enforcement Date)
This Act shall enter into force nine months after the date of its promulgation.

Articles 2 through 6 Omitted.

Article 7 (Revision of other Acts)
Paragraphs (1) and (2) Omitted.

(3) The Nuclear Liability Act shall be amended as follows:
Article 2 (3) 6 shall be revised as follows:
6. Nuclear research and development institutions, institutions dedicated to nuclear safety, and institutions providing services and manufacturing products related to nuclear energy as prescribed in the Atomic Energy Act.

(4) Omitted.

Article 8 Omitted.

ADDENDA <Act No. 6350, Jan. 16, 2001>

(1) (Enforcement Date)
This Act shall enter into force on January 1, 2002: Provided, That the revised provisions of Article 3 (5) shall enter into force on July 1, 2002.

(2) (Application of Compensation for Nuclear Damage)
The revised provisions of Articles 2, 2-2, 3 (1), (4) and (5), 3-2, and 13-2 shall apply to those cases of compensation for nuclear damage resulting from a nuclear incident that first occurred following the enforcement of this Act.

ADDENDA <Act No. 6873, May 15, 2003> (Act on Measures for the Protection of Nuclear Facilities, etc. and Prevention of Radiation Disasters)

Article 1 (Enforcement Date)
This Act shall enter into force nine months after the date of its promulgation.

Articles 2 through 4 Omitted.

Article 5 (Revision of other Acts)

(1) Omitted.

(2) The Nuclear Liability Act shall be revised as follows: The “relevant Acts and subordinate statutes, such as the Disaster Management Act” in subparagraph 2 (b) of Article 2 shall be revised to the “relevant Acts and subordinate statutes, such as the Disaster Management Act or the Act on Measures for the Protection of Nuclear Facilities, etc. and Prevention of Radiation Disasters”
ADDENDA <Act No. 7188, Mar. 11, 2004> (Framework Act on the Management of Disasters and Safety)

**Article 1 (Enforcement Date)**
This Act shall enter into force on the date prescribed by Presidential Decree, no later than three months from the date of its promulgation.

**Articles 2 through 9 Omitted.**

**Article 10 (Revision of other Acts)**
Paragraphs (1) through (3) omitted.

(4) The Nuclear Liability Act shall be revised as follows: The “Disaster Management Act” in subparagraph 2 (b) of Article 2 shall be revised to the “Framework Act on the Management of Disasters and Safety.”

Paragraph (5) omitted.

**Article 11 Omitted.**

ADDENDA <Act No. 8581, Aug. 3, 2007> (Commercial Act)

**Article 1 (Enforcement Date)**
This Act shall enter into force one year after the date of its promulgation.
<Proviso Omitted>

**Articles 2 through 8 Omitted.**

**Article 9 (Revision of other Acts)**
Paragraphs (1) through (3) omitted.

(4) A portion of the Nuclear Liability Act shall be amended as follows:
In Article 3 (4), “Articles 746 through 748, Articles 842 and 848 of the Commercial Act” shall be revised to “Articles 769, 770, 773, 875 and 881 of the Commercial Act.”

(5) Omitted.

ADDENDA <Act No. 8852, Feb. 29, 2008> (Government Organization Act)

**Article 1 (Enforcement Date)**
This Act shall enter into force on the date of its promulgation: Provided, That...<omitted>...among Acts amended pursuant to Article 6 of the Addenda, the sections of those Acts promulgated but not yet in effect prior to the enforcement of this Act shall come into effect on the respective enforcement dates of the relevant Acts.

**Articles 2 through 5 Omitted.**

**Article 6 (Revision of other Acts)**
(1) through <139> Omitted.

<140> A portion of the Nuclear Liability Act shall be revised as follows: “Minister of Science and Technology” in Articles 6 (2), 7 (2), the portion other than the subparagraphs of Article 13 (1), paragraph 2 of the same Article, Articles 16 (1), 17, and 20 (2) through (4) shall be revised to “Minister of Education, Science and
Technology." In Article 15 (1), "Ministry of Science and Technology" shall be revised to "Ministry of Education, Science and Technology."

<141> through <760> Omitted.

**Article 7 Omitted.**

**ADDENDUM <Act No. 10089, Mar. 17, 2010>**

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

**ADDENDA <Act No. 10911, Jul. 25, 2011> (Nuclear Safety Act)**

**Article 1 (Enforcement Date)**

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

**Articles 2 and 3 Omitted.**

**Article 4 (Revision of other Acts)**

Paragraphs (1) through (6) Omitted.

(7) A portion of the Nuclear Liability Act shall be revised as follows: Article 2 (1) 3 (g) shall be as follows, and item (h) of the same subparagraph shall be inserted.

(g) Nuclear energy research and development institutions and institutions providing services and manufacturing products related to nuclear energy under the Nuclear Energy Act.

(h) Institutions dedicated to nuclear safety under the Nuclear Safety Act. "Atomic Energy Act" in Article 2 (2) shall be revised to "Nuclear Energy Act and the Nuclear Safety Act."

(8) through <17> omitted.

**Article 5 Omitted.**


**Article 1 (Enforcement Date)**

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

**Articles 2 and 3 Omitted.**

**Article 4 (Revision of other Acts)**

Paragraph (1) omitted.

(2) A portion of the Nuclear Liability Act shall be revised as follows:

"Minister of Education, Science and Technology" in Articles 6 (2), 13 (2), 16 (1), 17 and 20 (4) shall be revised to "Nuclear Safety and Security Commission."

"Minister of Education, Science and Technology" in the portion other than the subparagraphs of Articles 7 (2) and 13 (1) shall be revised to "Nuclear Safety and Security Commission."
“Ministry of Education, Science and Technology” in Article 15 (1) shall be revised to “Nuclear Safety and Security Commission.”

“Minister of Education, Science and Technology” in Article 20 (2) shall be revised to “Nuclear Safety and Security Commission.”

“Minister of Education, Science and Technology” in Article 20 (3) shall be revised to “Nuclear Safety and Security Commission.”

Paragraphs (3) and (4) omitted.

*Article 5 Omitted.*