

Occupational Health and Safety in Korea: New law

2021.02.26

A new safety law has been passed in Korea entitled *Serious Accident Penalty Act* (colloquially known as SAPA).

Key takeaways

- Criminal sanctions for business owners and managerial personnel for serious accidents.
- Corporate vicarious liability.
- Punitive damages.
- Extensive due care duties.
- Timely reminder to review workplace safety protocols

Effective Dates

The effective date of SAPA depends on the number of employees at the workplace and the type of project.

Characteristics	Effective Date
50 or more employees	27 January 2022
Less than 50 employees (if less than 5, serious industrial accident clauses are not applicable)	27 January 2024
Construction projects with a contract price of less than KRW 5 billion (approximately US\$ 4.5 million)	27 January 2024

What is a serious accident?

A serious accident is either a serious industrial accident or a serious public accident.

A serious industrial accident includes:

- the death of at least one person; or
- an injury to at least two people that each requires a recovery period of at least six months.

A serious public accident includes an accident caused by any defect or negligence in manufacturing, design, installing or management of a specific material, product, public facility or means of transportation and involves:

- the death of at least one person; or
- an injury to at least ten people that each requires a recovery period of at least two months.

Who is affected?

If a serious accident occurs, "business owners" and "managerial personnel" may be subject to criminal penalties.

Managerial personnel is an authorised person who manages the business or any individual who is responsible for occupational health and safety in the business with the authority similar to the former. The representative director of a Korean company will be considered managerial personnel.

Criminal penalties

Personal criminal sanctions for business owners and managerial personnel



Corporate vicarious liability

Death

Criminal fine of up to KRW 5 billion

No death

Criminal fine of up to KRW 1 billion

Should you have any question on any of the above, please do not hesitate to contact us.

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