

Enactment of the Urban Air Mobility Act

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Dept. in Charge: **Urban Air Mobility Policy Division, MOLIT**

Contact: Annie KIM / Global Media Communicator, MOLIT / audiis2@korea.kr / +82 44 201 3056

*Urban Air Mobility Act passed in the plenary session of the National Assembly in order to establish institutional foundation for its Commercialization of Urban Air Mobility in 2025**

* No. 28 among Major Government Projects, which refers to Full-fledged Opening of the Mobility Era and Strategic Industrialization of the National Transportation Industry for the Future

Ministry of Land, Infrastructure and Transport (MOLIT, Minister WON Hee-ryong) announced on Fri. 6 October that the "Act on the Promotion and Support of Utilization of Urban Air Mobility" (hereinafter referred to as the "Urban Air Mobility Act") passed at the plenary session of the National Assembly, and the main contents are as follows.

The Urban Air Mobility Act is a bold regulatory special legislation that has no precedent in the world, and is significant in that it provides a legal basis for free technology development and verification of new technologies and services without being bound by existing laws such as the Aviation Safety Act, Aviation Security Act, Airline Business Act, and Airport Facilities Act (4 Aviation Acts).

For the commercialization of urban air mobility, which is innovative mobility, technology development by world-leading companies and safety verification and system preparation by governments of leading countries are in full swing, and the speed battle and competition at the national level are becoming increasingly intense.

Meanwhile, Korea's urban air mobility competitiveness is ranked among the top five in the world (ranked 4th by Deloitte in 2022 and 5th by KPMG in 2023) with a high level of technological and industrial competitiveness, but a low level of institutional preparation.

With the enactment of this law, Korea's urban air mobility conditions have become globally competitive by removing shackling regulations and enabling companies to fly in real environments and urban areas to their hearts' content.

Act on Special Cases concerning the existing 4 Aviation Acts is to include only minimum regulations necessary for safety that applied within the spatial scope of demonstration projects and pilot operation zones. On the other hand, various support measures such as basic plans for fostering the urban air mobility industry, R&D support, manpower training, and promotion of international cooperation are also included in this Act, and the creation of a solid ecosystem for the entire urban air mobility industry is expected.

Minister of the MOLIT stated, "Now based on the established legal basis, the demonstration project by public-private collaboration (K-UAM Grand Challenge) involving key domestic and foreign companies can be conducted in the world's most free environment.", particularly emphasizing, "We will do our best to make it as a global standard that companies that work in Korea are companies that work in the world".

Ref. 1**Main contents of the Urban Air Mobility Act**

(Aim) To promote the right to mobility and contribute to national economic development by introducing and expanding urban air mobility and creating a safe and efficient navigation infrastructure (Article 1)

(Definition) Establish and define the concept of urban air mobility, urban aircraft, vertiport, air corridor, demonstration and pilot project zones, etc. and classify urban air mobility projects (Article 2).

* ① Transportation business, ② Mobility management business, ③ Vertiport operation and management business, ④ Business in use such as search, rescue, medical, flight training, etc.

(Demonstration Project / Pilot Operation) Designation of demonstration project zone by the Minister of MOLIT to smoothly facilitate demonstration, including R&D and testing (Article 6) and designation and support of business operators for demonstrations (Article 7)

Designation of pilot operation zone by the Minister of MOLIT upon application of city/provincial governors or heads of public institutions to promote commercialization (Article 8) and regular/frequent evaluations (Article 20)

⇒ (Act on Special Cases) Exclusion of application of the 4 Aviation Acts (Acts on Aviation Safety, Security, Business, Airport Facilities) within the demonstration and pilot operation zone except for partial cases* (Articles 15 & 16)

* In cases of registration, type certificate, airworthiness certificate, aviation safety report, etc., mitigation can be applied through committees' deliberations

(Vertiport) MOLIT can develop directly, or when implemented by others,

authorization of development project and implementation plan (Article 9 and 10), and agenda for related law authorization (Article 11) and designation (Article 12), approved by the Minister of MOLIT

(Air Corridor) Regulations for basis of designation of urban air mobility corridor for safe operation of urban type of aircraft in the pilot operation zone, approved by the Minister of MOLIT (Article 13)

(Urban Air Mobility Business Operator) Regulations to designate urban air mobility business operator who intends to take the business within the pilot operation zone, approved by the Minister of MOLIT (draft Article 14)

(System Establishment) To make grounds for establishing urban air mobility information systems and spatial information to secure the safety of urban aircraft operations (Articles 17 & 18)

(Mandatory Insurance) Obligation for business operators to obtain insurance for compensation for damages (Article 21)

(Planning and Support Measures) A five-year basic plan (Article 4), to establish support basis on administrative and financial support, fostering experts, and international cooperation by the MOLIT Minister and city and provincial governors (Articles 22~25)

(Supplementary Regulations) Hearing on disposal (Article 26), reporting and entry/exit inspection on task (Article 27), entrustment/reposal of authority (Article 28), Penalties (Article 30), Fines (Article 31), etc.

(Additional Regulations) Enforcement after 6 months since the promulgation, regulation on interim measures for participants in the demonstration project

Ref. 2**Demonstration Project Plan by Public-Private Collaboration**

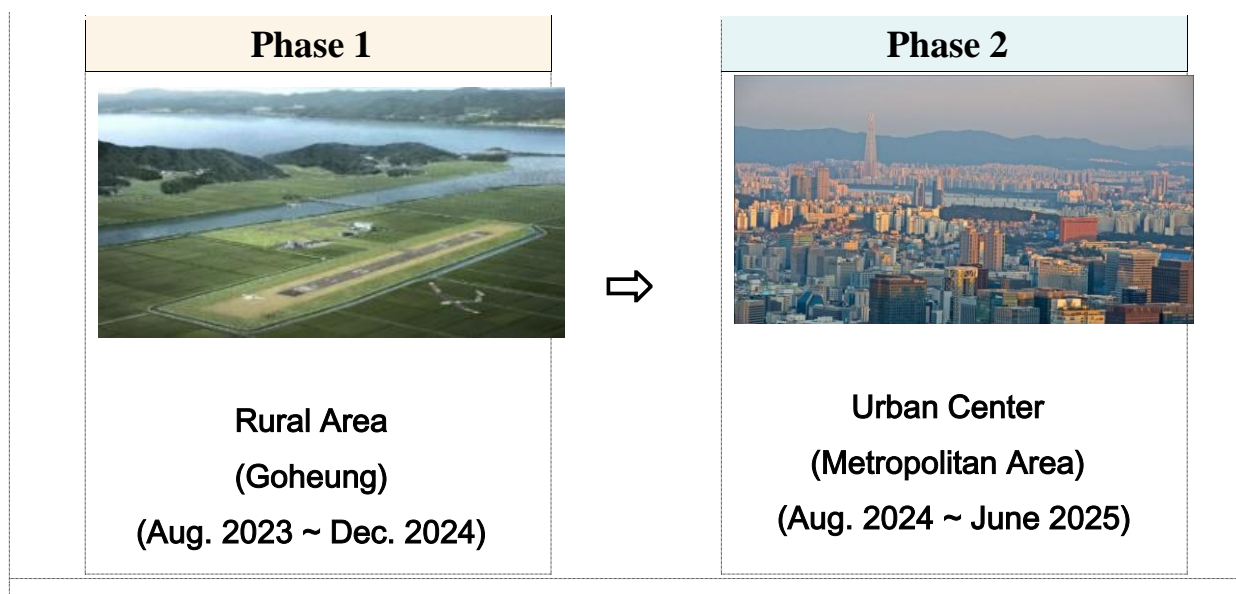
(Infrastructure Construction 2021 ~ Aug. 2023) Construction of airfields and hangars for open area demonstration, design and construction of test equipment, and infrastructure operation test*

* Infrastructure operation verification test using UAM surrogated aircraft (e.g., helicopter)

(Phase 1 Demonstration Current, Aug. 2023 ~ Dec. 2024) Confirmation of UAM aircraft and communication system safety through preliminary tests* at the flight test field (Open area in Goheung), and demonstration of integrated operation

* Pre-confirmation test of the operation of the demonstration program using a specific UAM aircraft (or UAS aircraft)

(Phase 2 Demonstration Aug. 2024 ~ June 2025) Conducted in demonstration corridors connecting semi-urban areas and urban centers

【Phased Plan (Grand Challenge) for Comprehensive Demonstration】

▲ Major Demonstration Scopes

- ① Integrated inspection of H/W, S/W safety of Vertiport operation and UAM traffic management service
- ② Roles among stakeholders through communication, navigation, surveillance, and information sharing/exchange
- ② Countermeasures for responding to abnormal situations such as severe weather, equipment failures, etc.

(Support for Commercialization Kick-off 2025) Support for the launch of commercialization through analysis of K-UAM Grand Challenge demonstration data and provision of related technologies and infrastructure to private sector

(R&D Linkages 2022 ~ 2025) Conducted in conjunction with R&D tasks* for safety review and infrastructure support for initial commercialization, such as aircraft positioning during demonstration tests

* Two new projects (2022~), including information acquisition and utilization system for initial UAM mobility management service and flight path monitoring for deviation, and virtual integrated operation to secure operating capabilities and procedures for each UAM aircraft