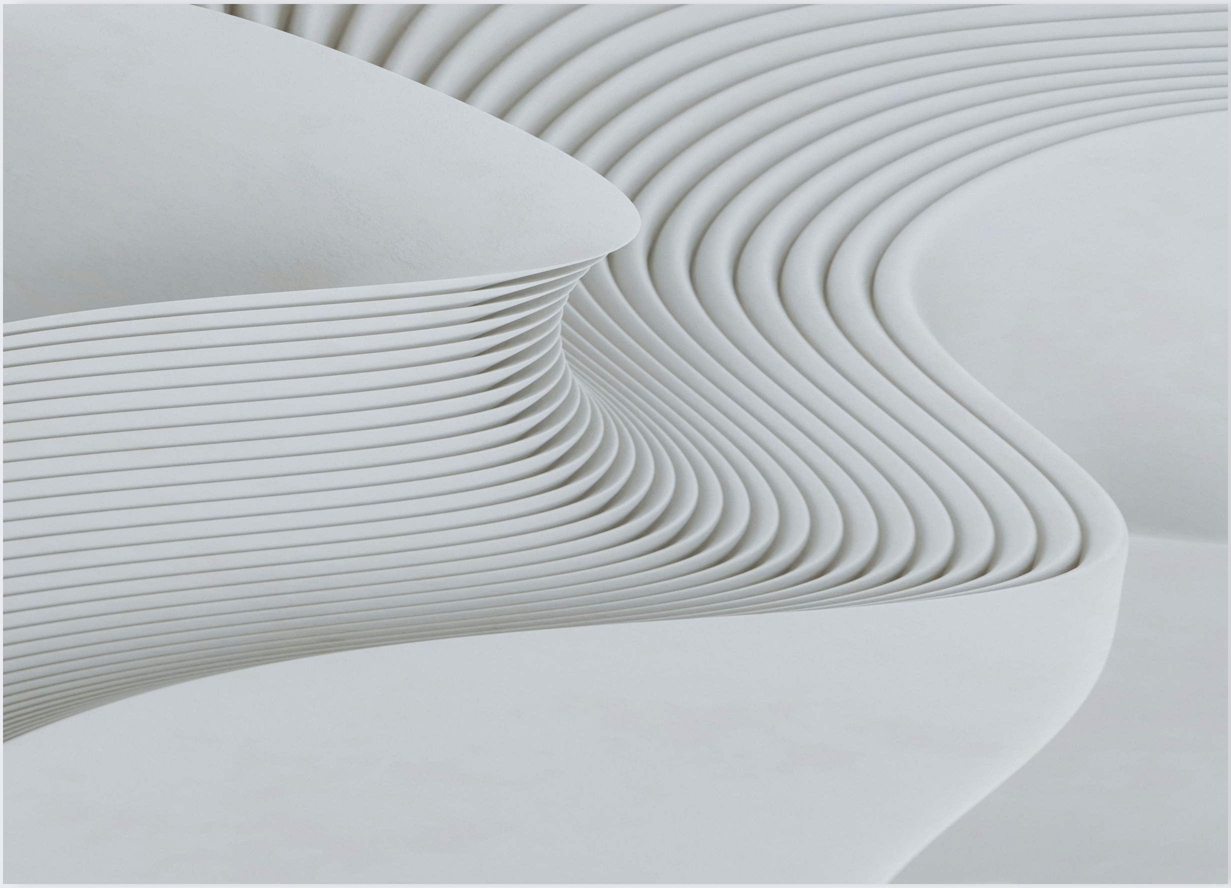

June 2025

NEWSLETTER

Government Affairs Group

Key Legislative and Policy Agendas of the New Administration: Implications for Businesses

Lee & Ko

This English version is a translation of the Korean-language edition originally distributed on the morning of 4 June 2025 and may not fully reflect developments that have occurred since that date.

01 The 21st Presidential Election

South Korea held its 21st presidential election on June 3, 2025, following the Constitutional Court's decision on April 4 to impeach the former president. Lee Jae-myung of the Democratic Party of Korea was elected as the new president.

Presidential Election Results

As of June 4, 2025

LEE Jae-Myung, Democratic Party	17,287,513(49.42%)	Elected
KIM Moon-soo, People Power Party	14,395,639(41.15%)	
LEE Jun-seok, Reform Party	2,917,523(8.34%)	

02 Launch of the New Administration and Key Legislative and Policy Agendas

This presidential election marks a transfer of power from the People Power Party to the Democratic Party of Korea after approximately three years. With the launch of the new administration, substantial policy changes are anticipated.

Notably, the Democratic Party holds an absolute majority in the National Assembly, securing 171 out of 300 seats. This legislative advantage is expected to facilitate the swift and efficient passage of the administration's key policy and legislative initiatives.

This report will examine the legislative and policy agendas of the new administration that are particularly important from a business management perspective, based on the Democratic Party's presidential campaign pledges. It will also highlight areas that companies should monitor closely in relation to the anticipated policy direction.

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1. Strengthening the National Assembly's Authority to Summon Corporate Witnesses

Policy Overview

- The National Assembly has long faced challenges in exercising its oversight and investigative functions due to the frequent non-attendance of summoned corporate witnesses, often citing overseas business trips or other scheduling conflicts, and the refusal to submit requested documents, typically on grounds of protecting trade secrets. In response, members of the National Assembly have proposed measures to strengthen the authority of the National Assembly to compel witness attendance and document submission.

Legislative and Policy Agendas

- A proposed amendment to the *Act on Testimony and Appraisal at the National Assembly*, aimed at reinforcing this authority, was passed in a plenary session on November 28, 2024, but was vetoed by the previous administration on December 19, 2024, and ultimately discarded. Key provisions of the bill included:
  - Permitting remote attendance via online connection for witnesses who have received an official request to appear but are unable to appear in person due to illness, injury or overseas travel;
  - Expanding the existing scope of the "accompanying order" system for absent witnesses beyond state audits and investigations to include major deliberations and hearings at standing committees; and
  - Prohibiting the refusal to submit materials requested by the National Assembly on the grounds of personal data protection or trade secrets.
- Recently, the Democratic Party of Korea has been preparing a new amendment that would extend the "accompanying order" system for non-attending witnesses, currently applicable to state audits and investigations, to plenary sessions of standing committees and impose administrative fines of up to KRW 30 million in addition to existing criminal penalties for witnesses who fail to attend without valid reasons (Korea Economic Daily, May 22, 2025)

※ *Proposed Legislation:*

- *Amendment to the Act on Testimony and Appraisal at the National Assembly (discarded), passed in plenary session on November 28, 2024*
- *Amendments to the Act on Testimony and Appraisal at the National Assembly, proposed by Assembly Member Wi Sung-gon (October 23, 2024) and Assembly Member Lee Byung-jin (March 11, 2025), as primary sponsors.*

Business Implications

- Although the previously passed amendment was ultimately discarded, similar legislation may be reintroduced at any time under the new administration. However, the proposed prohibition on the refusal to submit documents on the trade secret grounds could face pushback due to concerns over excessive intrusion into legitimate business confidentiality.
- Since the attendance of corporate witnesses before the National Assembly and the compelled disclosure of internal documents can have significant implications for businesses, companies should closely monitor legislative developments in this area.

Policy Overview

- As part of its presidential campaign pledges, the new administration has identified amendments to Articles 2 and 3 of the *Trade Union and Labor Relations Adjustment Act* (the **TULRAA**) as a core labor policy task to strengthen the bargaining rights of subcontracted workers and non-standard workers.
- The legislative initiative, commonly referred to as the "Yellow Envelope Bill," aims to expand the definitions of key statutory terms, such as "employee," "employer," and "industrial action" under the TULRAA, while also limiting the scope of union liability for damages arising from union activities and strikes.

Legislative and Policy Agendas

- Although the specific language varies across proposals, the key elements of the Yellow Envelope Bill generally include: (i) expanding the definition of "employer" to include principal contractors and other indirect employers, (ii) broadening union eligibility to include dependent contractors and other non-standard workers, (iii) expanding the lawful scope of industrial action, and (iv) limiting union liability for damages resulting from strikes or workplace occupations.
- The bill passed the National Assembly twice during its 21st session but was ultimately vetoed by the previous administration.
- The "Yellow Envelope Bill" has since been reintroduced and is currently pending review under the Environment and Labor Committee at the National Assembly, with expectations of accelerated legislative discussions.

※ *Proposed Legislation:*

- *Bills proposed by Assembly Members Kim Tae-sun (March 11, 2025) and Park Hae-cheol (May 12, 2025) , as primary sponsors.*

Business Implications

- If enacted, the Yellow Envelope Bill could significantly reshape the labor-management landscape by applying the TULRAA to relationships that were previously outside its scope, including subcontracted workers. Moreover, the proposed restriction on employers' ability to seek damages from unions, even in cases involving disruptive strikes or workplace occupations, could waken employer recourse in managing labor disputes.
- While the final outcome remains uncertain and subject to political negotiation, companies are strongly advised to closely monitor legislative developments and consider adopting proactive measures to manage labor relations involving subcontractors and non-standard workers.

3. Statutory Ban on the Comprehensive Wage Scheme

Policy Overview

- The new administration plans to amend the Labor Standards Act to codify the statutory restriction against the use of the "comprehensive wage scheme."
- "Comprehensive wage scheme" allows employers and employees to agree in advance upon fixed amounts to cover overtime, night, and holiday work, which are built into the base salary. Although this practice is not codified in the Labor Standards Act, it has been widely used in practice and upheld by the Supreme Court, subject to certain enumerated conditions.
- However, labor communities have long criticized the comprehensive wage scheme, arguing that it allows employers to circumvent wage obligations and perpetuate long working hours. The administration has taken up this criticism as part of its labor policy agenda.

Legislative and Policy Agendas

- During the 21st National Assembly, Assembly Member Woo Won-shik introduced a bill to prohibit or restrict the use of comprehensive wage schemes, proposing that such schemes or agreements would be enforceable only in limited circumstances or banned outright. The bill also required employers to track employees' working hours and report the data to the Ministry of Employment and Labor. The bill was ultimately discarded with the expiration of the session at the National Assembly.
- A similar bill has been proposed in the 22nd National Assembly, and the new administration is expected to introduce its own version of the amendment.

※ *Proposed Legislation:*

- *Amendment to the Labor Standards Act, proposed by Assembly Member Park Ju-min as the primary sponsor (September 10, 2024).*

Business Implications

- Although the comprehensive wage scheme is not explicitly recognized under the Labor Standards Act, it has been widely used in practice and upheld by the Supreme Court, but only if certain strict conditions were met. The administration's push to legislate a ban reflects its embrace of labor groups' longstanding concerns: namely, that the scheme has contributed to excessive working hours and enabled employers to work around their full wage obligations.

- With the Democratic Party now officially adopting this statutory ban as a legislative priority, there is a strong likelihood that court-sanctioned practices around comprehensive wage scheme will soon become prohibited or limited by law.

- While the final version of the law may take a more moderate and nuanced approach to ease the transition for employers (e.g., codification of the court-devised test established by case laws), companies should begin preparing for this transition in anticipation of either outcome.

4. Enhanced Protection for Non-Regular Workers and Platform Workers

Policy Overview

- The new administration has identified the expansion of basic labor protections, including industrial accident insurance, for all forms of work as a key policy objective.
- As part of this initiative, the new administration has emphasized the need to extend coverage to platform workers, gig workers, and the self-employed, and has also raised the possibility of introducing a statutory "minimum compensation" rule to ensure fair baseline pay for all workers.
- During a meeting with delivery riders and couriers, the president remarked that *"regardless of the type of work, there should be a basic level of compensation,"* signaling the administration's intention to explore this issue further.

Legislative and Policy Agendas

- Under current law, the self-employed and some of the non-standard workers (including platform workers) are not required to enroll in employment or industrial accident insurance, and their participation rates remain extremely low – with industrial accident insurance coverage for the self-employed falling below 1%.
- Expanding mandatory coverage for these groups would require legislative amendments (e.g., *Industrial Accident Compensation Insurance Act*). In the case of the self-employed, a key point of policy debate would be whether the government would subsidize their insurance premiums.

Business Implications

- In the past, a new legislative bill proposing "*the Act on the Protection of Non-Standard Workers*" was introduced but ultimately failed to pass. With the new administration in charge, there is now renewed momentum for legislative action, either through a revival of the earlier proposal or via amendments to existing labor statutes to introduce incremental protections.
- If the enrollment in employment or industrial accident insurance becomes mandated for the self-employed or non-standard workers, the financial burden may shift to platform operators or businesses that rely on non-standard labor arrangements. Similarly, the introduction of a "minimum compensation" rule could force companies to restructure contract pricing across their service platforms.

Policy Overview

- The new administration has committed to establishing a comprehensive occupational health and safety framework that protects all forms of labor, including subcontracted workers, platform workers, freelancers, and other non-standard workers.
- As a key policy objective, the administration plans to implement a comprehensive safety management system that applies equally to both contractors and subcontractors. The president has also pledged to reform the *Occupational Safety and Health Act* (the **OSHA**) to create a unified and integrated legal framework for all types of workers and to introduce enforceable safety and health standards tailored to platform workers, freelancers, and other non-standard forms of employment.
- Additionally, the president has proposed a phased rollout of a corporate safety disclosure regime requiring companies to publicly report their safety management systems, investment levels, industrial accident records, and plans for preventive measures. He also expressed support for introducing penalties for workplaces that fail to conduct mandatory risk assessments, as part of a broader effort to institutionalize preventive safety practices.

Legislative and Policy Agendas

- Current workplace safety statutes, e.g., OSHA and the *Serious Accidents Punishment Act* (the **SAPA**), impose broad obligations on general contractors, but they lack specific guidelines or statutory parameters on the scope of their responsibilities. The administration is expected to pursue amendments that clarify and expand general contractors' legal responsibilities, particularly in relation to the safety of subcontracted workers.
- In the construction sector, legislative efforts are likely to resume around the previously discarded "*Special Act on Construction Safety*," originally proposed by Assembly Member Kim Gyo-heung during the 21st National Assembly (dated June 16, 2021).

Business Implications

- If legislative amendments are enacted, general contractors may be required to assume responsibility for ensuring a similar level of safety management for subcontracted workers as they do for their own employees.
- Such changes in the level of responsibility may require additional staffing or budget allocations, for example, companies may be required to designate dedicated safety personnel for subcontracted workers in order to be compliant with the law. To that end, companies are advised to begin evaluating the scale and structure of their safety organizations in anticipation of stricter compliance thresholds.
- In particular, the construction industry is expected to face targeted regulatory attention, given the recent surge in high-profile accidents involving collapses and fires. As construction has consistently accounted for the highest number of fatal industrial accidents (39.7% as of 2024), the previously proposed "*Special Act on Construction Safety*" and related measures are expected to advance quickly.

6. Reduced Work Hours (4.5-Day Workweek)

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Policy Overview

- The new administration has proposed a phased transition to a 4.5-day workweek as part of its broader labor time reform agenda.
- The policy objective here is to reduce statutory working hours from the current 40 hours per week (8 hours per day) to 36 hours per week, without reducing wages. Under current law, any hours worked beyond 40 per week must be compensated with overtime pay. If the new policy is implemented, overtime obligations would apply to hours exceeding 36 per week.

Legislative and Policy Agendas

- Similar to the introduction of the 5-day workweek in 2003, the proposed 4.5-day system would reduce statutory working hours without wage cuts. In addition, if the comprehensive wage scheme is restricted or banned as currently being proposed, employers could face significant increases in labor costs.
- The contemplated policy change on work hours restrictions would have major implications for workforce operations, productivity, and labor costs across industries. To that end, this topic is expected to be discussed extensively across various stakeholders to reach a social consensus and require substantial government support for successful implementation.

※ *Proposed Legislation:*

- *Partial amendment to the Labor Standards Act, proposed by Assembly Member Yoon Jae-ok as the primary sponsor (February 27, 2025).*

Business Implications

- While the proposal to reduce working hours faces political debate, the conservative parties have not outright opposed the idea, and globally, reduced work hours are increasingly viewed as a positive trend. Given the current climate, it is likely that the 4.5-day workweek will be introduced in phases and accompanied by measures to increase flexibility in work-hour management.
- Companies are advised to begin reviewing their workforce planning strategies, identifying productivity-enhancing measures, and preparing wage structures that can accommodate a shift in working hours without sacrificing operational efficiency.

Policy Overview

- The new administration has proposed a phased increase in the statutory retirement age from 60 to 65.
- The policy objective is to allow senior workers to continue earning income and remain active in the workforce, while addressing the income gap between the statutory retirement age and the age requirement for the national pension eligibility (currently 65).

Legislative and Policy Agendas

- Currently, the law requires public institutions and private companies with 300 or more employees to set the retirement age at 60 or higher. Any contractual provision below that threshold is deemed invalid and automatically raised to 60.
- To raise the statutory retirement age, amendments to relevant legislation will be required. Recent reports and proposals are expected to influence future policy direction. Notably:
  - A report by the Bank of Korea notes that for every additional senior worker retained, 0.4 to 1.5 fewer young workers may be hired. The report suggests that an increase in labor costs may prompt employers to scale back hiring of older workers over time, which illustrates a strong connection between retirement age and existing wage structures. For reference, Japan has taken a phased approach to amend its laws relating to senior employment, which suggests a long-term roadmap that can serve as a benchmark: setting the retirement age at 60, ensuring employment through age 65, and securing job opportunities at age 70.
  - The Public Interest Committee of the Economic, Social and Labor Council has proposed keeping the statutory retirement age at 60 but requiring phased employment extensions to age 65 by 2028. This approach aligns with the national pension eligibility age (65 as of 2033), while allowing companies to adjust their internal wage systems as needed.

※ *Proposed Legislation:*

- *Partial amendment to the Act on Prohibition of Age Discrimination in Employment and Promotion of Senior Employment, proposed by Assembly Member Kim Wi-sang as the primary sponsor (August 13, 2024).*

Business Implications

- Unlike other labor policy issues, the proposed extension of the statutory retirement age has not encountered outright resistance from labor union or management. Instead, the debate has focused on practical aspects of implementation.
- Regardless of the specific approach taken, extending the retirement age would have wide-ranging implications for human resources management, compensation structures, and workforce planning. Employers are therefore advised to begin preparing for various scenarios, including long-term cost modeling and restructuring of wage progression systems, as legislative discussions progress under the new administration.

Policy Overview

- The new administration plans to implement policies aimed at preventing serious accidents at construction sites by enhancing safety management systems throughout the entire process, from awarding of construction works to design, construction, and supervision works.
- In particular, an expansion in the implementation of preventive safety management systems is anticipated.

Legislative and Policy Agendas

- Current legislation, including the *Construction Technology Promotion Act,* the *Occupational Safety and Health Act, and the Serious Accidents Punishment Act*, is being more strictly enforced at construction sites. In addition, the *Special Act on Construction Safety*, which mandates robust safety management in all stages of construction, has been pending in the National Assembly for several years.
- Further expansion of safety design review requirements for high-risk processes and structures is anticipated.

Business Implications

- Construction companies will need to enhance their technical capabilities to incorporate rigorous safety measures from project inception through design and construction phases.
- With supervisors expected to assume greater responsibilities for safety management, a review and potential restructuring of supervision cost models may be necessary. Furthermore, heightened safety requirements will likely boost demand for advanced safety technologies (e.g., AI-driven systems, IoT solutions, drones), offering new market opportunities for related equipment manufacturers.
- To mitigate risks associated with the *Serious Accidents Punishment Act*, companies should proactively strengthen their internal safety management organizations. Responding to potential changes, such as safety measures being reflected in technical scores during the bidding stage, it will be increasingly important to explicitly factor safety management costs into contractual agreements.

Policy Overview

- The new administration has announced a set of policy initiatives aimed at enhancing public safety and disaster response capabilities. Key initiatives include:

  1) Immediate establishment of accident investigation committees upon the occurrence of social disasters, to thoroughly identify causes and disclose findings;
  2) Promotion of the disaster safety industry and expansion of fire safety equipment;
  3) Reform of the Aviation and Railway Accident Investigation Board to improve fairness and expertise in investigating serious accidents such as aviation disasters;
  4) Strengthened investment, maintenance, and inspections for airline and airport facilities to prevent aviation accidents;
  5) Promotion of legislation for the "*Basic Act on Life and Safety*".

- Following recent social disasters resulting in numerous casualties, public awareness of the need to strengthen safety and disaster response has increased. Additionally, there is a growing public consensus favoring active application of the concept of "serious civic accident" under the *Serious Accidents Punishment Act*, including holding responsible parties criminally accountable.

Legislative and Policy Agendas

- The concept of a "serious civic accident," under the *Serious Accidents Punishment Act*, can actively apply to social disasters involving public-use facilities, public transportation vehicles, and accidents caused by defective materials or products. Increased manpower, budgets, and inspections may become necessary to ensure accident prevention.

- The recently proposed *Basic Act on Life and Safety* declares a "right to safety," stipulating that corporations and organizations have a duty to undertake necessary measures to prevent, prepare for, respond to, and recover from safety accidents. Although the bill itself does not currently include criminal penalties for violations, it remains possible that future regulations may be introduced through the establishment of a Comprehensive Life and Safety Plan or related safety standards.

※ *Proposed Legislation:*

- *The "Basic Act on Life and Safety", jointly proposed by Assembly Member Park Ju-min, Han Chang-min, and Yong Hye-in (March 10, 2025), as primary sponsors.*

Business Implications

- Compared to serious industrial accidents, the preventive and responsive frameworks for serious civic accidents have generally been less stringent. However, recent public sentiment and the new administration's policy focus suggest that the establishment of compliance systems and effective implementation of safety obligations for preventing serious civic accidents will increasingly become necessary.
- Major social disasters tend to attract significant public criticism concerning corporate negligence in safety management and can severely damage a company's brand and market value. Given anticipated legislative and policy shifts, businesses are advised to proactively review and enhance their disaster prevention and management systems to effectively mitigate potential legal and reputational risks.

10. Corporate Governance Reform: (1) Introduction of Directors' Fiduciary Duties to Shareholders

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Policy Overview

- The new administration plans to amend the Korean Commercial Code (the **KCC**) to explicitly introduce fiduciary duties owned by directors toward shareholders, thereby strengthening the protection of shareholder interests during directors' execution of their duties.

Legislative and Policy Agendas

- Similar to the previous amendment bill that had failed to be passed under the former administration, it is expected that the new administration will pursue an amendment to the KCC to add shareholders to the list of beneficiaries of directors' fiduciary duties under the current law in addition to the company, requiring directors to protect the interests of all shareholders and treat their interests equitably in the course of performing their duties.

※ *Proposed Legislation:*

- *Partial amendments to the Korean Commercial Code, proposed by Assembly Members Lee Jeong-moon (November 19, 2024) and Yoon Joon-byeong (April 22, 2025), as primary sponsors.*

Business Implications

- Since directors' fiduciary duties toward shareholders are expected to be broadly defined, determining their specific practical application to corporate governance and decision-making may initially be challenging. Continued scholarly and professional discussions, along with relevant case-law development, will thus be necessary to clarify the precise standards of directors' obligations toward shareholders.

- Particularly in cases involving corporate restructuring or capital transactions historically associated with risks of disproportionately affecting minority shareholder interests, such as split-offs followed by subsidiary listings, disputed merger ratios, or third-party capital increases, companies are advised to implement procedures that demonstrably ensure fair and equitable treatment of all shareholders.

11. Corporate Governance Reform: (2) Obligation to Hold Electronic Shareholder Meetings

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Policy Overview

- The new administration plans to introduce a system requiring listed companies to hold electronic general meetings of shareholders, with the aim of facilitating greater participation by minority shareholders and promoting the exercise of shareholder rights.

Legislative and Policy Agendas

- Similar to a previous amendment bill that failed to pass under the former administration, the current administration is expected to pursue legislation that mandates large listed companies above a certain threshold to hold electronic shareholder meetings in parallel with physical meetings

※ *Proposed Legislation:*

- *Partial amendments to the Korean Commercial Code, proposed by Assembly Members Lee Jeong-moon (November 19, 2024), Yoon Joon-byeong (April 22, 2025) and Lee So-young (April 22, 2025), as primary sponsors.*

Business Implications

- The proposed amendments to the KCC stipulate that the scope of listed companies subject to the electronic meeting requirements, along with procedural and operational guidelines, will be prescribed by Presidential Decree. Companies should closely monitor forthcoming amendments to the Enforcement Decree to ensure compliance.
- If the electronic general meeting system is adopted, companies may be required to revise their articles of incorporation, particularly provisions regarding the place and conduct of general meetings. Adequate IT infrastructure must also be developed to support secure and functional electronic meetings.
- In particular, large listed companies that will be required to hold electronic meetings concurrently with physical meetings should begin timely preparations to ensure operational readiness.

12. Corporate Governance Reform: (3) Requirement to Adopt Cumulative Voting System

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Policy Overview

- The new administration intends to mandate the adoption of the cumulative voting system for large listed companies. Under the KCC, companies may opt out of the system by including an express provision in their articles of incorporation. The proposed change aims to strengthen minority shareholder protection and enhance overall corporate governance.

Legislative and Policy Agendas

- Since the current opt-out provision for cumulative voting is codified in the KCC, a statutory amendment is required to mandate its application. Relevant amendment bills have already been submitted to the National Assembly

※ *Proposed Legislation:*

- *Partial amendments to the Korean Commercial Code, proposed by Assembly Members Lee Jeong-moon (November 19, 2024) and Yoon Joon-byeong (April 22, 2025), as primary sponsors.*

Business Implications

- If the cumulative voting system becomes mandatory, companies that have opted out under their current articles of incorporation will need to revise those provisions. In addition, companies must take practical steps to ensure the system is properly implemented at general meetings of shareholders.
- When multiple directors are being replaced at once, the use of cumulative voting could result in unexpected shifts in board composition, potentially leading to operational instability. To preserve continuity, companies may consider implementing mechanisms such as staggered terms for directors.

13. Corporate Governance Reform: (4) Expansion of Separate Appointment Requirement for Audit Committee Members

Policy Overview

- The new administration plans to expand the current requirement under the KCC, which mandates large listed companies to appoint at least one audit committee member separately from other directors. The proposed reform aims to further enhance the independence of audit committees.

Legislative and Policy Agendas

- As the existing separate appointment requirement is set forth under the KCC, a legislative amendment is necessary to broaden its application. A proposed bill sponsored by Assembly Member Yoon Joon-byeong seeks to require that all audit committee members be elected separately from other directors.

※ *Proposed Legislation:*

- *Partial amendments to the Korean Commercial Code, proposed by Assembly Members Lee Jeong-moon (November 19, 2024) and Yoon Joon-byeong (April 22, 2025), as primary sponsors.*

Business Implications

- With the expanded requirement for separate election of audit committee members, minority shareholders may gain greater influence over the composition of the audit committee. As a result, companies will need to be more thoroughly prepared for general meetings of shareholders, including by actively soliciting proxy votes from general shareholders and carefully managing each agenda item.

Policy Overview

- The current Financial Investment Services and Capital Markets Act (the **FSCMA**) does not impose any obligations to dispose of treasury shares. However, the new administration plans to introduce a general requirement for listed companies to cancel treasury shares as a means of enhancing shareholder value.

Legislative and Policy Agendas

- Amending the FSCMA is necessary to establish this obligation. A relevant bill to mandate treasury share cancellation has already been submitted to the National Assembly.

※ *Proposed Legislation:*

- *Partial amendments to the Financial Investment Services and Capital Markets Act, proposed by Assembly Member Kang Joon-hyun (February 17, 2025), as the primary sponsor.*

Business Implications

- Under the proposed amendment, listed companies would be permitted to dispose of treasury shares only through specific methods, such as cancellation or pro rata distribution to shareholders based on shareholding ratios. As this would constitute a significant departure from current practice, companies should closely monitor ongoing legislative developments.

- In particular, given the absence of alternative control mechanisms (e.g., dual-class shares, poison pill provisions) under Korean law, companies have traditionally used treasury shares as a practical tool for defending managerial control. If the proposed amendment is enacted, such strategic use may no longer be viable, and companies will need to evaluate and implement alternative governance and control measures.

Policy Overview

- The new administration has identified the reduction of online platforms' market dominance and the protection of small merchants and SMEs (small and medium-sized enterprises) as key policy priorities. To that end, it plans to: (1) introduce caps on intermediation fees and implement preferential fee schemes for small businesses; (2) promote social dialogue-based settlement models and pursue legislative amendments to advertising regulations and the *Act on the Consumer Protection in Electronic Commerce*; and (3) fast-track the enactment of the *Fair Online Platform Intermediary Transactions Act.*

- These initiatives reflect rising public concern over the expanding market power of delivery and e-commerce platforms and the growing number of disputes related to excessive commission fees. In parallel, the global reach of Big Tech firms (e.g., Google, Apple) has reinforced the perceived need for stronger regulatory intervention and international coordination.

Legislative and Policy Agendas

- To reform the online platform ecosystem, the new administration is expected to actively promote the enactment of the *Fair Online Platform Intermediary Transactions Act*, which would mandate disclosure of transaction terms, prohibit unfair trade practices (e.g., coercion, refusal to deal), and promote dispute resolution mechanisms. In addition, the new administration aims to strengthen the regulatory and enforcement role of the Korea Fair Trade Commission (**KFTC**) and explore collaborative governance models via the Digital Platform Government Committee.

※ *Proposed Legislation:*

- *Fair Online Platform Intermediary Transactions Act, proposed by Assembly Members Oh Ki-hyung (June 12, 2024), Min Hyung-bae (June 24, 2024), Kim Nam-kuk (July 5, 2024), Park Ju-min (July 5, 2024), Kim Hyun-jung (August 6, 2024), Sung Il-jong (August 9, 2024), etc., as primary sponsors.*
- *Partial amendments to the Telecommunications Business Act, proposed by Assembly Members Choi Min-hee (May 26, 2025) and Han Min-soo (March 20, 2025), as primary sponsors.*

Business Implications

- Online platform operators must ensure fairness in key transaction terms, including fee structures and the prioritization of search results. Companies are encouraged to develop mutually beneficial strategies rooted in ESG principles to enhance trust and bargaining power with business users.
- Businesses should also proactively prepare compliance frameworks by establishing systems for fee structuring, contract revisions, and regulatory adherence. Building effective communication and cooperation channels with users and regulators will be increasingly important.
- Additionally, it will be essential to monitor global regulatory trends, such as the EU's Digital Markets Act and, if necessary, form internal task forces to ensure timely and coordinated responses.

16. Ban on Discriminatory Platform Commission Rates

Policy Overview

- The new administration has proposed a policy aimed at establishing a fair and transparent online market environment, particularly in the delivery services sector. The objective is to prevent online platform operators from abusing their market power and to protect self-employed business owners by introducing a cap on platform commission fees (e.g., those charged by delivery apps) and by prohibiting discriminatory pricing practices between different business users.

Legislative and Policy Agendas

- The existing approach of self-regulation through the Delivery App Coexistence Council has attempted to lower intermediary and differential commission fees but has been widely criticized for its limited effectiveness. In response, the new administration has expressed its intent to legislate binding caps on commission fees through amendments to existing laws and the enactment of new legislation.
- Amendments under consideration include:
  - *Amendment to the Act on Consumer Protection in Electronic Commerce* (proposed by a member of the Democratic Party): Introduces a cap on intermediary fees for telecommunications-based sales and prohibits differential fees based on the counterparty to the transaction.
  - *Amendment to the Monopoly Regulation and Fair Trade Act* (proposed by a member of the Democratic Party): Authorizes the KFTC to annually determine and notify fee caps. Platform operators must disclose fee calculation criteria in their terms and conditions, and merchant associations are granted the right to request negotiations on transaction terms.
  - *Enactment of the Online Platform Fairness Act* (pending in the National Assembly): Aims to regulate abuse of market power by dominant platforms and to ensure fair dealings with so-called "*Eul*" businesses (those in a subordinate bargaining position). This bill may include provisions prohibiting discriminatory platform commission rates and introducing legally mandated fee caps.

Business Implications

- While concerns remain about government-imposed price controls, it is likely that details such as applicable commission rates, scope, and criteria for determining unreasonable discrimination will be addressed in subordinate legislation, including the Enforcement Decree of the *Act on Consumer Protection in Electronic Commerce* and detailed guidelines issued by the KFTC. Companies are advised to closely monitor these developments and actively participate in relevant consultative bodies to ensure their positions are reflected in the policymaking process.
- In parallel, businesses should review their current commission fee structures and clearly define internal standards for fee calculation in preparation for potential statutory regulation of commission pricing.

17. Expansion of Collective Bargaining Rights for SMEs ("*Eul*" Businesses)

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Policy Overview

- The new administration has identified the enhancement of bargaining power for small and medium-sized enterprises (SMEs) as a key policy objective.
- The aim of the policy objective is to introduce legislation granting collective bargaining rights to franchisees, distributors, subcontractors, merchants on online platforms, and SME cooperatives to establish a more level playing field in so-called "*Gap-Eul*" *transactions* (*where* significant imbalances in bargaining power exist) and to promote a fairer competitive environment.

Legislative and Policy Agendas

- The new administration is expected to promote amendments to five key statutes to expand collective bargaining rights for "*Eul*" businesses: *Online Platform Fairness Act, Small and Medium Enterprise Cooperatives Act, Act on the Promotion of Collaborative Cooperation between Large Enterprises and Small-Medium Enterprises, Fair Transactions in Franchise Business Act, and Fair Agency Transactions Act.*
- In particular, an amendment to the *Fair Transactions in Franchise Business Act*, proposed by a member of the Democratic Party, is likely to be prioritized during the 22nd National Assembly (convened on April 17, 2025). As this amendment was part of a campaign pledge, it is expected to be actively pursued by the new administration.
- Key provisions include: the introduction of a registration system for franchisee organizations, official approval of collective bargaining rights, and mandatory consultation requirements. Franchisors who refuse to engage in good-faith consultations may be subject to corrective orders or criminal referral.

※ *Proposed Legislation:*

- *Amendment to the Fair Transactions in Franchise Business Act, proposed by an Assembly Member from the Democratic Party*

Business Implications

- Businesses will need to develop systematic response strategies to mitigate potential legal risks arising from the introduction of collective bargaining rights. In particular, repeated consultation requests from multiple franchisee organizations may pose operational and administrative burdens, making it essential to establish standardized procedures and internal protocols for handling such requests efficiently.

- Additionally, companies in the franchise sector should prepare for increased regulatory scrutiny by the Korea Fair Trade Commission. In anticipation of more rigorous inspections, businesses should proactively conduct internal compliance and legal reviews, especially focusing on practices such as mark-ups from forced purchases and emerging types of unfair trade practices. Strengthening internal compliance systems and implementing forward-looking risk management measures will be critical.

Policy Overview

- The new administration has presented policy initiatives aimed at positioning Korea among the top three global AI powerhouses by promoting large-scale public and private investment. As part of this strategy, a national AI investment plan totaling KRW 100 trillion has been proposed, along with the establishment of a national AI data cluster.
- To establish AI-powered society, the new administration plans to develop a Korean version of ChatGPT to be made freely available to the public. In doing so, it also aims to build a "zero-risk safe society" by promoting AI convergence across key sectors to proactively predict and prevent social risks.
- In addition, the new administration plans to implement global AI initiative strategies and streamlining AI regulatory frameworks.

Legislation and Policy Tasks

- In December 2024, the National Assembly passed the *Framework Act on the Promotion of Artificial Intelligence Development and Trust-Based Ecosystem*. Following its entry into force, the government is expected to establish corresponding enforcement decrees and related institutional arrangements. Additional legislative amendments are also anticipated.

※ Proposed Legislation:

- *Partial Amendments to the Framework Act on the Development of Artificial Intelligence and the Establishment of Foundation for Reliability, proposed respectively by Assembly Members Jang Cheol-min (February 21, 2025), Lee Yeon-joo (April 11, 2025), Hwang Young-woo (April 17, 2025) and Jung Dong-man (May 14, 2025), as primary sponsors.*
- *Partial Amendment to the Act on Special Measures for Strengthening the Competitiveness of, and Protecting National High-Tech Strategic Technologies, proposed by Assembly Member Ko Doo-seop (May 14, 2025), as the primary sponsor.*

Implications for Corporations

- Under the new administration's policy to foster AI as a strategic industry, benefits such as R&D funding, support for the development of AI-based cloud platforms, promotion of industrial AI adoption, tax incentives, and infrastructure provision are expected to expand. These measures are designed to incentivize private-sector R&D investment and enable companies to apply AI proactively across core business functions such as manufacturing, services, and marketing to enhance competitiveness.
- The new administration is expected to promote the development, linkage, and utilization of both public and private sector data. This suggests the creation of an environment where companies can more easily secure the data necessary to develop and operate AI services. In response, companies should establish systems for data collection, storage, and analysis, ensure interoperability with external datasets, and leverage public policy support to develop data-driven innovation strategies.
- A growing number of international legal disputes is anticipated, particularly in areas such as intellectual property rights, foreign investment, and the supply of critical materials. Companies should prepare by clarifying dispute resolution procedures under international or cross-border rules, identifying latent risks, and developing proactive and efficient dispute management systems.
- Companies should also review their compliance frameworks in light of anticipated enhancements in AI accountability and oversight.

19. Expansion of Tax Incentives for Strategic Industries

Policy Overview

- To mitigate the impact of global trade disruptions, particularly those resulting from U.S.-driven tariff policies, the new administration has proposed a series of new tax incentives aimed at reinforcing Korea's competitiveness in strategic industries.
- In addition to the existing Investment Tax Credit, a new domestic production-based tax incentive is under review. This incentive would provide corporate income tax credits for up to 10 years, calculated based on the volume of qualifying products manufactured and sold domestically in designated strategic sectors. A partial cash refund of such tax credits is also being considered, subject to strict eligibility criteria.
- A production tax credit of up to 10% may be offered for semiconductors manufactured and sold in Korea, in order to encourage the reshoring of offshore semiconductor production facilities.
- To promote Korea's defense industry ("K-defense") as a national flagship sector, the new administration plans to increase R&D investment in defense-related technologies, such as artificial intelligence, and to offer enhanced R&D tax credits for companies engaged in defense exports.
- To support large-scale, consolidated investment in national high-tech strategic industries, the government will establish public-private national funds, with participation from the public, corporations, government, and pension funds. Significant tax benefits, including reductions in individual and corporate income taxes, will be provided, particularly for public and corporate investors.
- Under the "K-culture" initiative, Korea's status as a global cultural leader will be further strengthened through expanded R&D funding and tax incentives. Policy-based financing and tax benefits will be provided for cultural and artistic R&D, with extended support for "K-content," including webtoons, to promote global market expansion.

19. Expansion of Tax Incentives for Strategic Industries

Lee & Ko

Legislative and Policy Agendas

- The specific requirements and implementation details of the proposed corporate income tax credits and related incentives are expected to be defined in the *Special Tax Treatment Control Law and its Enforcement Decree*, with further legislative amendments anticipated.

※ *Proposed Legislation:*

- *Partial Amendments to the Special Tax Treatment Control Law, proposed by Assembly Members Kim Tae-nyeon (March 7, 2025) and Jung Il-young (March 13, 2025), as primary sponsors.*

Business Implications

- If the proposed amendments are enacted, companies that manufacture products designated as national strategic technologies (e.g., semiconductors, secondary batteries, vaccines, displays, and clean hydrogen-related items) may benefit from significant tax credits based on domestic production and initial domestic sale or use by Korean residents. Eligible companies should carefully assess the applicable timeframes and qualifying criteria to maximize tax benefits.

- Companies are encouraged to align their R&D and investment strategies with the government's strategic priorities to take full advantage of available support measures.

- For those considering participation in the national strategic industry funds, it is important to gain a detailed understanding of eligibility conditions and potential tax benefits to support informed investment decision-making.

Policy Overview

- The new administration plans to expedite the enactment of the *Semiconductor Special Act* to create an environment in which companies can focus on development and production.
- Domestically produced and sold semiconductors will be eligible for tax incentives of up to 10%. In addition, the government intends to facilitate the inflow of domestic capital to reinforce and secure the semiconductor supply chain.
- To build the necessary infrastructure, the new administration aims to complete the West Coast Energy Expressway by 2030 to help semiconductor companies achieve RE100 targets, and to accelerate the development of the Yongin Semiconductor Cluster as a smart, green semiconductor complex.

Legislation and Policy Tasks

- The legislative process for the *Semiconductor Special Act* is currently underway, and the main provisions include the followings:
  - *Government Subsidies for Semiconductor Companies*: Establishing a legal basis for providing financial support to semiconductor companies, to encourage investment in production facilities and R&D activities; and
  - *Establishment of a Special Account and Dedicated Bodies*: Proposing the creation of a Special Account for Strengthening Semiconductor Industry Competitiveness, the formation of a Presidential Committee on Semiconductor Industry Competitiveness, and the establishment of a Semiconductor Innovation Support Team within the Ministry of Trade, Industry and Energy.
- A point of contention remains between political parties regarding whether the legislation should exempt the semiconductor sector from the statutory 52-hour workweek. The Democratic Party has opted to move forward with the bill focusing on industrial support measures, excluding any provision related to work-hour exemptions, and designated it as a fast-track bill in April 2025.

Implications for Corporations

- The new administration is expected to institutionalize long-term, direct government support for the semiconductor sector, similar to policy approaches adopted by countries like the United States and China, which have designated semiconductors as national strategic industries. Companies should closely monitor legislative developments and proactively consider investing in R&D, facility expansion, and acquisition of advanced technologies. In particular, increased opportunities to participate in government-funded programs and industrial cluster initiatives are anticipated.

- To promote balanced growth across the entire semiconductor value chain, the government also plans to expand support for fabless companies, equipment and materials suppliers, and back-end process providers. This approach is expected to generate significant opportunities not only for large conglomerates but also for SMEs. Companies should consider fostering collaborative ecosystems and pursuing localization strategies for key technologies and equipment.

- The new administration is also advancing policies to establish region-specific semiconductor clusters and innovation hubs in areas such as Yongin. Participation in these government-led industrial cluster initiatives may offer companies with strategic benefits, including access to land, tax incentives, and essential infrastructure, as well as strengthening partnerships with local research institutes and universities.

Policy Overview

- The new administration aims to position Korea as one of the world's top four global venture hubs. Key initiatives include significantly increasing budgets for fund-of-funds and venture/startup support, revitalizing venture capital exits through mergers and acquisitions (M&A), establishing global fund-of-funds to attract international venture investments, and encouraging greater participation from pension funds and investment pools in venture capital funds.

Legislative and Policy Agendas

- Under current legislation, the duration of the Korean fund-of-funds (the **Mother Fund**) is set to expire in 2035. Considering that typical investment periods last about eight years, new investments from the Mother Fund could effectively cease after 2027. Therefore, extending the Mother Funds' duration will require amendments to the Enforcement Decree of the Venture Investment Promotion Act.

- Discussions are also underway to allow venture investments by pension funds and retirement funds. Implementing this policy would necessitate revising the Enforcement Decree of the *Act on the Guarantee of Employees' Retirement Benefits and the Retirement Pension Supervisory Regulations.* Collaboration and decisive action among key ministries such as the Ministry of SMEs and Startups and the Ministry of Employment and Labor will be crucial for advancing these reforms.

Business Implications

- The push to activate investments and exits through venture capital funds builds upon momentum from previous administrations. Recently, the Ministry of SMEs and Startups proposed amendments aimed at simplifying interim distribution procedures and raising the investment limit in listed companies by M&A-focused venture capital funds to 60% of paid-in capital.

- Looking forward, policies facilitating pension fund participation and extending the Mother Fund's duration are expected to significantly expand Korea's venture capital market and accelerate the growth of the broader startup ecosystem. Companies should monitor related developments and consider strategic engagement in the evolving venture investment landscape.

22. Strengthening of Market Fairness and Transparency

Lee & Ko

Policy Overview

- The new administration has announced policy initiatives aimed at eliminating unfair trading practices and speculative activities, often referred to as "pump-and-dump" schemes, to foster a fair and transparent stock market environment.

Legislative and Policy Agendas

- *Stronger Sanctions*: The government is expected to implement stricter enforcement measures such as a "one-strike-out" policy for market manipulation. Listed companies will also be mandated to reclaim short-swing trading profits realized by their executives and major shareholders.
- *Enhanced Disclosure*: Disclosure requirements regarding significant criminal records of executives of listed companies will be gradually expanded. Furthermore, sanctions are expected to be strengthened for financial institution employees who misuse non-public, job-related information.
- *Investor Eligibility Scrutiny*: To prevent misuse of private equity funds (PEFs) and investment partnerships for indirect acquisitions or proxy investments, the government is also expected to consider measures to strengthen investor eligibility assessments.

Business Implications

- *Strengthened Compliance*: Companies will need to enhance internal control systems and compliance frameworks significantly. In particular, close attention should be given to trading activities of executives and employees and safeguarding non-public information to bolster risk management capabilities.
- *Impact on Fundraising*: Increased scrutiny of investor eligibility in PEFs and investment partnerships could complicate capital-raising activities. Fund managers may encounter greater difficulty attracting reliable investors, making it crucial to proactively adapt to anticipated regulatory changes.

23. Stabilizing Stock Market Supply-Demand and Ensuring Liquidity

Lee & Ko

Policy Overview

- The new administration has outlined policy objectives aimed at revitalizing capital market activity by improving stock market supply-demand conditions and ensuring sufficient market liquidity.
- With respect to supply-demand conditions, the administration proposes restructuring the stock market by introducing new segmentation criteria based on factors such as corporate performance, liquidity, and corporate governance. Each market segment will feature tailored listing and maintenance requirements, thereby facilitating more optimized market operations.
- In terms of liquidity enhancement, the government aims to attract increased foreign investment through active efforts toward inclusion in the MSCI Developed Markets Indexes. Additionally, domestic liquidity will be boosted by promoting fresh capital inflows via support for KOSDAQ venture funds.

Legislative and Policy Agendas

- At present, there are not specific legislative proposals related to changing the stock market listing system.
- However, given the new administration's stated commitment to revitalizing the capital markets, changes to the listing system and related policies are anticipated in the near future.

Business Implications

- Companies preparing for initial public offerings (IPOs) and those already listed should remain attentive to potential changes in listing requirements and broader market structure adjustments. Proactive monitoring and early preparation for regulatory changes will be crucial in navigating these potential shifts effectively.

Policy Overview

- The new administration has announced policy initiatives to establish greenhouse gas reduction targets aligned with the responsibilities of an advanced economy and to transition the national energy system with a greater focus on renewable energy.
- This policy direction reflects the recognition that Korea must respond more proactively to international RE100 demands, especially given that its current share of renewable energy remains below 10%.

Legislative and Policy Agendas

- Key policy measures include:
  1) Gradual phase-out of coal-fired power plants by 2040;
  2) Revisions to solar panel setback regulations and improvements to the renewable energy direct purchase (PPA) system;
  3) Construction of an "energy highway" to rapidly transmit offshore wind power from the southwest coast to major industrial areas, including the Seoul metropolitan region;
  4) Grid stabilization through the use of smart grids and energy storage systems (ESS);
  5) Development of nationwide RE100 industrial complexes; and
  6) Significant expansion of the climate response fund, including an increased proportion of paid allowances under the emissions trading system (ETS).
- With respect to nuclear power policy, the new administration is expected to maintain nuclear energy as part of Korea's energy mix rather than pursuing a full-scale phase-out. Instead of expanding large-scale nuclear plants, the focus will likely be on next-generation nuclear technologies such as small modular reactors (SMRs) and nuclear fusion.

Business Implications

- In response to growing corporate demand for voluntary expansion of renewable energy use, improvements to the PPA system and the development of RE100 industrial complexes are expected to provide diversified pathways for companies to achieve RE100 compliance. The government is also pursuing the enactment of a "*Special Act on Climate Tech Industry Promotion*," and increased R&D budgets through 2030 are expected to bolster corporate support for new carbon-neutral industries and technologies.
- High carbon-emitting sectors such as iron and steel, petrochemicals, and cement will be required to transition to low-carbon production processes and develop innovative decarbonization technologies.
- Amid evolving environmental regulations, legal risks are expected to increase in relation to electricity tariffs, energy supply reliability, and renewable energy compliance. Companies should proactively conduct regulatory reviews and develop responsive strategies to mitigate potential exposure.

Policy Overview

- The new administration plans to phase out coal-fired power generation by 2040 and promote measures such as solar and wind energy dividend systems, revisions to solar panel setback regulations, and improvements to the renewable energy direct purchase (PPA) system.
- The government also plans to construct an "energy highway" along the west coast by 2030, followed by a U-shaped energy highway across the Korean Peninsula by 2040, both aimed at enhancing renewable energy transmission.

Legislative and Policy Agendas

- To achieve a complete phase-out of coal-fired power plants by 2040, it is expected that the 12th Basic Plan for Long-term Electricity Supply and Demand will include the closure of an additional 14 units, on top of the 40 units already scheduled for gradual shutdown by 2038 under the 11th plan.
- The primary goal of the energy highway project is understood to be the expansion of grid connections for renewable energy, enabling infrastructure to supply RE100-compliant companies and industrial complexes.
- The *Special Act on the Expansion of the National Backbone Power Grid* is set to take effect on September 26, 2025, providing a legal framework to support grid expansion by existing transmission operators. However, institutional mechanisms to encourage private sector participation in the transmission market remain underdeveloped, underscoring the need to revise related laws such as the *Electric Utility Act.*

Business Implications

- While coal-fired power plants owned by public power generation companies may be phased out through administrative guidance from the government, private coal plants (e.g., Samcheok Blue Power, which entered the market in 2024) are expected to engage in negotiations with the government regarding compensation measures for early shutdown or conversion to pure ammonia combustion. Companies operating such facilities should carefully review compensation issues and regulatory trends to establish appropriate response strategies.
- The solar and wind dividend scheme is modeled after the resident-participation program in Sinan County and is expected to be expanded with stronger incentives for community participation (e.g., increased REC weighting, relaxed solar setback rules). Companies involved in renewable energy development should actively consider adopting community participation models as part of their project structure.
- To support the early completion of the energy highway, various investments aimed at enhancing grid flexibility, such as the construction of shared interconnection facilities for offshore wind, are expected. Renewable energy developers should closely monitor grid enhancement plans from the initial stages of project development.
- In particular, the establishment of smart power grid infrastructure may accelerate the introduction of regionally differentiated electricity pricing schemes. As a result, power generators and large-scale electricity users may need to consider these factors when selecting project sites.

Policy Overview

- A dual-track strategy has been proposed to both address the climate crisis and improve energy efficiency at the national level.
- Regarding the climate crisis, various policies are being introduced, including expanding renewable energy, the complete phase-out of coal-fired power plants by 2040, development of RE100 industrial complexes, and adoption of a tiered pricing system regarding local electricity rates.
- Regarding energy efficiency, plans include building transmission networks based on offshore HVDC, expanding decentralized renewable energy, and implementing smart grids.

Legislative and Policy Agendas

- Although there are currently no specific legislative bills for expanding renewable energy or closing the coal power plants, based on previous cases, it is expected that policies offering incentives for renewable energy expansion will be enacted swiftly.
- In addition, the *Special Act on Expansion of the National Power Grid* is scheduled to take effect on September 26, 2025, providing institutional framework to aid existing transmission operators in expansion of power grids. However, systems to encourage private sector participation in the transmission market remain insufficient, highlighting the need to revise related laws such as the *Electric Utility Act*.

Business Implications

- With the expansion of energy infrastructure projects, market participation opportunities are expected to increase for construction companies and equipment manufacturers. It will be necessary to proactively analyze the eligibility criteria and revenue structures in preparation for potential market entry of private transmission operators.
- When entering into contracts for energy infrastructure construction projects, it will be critical to closely monitor legislative changes related to renewable energy to determine whether incentive clauses can be incorporated into contract terms.
- Moreover, with the expansion of RE100 industrial complexes, demand for eco-friendly facilities and technologies is expected to rise. If a tiered pricing system regarding local electricity rates is introduced, developing strategies for industrial site selections will become increasingly important.

27. Establishment of RE100 Industrial Complexes

Policy Overview

- The new administration plans to gradually establish over one-hundred RE100 Industrial Complexes nationwide to support export-oriented companies in actively responding to global carbon regulations and evolving trade environments.
  - **RE100 Industrial Complexes**: Designated zones equipped with infrastructure and regulatory frameworks that enable tenant companies to procure 100% of their electricity from renewable energy.
- Priority will be given to areas with a high concentration of export-driven manufacturers, with the goal of enhancing their competitiveness in the context of climate-related challenges.

Legislative and Policy Agendas

- RE100 Industrial Complexes are expected to be developed in regions with abundant renewable energy resources, such as Saemangeum and Jeonnam, as well as in National High-tech Strategic Industrial Zones and the southeastern Gyeonggi semiconductor cluster.
- The initiative includes both the development of new industrial complexes in locations with strong renewable energy access and the remodeling of existing complexes to ensure reliable green power supply to tenants. The program will also expand incentive mechanisms, such as renewable energy PPAs.

Business Implications

- Companies located in RE100 Industrial Complexes will benefit from favorable conditions for renewable energy usage.
- To encourage participation, the government is expected to ease power market regulations, including expanding PPA availability, introducing more flexible trading mechanisms, and allowing electricity prices to be freely negotiated between contracting parties. Accordingly, companies that require renewable energy should proactively consider locating within these complexes. Additional incentives and regulatory exemptions may also be provided to tenant companies, making it essential to stay up to date on related policy developments.

Policy Overview

- The new administration has announced the adoption of a zero-tolerance policy toward the misappropriation of technology.
- The KFTC has continued to strengthen enforcement efforts to prevent misappropriation of technical data, including by increasing administrative fines and raising the maximum compensatory damages to five times the actual damages incurred. The KFTC also plans to introduce a Korean-style "discovery" system.
  - **Discovery System**: A legal procedure, originally from Anglo-American common law, requiring parties in litigation to disclose relevant information or documents requested by the opposing party.

Legislative and Policy Agendas

- The new administration is expected to pursue legislative amendments to introduce a discovery system in matters involving the use and protection of technical data.

※ Proposed Legislation:

- *Amendment to the Act on the Promotion of Collaborative Cooperation between Large Enterprises and Small and Medium Enterprises, proposed by an Assembly Member from the Democratic Party (March 20, 2025).*

Implications for Businesses

- With the introduction of a discovery system, subcontractors will be better positioned to obtain necessary materials to prove instances of technical data misappropriation by prime contractors and to calculate the amount of damages. As a result, claims for damages are expected to become more prevalent.
- In the event of technical data misappropriation, legal risks are likely to increase significantly, not only in terms of criminal and administrative sanctions but also civil liability (i.e., damages). Companies should therefore exercise heightened caution in complying with relevant laws and regulations when receiving and using technical data from subcontractors. It is also critical to prevent legal risks proactively by providing employee compliance training and strengthening internal control systems.

Policy Overview

- In response to recent changes in the international trade environment following President Trump's inauguration, the new administration is expected to pursue a diversification strategy grounded on pragmatism in Korea's economic diplomacy.
- The new administration is also expected to take measures to protect strategic industries and goods, establish an economic security control system, and stabilize supply chains, under the overarching policy goal of strengthening economic security.

Legislative and Policy Agendas

- Aiming to diversify the geographical scope of trade, the new administration plans to actively engage in multilateral fora such as APEC and G20, and expand trade relationships with the Global South, the EU, and Korea's neighboring countries. The election pledges also include efforts to diversify export items by providing more support for promising industries such as K-defense, K-content, and K-food.
- The plans to enhance economic security, by introducing tax benefits for domestic production of strategic industries and goods, strengthening crackdowns on key technology leaks, and imposing stricter regulations on misrepresentation of origins for circumvention purposes, are likely to lead to amendments of relevant laws, including the *Restriction of Special Taxation Act, the Act on Prevention of Divulgence and Protection of Industrial Technology*, and the Customs Act. Furthermore, the early warning systems under the *Framework Act on Supply Chain Stabilization Support for Economic Security* are expected to be reinforced to address potential supply chain disruptions.

Business Implications

- With the U.S. reciprocal tariffs slated to take effect in approximately one month, companies should closely monitor developments in trade negotiations between Korea and the U.S., especially in light of the new administration's stance outlined above. At the same time, it is advisable to actively capitalize on the opportunities arising from new trade policies supporting core domestic industries and trade diversification, while assessing overseas business strategies to mitigate the risks associated with growing uncertainty, with guidance from experts in international diplomacy and trade.

- In addition, as the strengthening of economic security is closely tied to the protection of domestic industries, this may present new opportunities for Korean businesses. Companies are encouraged to proactively participate in legislative and policymaking processes to ensure that their interests are adequately reflected. Businesses should also consider leveraging enhanced trade security regulations to address risks associated with unfair trade practices. Furthermore, it is critical to identify and manage potential legal risks in advance and to establish robust compliance systems to ensure adherence to amended laws and regulations governing import and export transactions.

30. Promotion of Railway Undergrounding Projects

Lee & Ko

Policy Overview

- The new administration has announced plans to address urban fragmentation caused by railways and improve the overall living environment by promoting the undergrounding of urban railways, Great Train eXpress (GTX) lines, and city rail lines in the Seoul metropolitan area. The space above the undergrounded sections will be redeveloped for mixed-use buildings.
- To achieve these goals, the new administration is expected to establish and implement a mid-to-long-term comprehensive plan for railway undergrounding, to be carried out in phases by region.

Legislative and Policy Agendas

- The *Special Act on Railway Undergrounding and Integrated Development of Railway Land* has been in effect since January 31, 2025. This law provides the legal foundation for integrating railway undergrounding and railway land development projects.
- To further promote these projects, tasks include revising preliminary feasibility study guidelines and amending relevant laws such as the *Act on Developing and Using Station's Sphere of Influence*, the *Urban Development Act*, and the *National Land Planning Act*. The diversification of funding methods, including the introduction of Public-Private Partnership (PPP) models, is also being proposed as a possible task.

Business Implications

- Demand for specialized technologies, such as Tunnel Boring Machine (TBM) methods and the undergrounding of railway structures, is expected to grow. As a result, civil engineering and infrastructure firms are expected to gain a competitive advantage.
- Additional development opportunities may be created through integration with complex station development and station-area redevelopment projects. As the use of private-participation mixed-use development models (e.g., Project Financing Vehicles or PFVs) expands, collaboration with financial institutions and developers is also expected to become an increasingly critical factor.

Policy Overview

- While maintaining the core structure of the current inheritance and gift tax regime, the new administration plans to curb wealth succession by blocking expedient gifting practices and enhancing corporate governance transparency. A strict crackdown is expected on irregular inheritance and gifting activities involving families of major corporate shareholders. This includes, for example, the indirect transfer of assets or shares to heirs, as well as the use of retained earnings or company funds for personal wealth succession and family planning.
- With respect to inheritance tax, the administration has proposed a phased relief plan to reduce the burden on the middle class. This includes expanding the unified basic deduction, increasing the spousal deduction, and expressing openness to eliminating inheritance tax on spousal transfers. However, key reforms related to business succession, such as easing the requirements for the business succession deduction or abolishing the control premium surcharge, are not expected to be pursued at this time.

Legislative and Policy Agendas

- Legislative amendments to the *Inheritance and Gift Tax Law* are anticipated, aiming to expand deduction thresholds and potentially eliminate inheritance tax on spousal transfers.

※ *Proposed Legislation:*

- *Partial Amendments to the Inheritance and Gift Tax Act, proposed by Assembly Members Lim Kwang-hyun (August 21, 2024) and Ahn Do-geol (August 23, 2024), as primary sponsors.*

Business Implications

- An increase in inheritance tax deduction limits is not expected to have a significant impact on business-related tax outcomes.
- Nonetheless, in light of the government's broader policy stance against indirect or expedient gifting, regulatory scrutiny is expected to intensify for the family owners of large conglomerates and businesses preparing for generational transfers. As a result, controlling shareholders and their families may face constraints in executing prearranged plans to transfer shares or assets, highlighting the importance of carefully assessing structural risks from the early stages of transaction planning.

Policy Overview

- There is growing demand for strengthening social safety nets to address diverse societal risks. In response, the new administration has announced key policy objectives aimed at ensuring the sustainability of the medical system, enhancing protection for vulnerable individuals from industrial accidents, improving compensation frameworks for disasters in the agricultural and fisheries sectors, and improving the provision of medical services for pets, among others.

Legislative and Policy Agendas

- To expand coverage under the national health insurance scheme (e.g., including caregiving costs at nursing hospitals) and to rationalize the fee-for-service model, amendments to the *National Health Insurance Act* and related subordinate regulations will be necessary.

- To extend industrial accident compensation insurance to self-employed individuals engaged in high-risk activities, revisions to the *Industrial Accident Compensation Insurance Act* will be required.

- To improve compensation levels for agricultural and fishery disasters and enhance government responsibility, amendments to the *Act on Measures for Agricultural and Fishery Disasters* and related statutes are expected.

- To facilitate wider application of pet insurance, it will be necessary to enact a *Framework Act on Animal Welfare* and establish an Animal Welfare Promotion Agency, especially considering current diffusion of responsibility for animal-related matters across various government agencies.

Business Implications

- Companies in healthcare sector should monitor legislative changes related to the expansion of health insurance coverage, particularly the inclusion of caregiving costs at nursing hospitals, and the fee schedule reform, to identify new market opportunities or adjust their business models accordingly.
- In line with expanding public insurance coverage and evolving market conditions, private insurers should actively explore new product development and service differentiation strategies aligned with the evolving policy environment.
- Policies aimed at promoting pet insurance are expected to significantly boost the growth of the pet insurance market. Insurers are encouraged to develop innovative products that reflect diverse consumer needs and to pursue collaborative service models with veterinary clinics, pet retailers, and IT companies, for example, insurance products linked to health management programs or IoT-based pet care services.

Policy Overview

- The new administration has identified the following as key policy objectives: strengthening core infrastructure technologies such as 6G, institutionalizing fair network usage agreements, and reducing the financial burden of information and communication services. Specific policy initiatives include:

  1) Securing core AI network (6G) technologies to gain an early lead in the global equipment market and advance satellite communication technologies; and
  2) Introducing tax deductions for communication expenses and promoting the elimination of pricing discrimination between domestic and international OTT services.

- These initiatives reflect the growing need to establish a regulatory framework for network usage fees amid longstanding disputes between domestic network operators (ISPs) and global OTT providers. They also address the growing global competition over 6G commercialization, as network infrastructure is increasingly recognized as a critical driver of industrial innovation.

Legislative and Policy Agendas

- The new administration plans to commercialize 6G by 2030 (with pilot services beginning in 2028), promote the use of budget phones and unlocked phones following the repeal of the *Mobile Device Distribution Improvement Act*, and introduce a nationwide "Safe Data Plan" (QoS), which would allow continued data use at reduced speeds after the basic data allowance is exhausted, without incurring additional charges.

- Additionally, the institutionalization of fair network usage agreements, including *ex post* regulation of network usage fees, is also planned.

※ *Proposed Legislation:*

- *Partial amendment to the Telecommunications Business Act proposed by Assembly Member Lee Jeong-heon as the primary sponsor (October 30, 2024) and jointly by Assembly Members Lee Hae-min and Kim Woo-young (August 8, 2024), as primary sponsors.*

Business Implications

- The introduction of the nationwide Safe Data Plan is expected to impact telecom companies' pricing plans and revenue models.
- Telecom companies will need to ensure fairness and transparency in the negotiation of network usage fees and prepare network investment plans in anticipation of increased data usage.
- Furthermore, telecom companies should actively participate in the development and standardization of 6G core technologies to gain an early foothold in the global market.

Policy Overview

- The new administration has identified the following as key policy objectives: modernizing the broadcast media regulatory framework based on the "same service, same regulation" principle, establishing a fair competition environment in the pay-TV market, expanding national support systems for cultural content, and strengthening global competitiveness. Key policy initiatives include:

  1) Enhancing regulatory consistency for identical or similar services in the broadcasting and media sectors;
  2) Establishing a fair and transparent compensation system between pay-TV platform operators and content providers; and
  3) Strengthening R&D support for content and restructuring promotional institutions to foster emerging content industries.

- These measures respond to mounting concerns over regulatory imbalances between OTT services and traditional broadcasting, which have given rise to growing perceptions of unfairness. They also reflect the increasing need to ensure regulatory consistency and alignment with global trends, as the current framework has struggled to keep pace with the rapidly evolving media landscape.

Legislative and Policy Agendas

- The new administration plans to transition broadcasting and media regulation toward an *ex-post* and negative regulation framework. It also aims to expand support for high-growth sectors and foundational technologies, such as AI-generated content and content platforms. Additional initiatives include scaling up content subsidy programs, increasing policy-based financing for OTT content production, and establishing a dedicated fund for original content development.

- Furthermore, new legislation is expected to be introduced to provide a legal basis for the promotion and regulation of emerging media platforms and content types.

  ※ *Proposed Legislation:*

  - *Act on the Promotion of New Media and Video Content Industry, proposed by Assembly Members Park Jeong-ha and Lim Oh-kyung (March 11, 2025), as primary sponsors.*
  - *Act on the Promotion of Metaverse Content, proposed by Assembly Member Kim Seung-soo (December 31, 2024), as the primary sponsor.*

Business Implications

- Although compensation negotiations between pay-TV platform operators and content providers are generally conducted on the basis of commercial autonomy, companies should be mindful that the government may intervene in the event of disputes. Accordingly, when developing compensation frameworks, it is advisable to establish transparent pricing standards and oversight mechanisms through voluntary transaction protocols
- Broadcasting companies and platform operators may need to redesign their revenue-sharing models in anticipation of the expected regulatory reforms.

Policy Overview

- The new administration aims to establish a unified national cybersecurity response system and strengthen public-private cooperation. It plans to transition to a more data-driven approach to information protection in order to boost the competitiveness of cybersecurity technologies and industries. This includes clearer attribution of responsibility for security breaches and stronger measures to address digital threats such as phishing and smishing targeting the general public.
- These initiatives respond to a series of large-scale hacking incidents involving telecommunications companies, which have exposed regulatory gaps and underscored the need for a more robust response system. As the country enters the AI era, there is a growing urgency to strengthen cybersecurity measures to protect critical national infrastructure and personal data.

Legislative and Policy Agendas

- To strengthen cybersecurity, the government plans to: (1) develop proactive cybersecurity technologies and enhance collaborative response systems through regular joint training exercises; (2) diversify the cybersecurity technology portfolio and support the localization of core technologies; and (3) promote active detection and countermeasures against threats such as deepfakes and advanced voice phishing that exploit AI technologies.
- In addition, relevant legislation will be amended to help prevent personal data breaches, improve incident response, and reduce the risk of recurrence.

※ *Proposed Legislation:*

- *Partial amendments to the Act on Promotion of Information and Communications Network Utilization and Information Protection, proposed by Assembly Members Cho In-hyung (May 22, 2025) and Jeon Yong-gi (Nov. 13, 2024), as primary sponsors.*
- *Partial amendments to the Personal Information Protection Act, proposed by Assembly Member Lee Jung-moon (May 19, 2025), as the primary sponsor.*
- *Partial amendments to the Telecommunications Business Act, proposed by Assembly Member Lee Hak-young (Apr. 28, 2025), as the primary sponsor.*

Business Implications

- As AI technologies such as deepfakes and advanced voice phishing continue to evolve, businesses are facing heightened accountability for cybersecurity-related obligations.
- In response, companies should establish and reinforce cybersecurity compliance systems, implement proactive response frameworks, and build documentation systems that accurately capture and organize key information, such as security investments, dedicated personnel and resources, and certification status, for disclosure under relevant cybersecurity transparency regimes.

Policy Overview

- The new administration plans to significantly increase the government funding for culture and provide strong support for the overseas expansion of K-Food, K-Beauty, K-Pop, K-Drama, and K-Webtoons, recognizing the high added value of the cultural content industry and its positive impact on the national brand.
- In addition, the government will strengthen national support for the entire creative process of K-content and enhance support for cultural artists in their creative activities.

Legislation and Policy Tasks

- Amendments to the *Content Industry Promotion Act* and related laws supporting artists are anticipated to expand support for the global growth of K-content and to modernize regulations governing content platforms. Amendments to the *Copyright Act* are also expected to further strengthen protections for creators' rights in the digital environment.
- Additional legislative efforts may include revising OTT-related laws to enhance the competitiveness of domestic OTT platforms and amending the *Game Industry Promotion Act* to support the development of e-sports.

Implications for Corporations

- The new administration is expected to increase the budget for content funds and overseas expansion support programs. Accordingly, companies should consider participating in government-led public project tenders to secure production grants and marketing assistance.
- The new administration is also expected to emphasize the protection of creators' rights, the eradication of unfair contracts and the introduction of a basic income-type support system for stable creative activities. From a corporate perspective, it will be important to strengthen partnership models with creators and to establish fair revenue-sharing structures and a foundation for long-term growth. In addition, it is necessary to align internal processes to actively utilize government support programs, production subsidies, and tax incentives in line with policy direction.
- At the corporate level, it is also important to develop strategies to enhance the value of intellectual property (IP) and to proactively establish legal strategies to respond to IP infringement.

37. Promotion of the Bio-Healthcare Industry

Lee & Ko

Policy Overview

- Under its policy objective of fostering globally leading high-tech companies, the new administration plans to expand R&D investment in the bio-healthcare industry.

Legislative and Policy Agendas

- A performance-driven R&D policy is expected to be introduced, along with a system that links drug pricing to the proportion of R&D investment.
- The government is expected to promote support policies for pharmaceutical companies exporting domestically developed new drugs and to establish bio-industry clusters in various regions, including Daegu-Gyeongbuk, Daejeon-Chungcheong, Jeju, and Hwasun, Jeollanam-do, as part of regional industrial development strategies.

※ *Proposed Legislation:*

- *Partial amendment to the Special Act on the Promotion of Advanced Medical Complexes, proposed by Assembly Member Ahn Do-geol as the primary sponsor (January 22, 2025)*

Business Implications

- Although significant government funding is expected to be allocated to support R&D in the bio-industry, the exact scale, specific areas of support, and conditions are yet to be determined. Future policy developments should be closely monitored.
- Tax and other incentives are anticipated for export-oriented new drug portfolios.
- Companies that locate key production bases, R&D centers, or GMP facilities within the new bio-industry clusters promoted by the administration may become eligible for policy benefits such as subsidies, land provision, and regulatory exemptions.

Policy Overview

- Under its policy goal of promoting a “basic society” that ensures the fundamental well-being of its citizens, the new administration plans to stabilize the National Health Insurance finances and expand coverage by taking into account the specific characteristics of different target patients and diseases.

Legislative and Policy Agendas

- As part of efforts to ensure the financial stability of the National Health Insurance system, the government is promoting: (1) the establishment of a reasonable reimbursement structure for medical services, (2) reform of the sunset provision on government subsidies, and (3) the introduction of alternative payment models.
- During the 22nd general election, the Democratic Party pledged to enact the "*Obesity Prevention and Management Act*" to establish a nationwide obesity prevention and management system. This includes classifying childhood obesity as a disease and strengthening national responsibility for childhood obesity and pediatric diabetes. Related legislation and policies are expected to follow.
- The government also plans to systematically introduce essential rare-disease medicines through the Korea Orphan & Essential Drug Center and to support domestic pharmaceutical companies engaged in their production.

※ Proposed Legislation:

- *Partial amendments to the National Health Insurance Act, proposed by Assembly Members Jeon Jin-sook (December 31, 2024) and Hwang Jeong-a (January 24, 2025), as primary sponsors.*

Business Implications

- As the new administration is expected to expand health insurance coverage, a more favorable policy environment is likely to emerge for the reimbursement of pharmaceuticals and medical materials. In particular, enhanced coverage for rare and intractable diseases, as well as childhood obesity and pediatric diabetes, is anticipated to drive growth in related healthcare markets.
- A revision of reimbursement rates for minor ailments, often criticized for encouraging overtreatment, is expected. This may lead to a decrease in demand for treatments of mild conditions and a corresponding shift in market demand for related drugs and medical materials.
- To stabilize the finances of the National Health Insurance system, the government is expected to strengthen policies aimed at reducing the prices of reimbursed drugs. Accordingly, companies should proactively secure clinical evidence demonstrating the efficacy of their products to prepare for and counter potential price reductions. Continuous monitoring of related policy developments is advised.
- Companies should also be prepared for potential direct or indirect price controls on non-reimbursed (out-of-pocket) drugs, procedures, and associated medical devices or materials, and should closely follow policy trends in this area.
- As the government plans to implement policies supporting the production of nationally essential medicines, it will be important to monitor the specifics of these support measures.

Policy Overview

- The new administration plans to strengthen regional, essential, and public healthcare by addressing disparities in medical access across regions and reinforcing national responsibility for essential medical services such as emergency care, childbirth, and trauma treatment.

Legislative and Policy Agendas

- The new administration plans to establish a "Public Forum Committee on Citizen-Participatory Healthcare Reform" to build consensus on the core principles and direction of healthcare reform and to develop detailed policies through public deliberation.

- The administration intends to establish new regional medical schools, regional physician training programs, and a public medical officer academy, while also working to create a robust compensation system, such as increased reimbursement, for essential medical services.

- Telemedicine will be permitted primarily for follow-up visits handled by clinic-level medical institutions. However, the government also plans to allow initial (first-time) telemedicine visits for children under 18 and seniors aged 65 and older.

※ *Proposed Legislation:*

- *Special Act on Strengthening Essential Healthcare, partial amendments to the National Finance Act, and partial amendments to the Framework Act on Health and Medical Services, all proposed by Assembly Member Kim Yoon as the primary sponsor (July 11, 2024).*

Business Implications

- As the Public Forum Committee is expected to play a significant role in shaping overall healthcare policy, it will be important to closely monitor the content of its discussions. Companies should also explore ways to convey their perspectives to the committee.
- With the anticipated establishment or expansion of regional hospitals and medical schools, positive impact on the medical device market, particularly for equipment required in the construction and expansion of hospital facilities, is anticipated.
- The legalization of telemedicine is expected to accelerate the growth of the telemedicine market and, in turn, expand the telemedicine platform market. Following amendments to the *Medical Service Act*, the issue of prescription drug delivery after telemedicine consultations is likely to be addressed during the subsequent revision of the *Pharmaceutical Affairs Act*. Accordingly, pharmaceutical companies should adopt flexible strategies in response to future regulatory developments.

Policy Overview

- The new administration has proposed policy initiatives such as the separation of investigation and prosecution, improving the expertise of investigative agencies, the enactment of a procedural law governing criminal investigations including the introduction of a pre-examination system for search and seizure warrants, and strengthening judicial control to prevent the abuse of prosecution rights.
- The policy initiative also includes eradication of unfair self-dealing practices by controlling shareholders through abuse of capital and profit-and-loss transactions, creating a fair market order by cracking down on asset stripping and stock price manipulation, and imposing strict punishment of those responsible for financial crimes as well as punitive fines for violations of financial security obligations.

Legislative and Policy Agendas

- The proposed plan for separating investigation and prosecution functions includes: (1) limiting prosecutors to indictment and maintenance of prosecution without investigative authority, and (2) transferring investigative powers over serious crimes to a newly established Serious Crimes Investigation Agency.
- With the abolition of prosecutors' authority to command and supervise special judicial police, institutions which operate special judicial police such as the Ministry of Employment and Labor and the Financial Supervisory Service are expected to gain greater autonomy in their investigative functions.
- The proposed pre-examination system for search and seizure warrants would allow the court to interrogate relevant parties before issuing a warrant, if deemed necessary. However, since this approach may conflict with the investigative secrecy, legislative progress should be monitored over time.

Business Implications

- Intense competition for status enhancement between investigative agencies such as the police and the Serious Crime Investigation Agency, which have similar investigative authority, is inevitable, and overall investigative volume is likely to increase with the strengthened independence of special judicial police. Especially for major companies under media attention, it is difficult to rule out the possibility of comprehensive investigations by multiple agencies, overlapping investigations, or re-investigations.
- Companies should therefore strengthen their preventive measures against criminal liability by enhancing compliance programs and lawful management practices, and by conducting regular legal risk assessments with the assistance of external legal experts.

41. Strengthening the Right to a Trial

Lee & Ko

Policy Overview

- The new administration has included the expansion of the number of Supreme Court justices as one of its key policy tasks, aiming to enhance the efficiency of court proceedings and substantively guarantee the public's right to a speedy trial.
- In addition, the administration plans to broaden public participation in the judicial process through measures such as expanding the scope of jury trials and increasing public access to court decisions by widening the range of publicly available written judgments.

Legislative and Policy Agendas

- The number of Supreme Court justices is expected to increase beyond the current 14. (For instance, the amendment proposed by Assembly Member Kim Yong-min calls for an increase to 30 justices.)
- The administration also seeks to limit prosecutors' ability to appeal not-guilty verdicts in jury trials and to expand jury trials to certain civil cases.
- The government is expected to push for further expansion of the public disclosure of written judgments to improve judicial transparency and reinforce the public's oversight and critical review of court decisions.

※ *Proposed Legislation:*

- *Amendment to the Court Organization Act, proposed by Assembly Member Kim Yong-min as the primary sponsor (May 2, 2025)*
- *Amendment to the Act on Citizen Participation in Criminal Trials, proposed by Assembly Member Park Beom-kye as the primary sponsor (April 14, 2025)*

Business Implications

- While the expansion of Supreme Court justices may enhance diversity in the Court's composition and accelerate case processing, it could also raise concerns over a potential dilution of the Court's capacity and weakened precedential authority, thereby increasing uncertainty and lowering predictability in lower court rulings. It will become increasingly important for companies to closely monitor shifts in judicial precedent and litigation practices and to strengthen their legal response strategies accordingly.
- Companies should also anticipate the potential expansion of mandatory jury trials to business-related disputes and prepare for how this may affect litigation strategy in key corporate cases.

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