





Anti-corruption & Civil Rights Commission Republic of Korea

## OVERVIEW

# K-Integrity Wave

Korea has a long history of 5,000 years, with an ancient nation emerging 3,000 years ago and the first unified kingdom established 1,400 years ago. Confucianism was the main philosophy of ruling the nation for Korean dynasties, and people-centered value was particularly important for the Goryeo Dynasty and the Josun Dynasty as a guiding principle for their existence. And the value influenced various measures to prevent corruption of bureaucrats.

Examples include Eosa, a royal inspector who secretly detected corrupt local government officials to protect citizens' rights and interests; Shinmungo, a large drum that citizens hit to report corrupt officials and maladministration directly to the King; and Gyeokjang, through which on King's parade, citizens directly reported to the King corrupt officials or maladministration. These are the historic examples of the practicing people-centered value, and this has been handed down to the anti-corruption policies the current government has implemented since its establishment.

Solicitation based on favoritism and nepotism and centralized government authority in the process of rapid economic development have been blamed for corruption in Korea. Despite the astounding economic development praised as the Miracle of Han River and consolidated and thriving practical democracy, corruption had still remained a challenge for Korea. Then in the late 20<sup>th</sup> century, collapses of a bridge and a department store in Seoul and moratorium on the country's foreign debt raised an alarm to the entire society that corruption was an urgent problem to be tackled.

The People's Government launched in 1998 was the first Korean government to seek ways for a systemic approach to tackle corruption. Before, during the era of authoritarian governments, anti-corruption policies had focused on detection and punishment, taking little attention on removing institutional flaws or social and cultural factors that cause corruption. The People's Government, starting from the enactment of the Corruption Prevention Act, took preventive and institutional approaches to tackle corruption. It created the Korea Independent Commission Against Corruption (KICAC) as a national anti-corruption agency overseeing the establishment and enforcement of anti-corruption policies of the entire government. Through KICAC, institutional-based preventive anti-corruption policies were implemented by discovering and removing loopholes in various laws and regulations in the public sector.



In 2008, KICAC was integrated with Ombudsman of Korea into the Anti-Corruption and Civil Rights Commission (ACRC) to perform corruption-preventive Ombuds functions in a comprehensive way. The ACRC introduced and operated corruption control system such as: systemic protections and compensations for reporters of corruption and other cases; integrity assessment of central and local governments on their public service-related works and organizational management such as personal affairs and budget; and corruption risk assessment that monitors corruption-causing factors in new and amended laws and regulations on a regular basis.

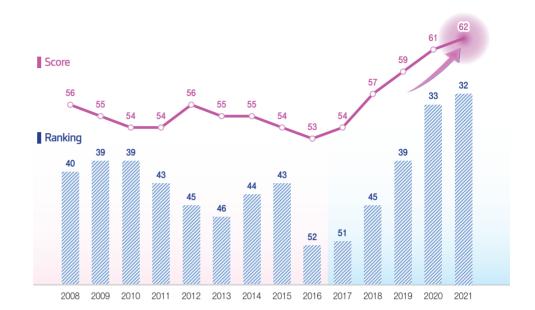
Then in 2014, a tragic disaster, the sinking of Sewol ferry happened, and it showed that despite all those corruption prevention efforts, the prevalent practice of giving graft to public officials and asking a favor in return could cause extremely serious consequences. Following Sewol ferry disaster, to root out improper solicitation, the Improper Solicitation and Graft Act was enacted, and the law took effect in the midst of concerns that the law could hamper domestic economy. Now, five years after the enforcement, as many as over 80 percent of Korean people are in favor of the law.

The Moon Jae-in administration launched in 2017, with the creation and operation of the President-chaired Anti-Corruption Policy Consultative Council and the development of Five-year Comprehensive Anti-corruption National Plan, has carried out various anti-corruption tasks such as improving anti-corruption policies and institutional tools, strengthening codes of conducts for public officials, and enhancing transparency in the private sector. Such anti-corruption policy efforts and achievements were presented under the name of "K-Integrity" to the world at the International Anti-Corruption Conference Seoul last year.

The Korean government and its people, based on their inherent legacy of building strong economy and stable democracy from of a war, will continue to make a strenuous efforts to make the country full of integrity.

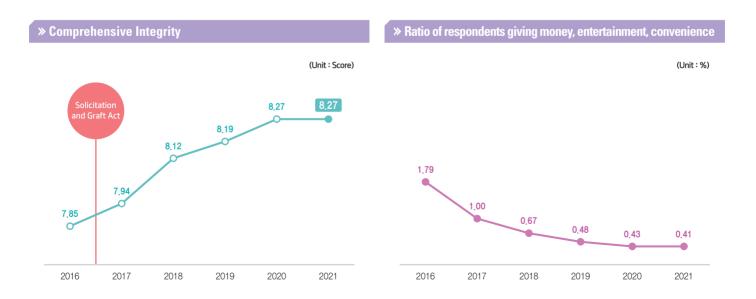
## The Past and the Present of Korea

#### Corruption Perceptions Index (CPI)



# Integrity Assessment of ACRC

\*Integrity Assessment measures comprehensive integrity of public agencies every year based on a survey of citizens who contacted a public organization (internal integrity), a survey of public officials (external integrity), and statistics of corruption cases. (0 means corrupt and 10 means not corrupt)



## Integrity Policies of Korea [K-INTEGRITY Wave]

**Improper Solicitation** and Graft Act : Standards for behaviors of public officials

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On March 3, 2015, the Korean National Assembly passed a law, which had been causing a controversy in various sectors of Korean society from the moment of discussion of enaction. The law, after taking effect, uprooted the practice of improper solicitation and graft towards public officials and have nurtured a new culture and mind-set. This is how the improper Solicitation and Graf Act came into being.

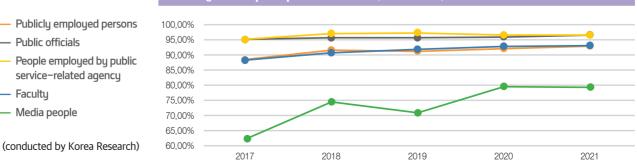
The Improper Solicitation and Graft Act prohibits anyone from making an improper solicitation directly or through a third party to public officials performing duties. As Korean society was historically and culturally based on confucianism, kinship community, public officials could not be free from improper solicitation. People gave public officials money or valuables without getting any immediate benefits in return, with the intension to make an improper request sometime in the future. And this had been a major cause for endemic corruption in Korea.

The Improper Solicitation and Graft Act, designed to remove such improper practice, specifies 14 areas subject to prohibited solicitation, which include permission, personnel affairs, contracting, evaluation, and audit and monitoring. The law also imposes criminal punishment on a public official who received from the same person over 1 million KRW at one time or over 3 million KRW in a fiscal year, even if the money was not related to the official's duty. This complements limits in the bribery provision of the Criminal Act.

The Improper Solicitation and Graft Act took effect on September 28, 2016, and since then the law has served as an important norm not only for public officials but also for ordinary citizens in their daily lives, bringing about many positive changes throughout the entire society.

This is evident in the result of a national perception survey on the law. According to the survey conducted in 2021, 87.5% of ordinary citizens and 92.9% of public officials said that the law made a positive impact on Korean society, which was 7.4 percentage point higher and 2.2 percentage point higher respectively than in 2016 when the law was enacted. It is noteworthy that journalists, who are subject to the law, shown a significantly more positive view during the same period.

#### $\gg$ Change in the perception on the law (2017 ~ 2021)



The law has brought about small but meaningful changes to daily lives in the entire society. "Going dutch", which was uncommon in the past, has now widespread to the entire society as a new culture. In addition, thanks to the law, money gift to teachers, which was a negative byproduct of educational fervor in Korean society, has now gone.

The Improper Solicitation and Graft Act, which fundamentally changed Korea's long-standing improper practices and culture, and The Act on the Prevention of Conflict of Interest Related to Duties of Public Servants, enacted in 2021, are expected to serve as important standards for behaviors of Korean public officials and to contribute to spreading integrity culture through Korean society.

Integrity Assessment: Korea's measurement of corruption experience and perception Corruption measurements in general assess community members' perceived risk of corruption on their community. However, this perception-based survey has a risk of producing overestimated or underestimated results because respondents could be influenced by preconceived perception from the past corruption. This makes it difficult to collect useful information needed for anti-corruption policy implementation.

To overcome such limit and acquire useful information for implementation and establishment of anti-corruption policies, the Korean government developed and has operated an effective and unique corruption measurement scheme, which is Integrity Assessment, also known as K-Corruption Measurement Scheme.

The Integrity Assessment (IA) targets public service works of public agencies empirically proven to have a high risk of corruption. They include permit and licensing, subsidies, administrative investigation and administrative imposition in various types, which were and are vulnerable areas to corruption such as bribery and facilitation payment in countries around the world. With the IA, through telephone-based and computer-based surveys, the Korean government measures perceived and experienced corruption in public service works and organizational management such as personnel affairs and budget of 700 major public agencies, including central and local administrative agencies, education offices, and public service-related agencies.

The survey is conducted every year via telephone and online for more than 250,000 people. External integrity is measured by citizens on their perceived and experienced corruption of public agency in the organization's work handling. Internal Integrity is measured by public officials on their perceived and experienced corruption in their organization's internal works such as organizational culture, personal management, budget.

Since 2016 when the Improper Solicitation and Graft Act was enforced, public organizations have continuously got higher scores on the IA. In the criteria of "corruption experience", the share of respondents having corruption experiences was 4.1 % in 2002. That number dropped to 1.8% in 2016, and to 0.41 in 2021, indicating that integrity culture has taken root in the public sector. Adding the result to the comprehensive integrity could induce public organizations to pro-actively implement anti-corruption policies, which could then result in the enhancement of citizens' perceived and experienced integrity in the society.

The IA, measuring both experiences and perception on corruption, enhances the objectiveness and validity of its result. It has been an important corruption prevention instrument for Korea, leading the K-Integrity Wave. Its effectiveness has been highly praised by global experts, which led to the winning of the best prize of UN Public Service Awards 2012.

Public Interest Reporter Protection: K-Whistleblower protection system Due to the secrecy of corruption, without whistleblower's report, it is difficult to detect and punish corrupt offenders. Korea established a systematic protection framework for whistleblowers in corruption cases for a short period of time.

At the center of the whistleblower protection framework, there is Protection of Public Interest Reporters Act, which took effect in September 30, 2011 to protect and support reporters of illegal acts that infringe on public interest such as public health, safety, the environment, and thereby to induce reports and effectively detect and prevent acts of infringing on public interest.

For the past 10 years, through seven times of amendments to the law, the ACRC expanded the scope of protection and strengthened protection tools. First, the number of laws subject to public interest reports gualified for protection under the Act sharply increased from 180 to 471.

\* Number of laws subject to the Act:  $180('11) \rightarrow 279('16) \rightarrow 284('18) \rightarrow 467('20) \rightarrow 471('21)$ 

In addition, with proxy-reporting system, reporters do not need to reveal their personal information. They can have a lawyer report their case on their behalf. Stronger criminal punishment has been imposed on those who revealed reporter's personal information or took disadvantageous measures against the reporter.

Plus, any agency or individual who failed to implement protective measures issued by the ACRC is subject to payment of compelling compliance charges. If a reporter received disciplinary measures or administrative imposition due to illegal acts discovered in relation to the case that he or she reported, the ACRC could request for reduction or exemption thereof. Thanks to such efforts to strengthen whistleblower protection system and to raise public awareness on the system, the number of reports of illegal acts has sharply increased recently. The ACRC will continue to improve reporter protection system to ensure that anyone can make a report without any concern.

» Number of reports for the past five years					
	2016	2017	2018	2019	2020
corruption report	3,758	4,066	7,328	9,435	6,103
public interest report	2,611	2,521	3,923	5,164	5,546

## 19<sup>th</sup> IACC Seoul: Spread of K-Integrity wave

The ACRC, jointly with the Transparent International (TI), hosted the International Anti-Corruption Conference (IACC) under the theme of "Designing 2030: Truth, Trust and Transparency" on December 1-4, 2020.

Due to the COVID 19 pandemic, the 19<sup>th</sup> IACC was held via online format. A record high number of 1.7 million people around the world visited the conference website, which served as a conference venue. The 19<sup>th</sup> IACC brought together global anti-corruption leaders in various sectors such as the international organizations, governments, civil society groups, businesses, the academia and the media to have active discussions and debates on how to combat corruption amid the COVID19-induced uncertainties and how to make a sustainable future free from corruption.

The Korean government will keep the momentum on fighting corruption gained during the 19<sup>th</sup> IACC and continue to make a contribution to the global anti-corruption cooperation and spread of integrity culture.



Anti-Corruption Policy Consultative Council and Public-Private Council for Transparent Society: K- Integrity Governance The Moon Jae-in administration set eradication of corruption as the first priority in all its policies. With a goal of building a country of integrity through anti-corruption reform, the government strengthened corruption prevention system; reinforced public interest reporter protection; and expanded citizen participation in and monitoring on budget execution.

The government also set a goal of completing anti-corruption reform by such as imposing stricter sanctions on serious corrupt offenses and building public-private cooperation system for corruption prevention. To this end, since 2017, the government has operated an anti-corruption policy scheme consisting of two pillars. One pillar is Anti-Corruption Policy Consultative Council which serves as a foundation for government-wide anti-corruption policy reform. The Council is chaired by the President and attended by heads of anti-corruption related agencies such as the ACRC, the Ministry of Justice, Prosecution Service, National Police Agency, and the Board of Audit and Inspection. The other pillar is Public-Private Consultative Council for Transparent Society which is attended by 30 representatives of various sectors in the society such as economic circles, professional associations, civil society organizations, the the media, the academia, the public sector and public interest areas.

As for the Public-Private Council for Transparent Society, a public-private anti-corruption governance joined by the government and citizens, its legal ground was found through the Regulation on the Establishment and Operation of Public-Private Council for Transparent Society in January 2018.

Corruption occurs beyond a specific area or organizaiton and it appears in different forms depending on its circumstances such as laws and regulations, practices, internal and external cultural factors. Therefore, effective corruption prevention should be based on a long term strategy that could comprehensively cover corruption problems of various types and forms.

As Korea's anti-corruption agency leading national anti-corruption policies, the ACRC, with an aim to implement a long-term national anti-corruption strategy in a systemic manner, established Five Year Anti-Corruption Comprehensive Plan (2018-2022) as government's anticorruption road map. The plan was developed after consultation with related government agencies and citizen engagement through Public-Private Council for Transparent Society. The plan was announced at the President-chaired Anti-Corruption Policy Consultative Council and the anti-corruption tasks in the plan have been being implemented by respective relevant agencies. Through this systemic anti-corruption implementation scheme, the Korean government will continue to implement the government-wide anti-corruption policies in a consistent and effective manner.



## Wave of Integrity from Korea ACRC mascots Chungbegi and Gwon-igi

Chung-begi was modeled after Eosa who protected people's rights and interests by hiding his identity and detecting corrupt officials in the local governments. Gwon-igi was modeled after Shinmungo and Gyeokjang that allowed citizens to report corrupt officials and maladministration directly to the king by hitting the drum or on King's parade. "Chung-begi" is young Eosa Park Munsu, an undercover royal inspector of Josun Dynasty, who is living in the modern Korea with his vigor and passion to make a fair and clean society together with Korean people. Chung-begi will be always at the front of protecting citizens from corruption and unfairness.

"Gwon-igi" represents Shinmungo of Josun Dynasty directly listening voices of people and communicating with people. Gwon-igi will protect rights and interest of people serving as the Ombuds role.







Jeon Hyun-Hui 6<sup>th</sup> Chairperson Anti-Corruption and Civil Rights Commission Republic of Korea

To make a more clean and transparent country, we all should share our thoughts on integrity and practice the value in our daily lives. This is our shared mission to make the better future. The ACRC will do its best to complete anti-corruption and fairness reform and make Korea advanced country in terms of integrity.

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The Anti-Corruption & Civil Rights Commission (ACRC) was launched on February 29, 2008 by integrating the Korea Independent Commission Against Corruption, the Ombudsman of Korea and the Administrative Appeals Commission.

- The ACRC performs the following 4 functions:
- Building a clean society by preventing and deterring corruption in the public sector
- · Addressing civil complaints which cause inconvenience or burden to citizens
- Protecting people's rights from illegal and unfair administrative practices through the administrative appeals system
- Making recommendations of improvement on unreasonable laws or system which may lead to civil complaints or corruption-prone environment



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