

# **ACRC Korea Transparency Newsletter (Mar. 2024)**

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## **ACRC Chairperson Ryu Chul Whan Elected as IOI Director**

- *Chairperson Ryu Chul Whan will participate in major discussions over IOI by-laws reform and the assessment of new membership application*
- *IOI General Assembly and Conference scheduled in May 2024 in the Hague, the Netherlands*

(12, Mar. 2024, ACRC)

Ryu Chul Whan, Chairperson of the Anti-Corruption and Civil Rights Commission (ACRC), was elected as an Asia regional director of the International Ombudsman Institute (IOI) through votes opened from February 12 to 16.

※ Ombudsman refers to mediator, arbitrator, or inspector in Swedish, originating from the establishment of an Ombudsman in 1809 in Sweden, which aimed at overseeing the legal compliance by judges and civil servants of the executive branch.

IOI is an international organization, which was established in 1978 with the aim of developing the Ombudsman system and promoting exchanges and cooperation among ombudsman institutions across the world. 234 institutions across 120 countries have joined the IOI which holds a Board of Directors' meeting every year and General Assembly every four years.

IOI Board of Directors consists of 24 members, elected from each of six regions. There are four Asia regional directors, including Chairperson Ryu Chul Whan.

Chairperson Ryu will participate in discussions over major agenda items, such as IOI by-laws reform, the assessment of new membership applications, and financial approval, including subsidies, as a director with a four-year term from May 2024 to May 2028.

In particular, in 2024, the IOI World Conference will be held from May 13

to 17 in the Hague, the Netherlands. During the IOI General Assembly and Board of Directors' meeting, major agenda items will be discussed, and policies and the practices of each ombudsman will be shared.

ACRC Chairperson Ryu Chul Whan said, "Since its establishment, ACRC has actively played its role as IOI director and been recognized as one of the representative ombudsman institutions in Asia and across the world. We will remain committed to protecting the rights and interests of citizens by disseminating the excellence of Korea's ombudsman system across the globe and developing ombudsman systems through cooperation with other institutions. "

## **Solutions Finally Found to Address 14 Years of Uljin Airport Noise**

- *ACRC addressing collective complaints filed by residents of Giseong-myeon, Uljin-gun, demanding the discontinuation of flight training through an onsite mediation meeting*
- *Reaching an agreement among relevant agencies and residents on introducing electric aircraft with low noise, dispersing training sites, and organizing and operating a resident council for mutual benefit*

(27, Mar. 2024, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) conducted a mediation to resolve a collective complaint filed by residents demanding a halt to flight training at the UljinFlight Training Center (Uljin Airport) on the grounds of loud noise.

Following the mediation conducted during an onsite mediation meeting held on March 27 morning at the Happiness Sharing Center in Giseong-myeon, Uljin-gun, Gyeongsangbuk-do presided over by Chairperson Ryu Chul Whan, noise from Uljin Airport will be reduced, and flight training for pilots will be provided seamlessly.

Uljin Airport was established in July 2010, where 445 employees, including 290 student pilots, are currently working. Uljin Airport annually trains 120 pilots through around 100,000 flight training sessions, utilizing 31 training aircraft.

However, 1,866 residents from 1,236 households from 15 villages in Giseong-myeon, Uljin-gun, Gyeongsangbuk-do near Uljin Airport

have complained about the inconveniences in maintaining their ordinary lives due to noises from flight training.

In this regard, Giseong-myeon residents organized a noise countermeasure committee in April 2019 and signed a mutual benefits agreement with the Ministry of Land, Infrastructure, and Transport, training operators, and Uljin-gun, Gyeongbuk. However, regular meetings for mutual benefits failed to be held, and the noise continued, which led residents to file a collective complaint to ACRC in June 2023, demanding a halt to flight training.

ACRC conducted a series of onsite investigations and consultations with relevant agencies to provide mediated measures that could reduce the noise and provide support for residents.

According to the mediation, the Ministry of Land, Infrastructure, and Transport will proactively promote the introduction of electric aircraft, which generate less noise, disperse training sites to other regions besides Uljin-gun, and organize and operate a flight training center council for mutual benefits starting from April 2024.

Uljin-gun will complete the construction of window systems in residents' homes by December 2025 to reduce noise from Uljin Airport and formulate measures to provide support for Giseong-myeon residents by December 2024.

Training operators, including Korean Aviation College and Korea Aerospace University, have agreed to conduct flight training that generates significant noise and has extended amounts of training will be provided in the US whenever possible. They will finalize details of flight training hours and methods, and ways to create and accumulate mutual support fund by May 2024 through consultations.

ACRC Chairperson Ryu Chul Whan said, "This mediation has paved the way for alleviating inconveniences faced by Giseong-myeon residents and promoting regional development along with training pilots by reducing noise from flight training. We anticipate that Ulsan Airport will serve as a foundation for training pilots in Korea."

## **Preferential Treatment for Civil Servants on Parental Leave or Child Rearing Concerning their Promotion and Evaluation, Increase in the Level of Allowances to the Base Pay, Preferential Assignment of Rental Apartments, and Expansion of Interest-free Loans**

- *ACRC recommended the Ministry of Personnel Management for institutional improvements concerning promotion and evaluation, finance, welfare, and child-rearing environment*
- *Encouraging improvements in the private sector through improving the public sector*

(21, Mar. 2024, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) formulated institutional improvement measures aimed at enhancing the effectiveness of parental leave and child-rearing systems for civil servants as part of countermeasures to low birth rate and recommended them to the Ministry of Personnel Management, the Ministry of the Interior and Safety, and Government Employees Pension Service.

This recommendation was based on the results of a survey\* conducted in January 2023 through the People's Idea Box, which selected providing preferential treatment to civil servants returning to work after their parental leave as a priority task.

\* <2024 Public Survey on Key Tasks of Institutional Improvements (Jan. 12 – 25)>, involving 5,966 people, 38.6% of respondents selected countermeasures addressing low birth rate as a key task, People's Idea Box (<https://www.epeople.go.kr/idea>)

This recommendation is categorized into four areas, including promotion and

evaluation, finance, welfare, and child-rearing environment.

First, regarding the promotion and evaluation, upon their return from parental leave, civil servants will receive incentives, such as work performance evaluations that maintain or exceed their previous ratings. This measure aims to eliminate conventional disadvantages, such as assigning lower ratings for the work performance evaluation to those returned from their parental leave or excluding them from promotion candidates, and partially considering the period of parental leave when determining the transfer limitation period.

In addition, the recommendation included that civil servants are in promotion candidate lists even during their parental leave as they were before taking the leave and ensuring preferential treatment when evaluating promotion, such as reinforcing additional points provided to those with multiple children. Furthermore, it was recommended to ensure there is no disadvantage in personnel management, such as including the entire period of parental leave when considering their career experiences or determining the transfer limitation period and extending the available period of parental leave.

Second, in the finance area, it was recommended to significantly increase parental leave allowance to the level of base pay and expand the payment period. It was also recommended to improve the payment system by providing the total amount of parental leave pay during the period of parental leave. In addition, it was recommended to clarify the grounds for applying health insurance deferment and reasons for restricting the payment of performance pay.

Under the current system, a salary is paid during maternity leave, while it is suspended during parental leave, and parental leave allowances are provided for one year, part of which is retroactively provided after returning to work, which places financial burdens on those on parental leave. Many voices are

raised by pointing out that this will make raising their children difficult in reality.

Moreover, people can defer their payment of health insurance during parental leave and pay in full upon their return to work, however, there have been cases where they have not received a notice of deferment. In addition, there has been confusion due to different opinions on whether employees on an annual salary system who have used less than 10 months of parental leave out of one year while having used other leave to work less than 2 months are eligible for performance pay. The recommendation reflects complaints received from the frontline of administration.

Thirdly, regarding the welfare area, ACRC recommended redesigning the assessment criteria for tenants of rental housing for civil servants, such as allocating a certain percentage of opportunities to those responsible for child-caring or rearing with a shorter period of their career in public service when selecting tenants and extending the residency period to up to 10 years. Moreover, the Commission recommended significantly easing the burden of housing expenses by proposing loan interest rate cuts, the implementation of interest-free loans, and an expansion of the loan limit to 100 million won.

According to data from the Government Employees Pension Service, as of the end of 2023, the number of tenants in their 20s who signed a contract for public rental housing was 1,279, only accounting for 7.2% of the total number of tenants. With regard to this, ACRC attributes this to the fact that the current criteria for selecting tenants of public rental housing are disadvantageous for younger generations with shorter periods of career in public service, no home ownership, and lacking financial capacity.

Lastly, concerning the child-rearing environment, ACRC recommended measures to ease the criteria for securing replacement personnel from six months to three months and actively utilize staff from middle-level and

low-level positions and retirees with experiences in relevant sectors who can be immediately deployed onsite. Furthermore, the Commission recommended improving environments for returning and transferring for those responsible for child-rearing, such as by enhancing prior notice of procedures for returning to work and preferentially assigning to divisions they want, formulating measures to create family-friendly child-rearing and work environment, such as by extending the use of childcare time and securing designated parking areas for child-rearers.

These recommendations were made in response to multiple complaints, including the difficulties faced by divisions where employees take parental leave in securing replacement personnel and challenges faced by employees returning to work from their parentalleave and child-rearers in adapting to work and balancing it with childcare due to a lack of guidance before their return, such as being transferred to divisions at a long distance or those that people prefer to avoid.

ACRC Vice Chairperson Kim Tae Gyu said, "Low birth rate is no longer an issue exclusive to certain individuals. It is a matter that both the government and the private sector should work together to resolve, which is why we anticipate that the recent institutional improvement measures will be swiftly implemented. We will remain committed to improving unreasonable practices and systems causing inconveniences to the people as well as other matters where a large majority of citizens require improvements."

## **"Unlawful Beneficiaries of Payment from Public Funds to be Punished by Either Imprisonment with Labor for up to Three Years or a Fine of 30 Million Won or Less"**

- *Revised Act on the Recovery of Public Funds passed at the National Assembly's plenary session on Feb. 29<sup>th</sup>*
- *Punitive sanctions strengthened including by stipulating criminal punishment of an unlawful beneficiary of payments from public funds*
- *A system of 'Non-Real Name Report by Proxy' introduced to expand support for subsidy fraud reporters*

(14, Mar. 2024, ACRC)

From now on, a person who fraudulently receives payments\* from the public funds will be punished by a prison sentence of 3 years or less or a fine not exceeding 30 million won.

\*The term "payment from public funds" means a subsidy, compensation, or contribution provided from public funds under statutes and regulations or municipal ordinances and rules, or other money, goods, etc. offered without any corresponding consideration

In addition, when a person files a report on fraudulent claims for public funds, he/she may use a 'non-real name proxy report' system which allows reporting by an attorney-at-law without revealing his/her personal identity.

Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) announced that the revision bill of the Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits (the Public Fund Recovery Act) which prescribes the aforementioned passed at the National Assembly's plenary session on Feb. 29.

According to the revision bill passed this time, sanctions against unlawful beneficiaries of payments from public funds have been strengthened while support for subsidy fraud reporters has been expanded.

The major revisions include: ▲introduction of a criminal punishment against unlawful beneficiaries (at most 3 years in prison or a fine not exceeding 30 million won); ▲introduction of a provision in the Public Fund Recovery Act to calculate the amount to be recovered after adding interest upon retrieving illicit profits derived from payments from public funds; and ▲reducing the scale of culpability reduction or exemption for voluntary reporters, etc.

On the other hand, institutional improvements to boost support for subsidy fraud reporters, such as introducing a system of Non-Real Name Report by Proxy and inserting a new provision of relief fund payment for reporters' relatives or cohabitants, have also been made through this revision.

ACRC Acting Director General of Inspection & Protection Bureau Kim Eung Tae said, "Punishments against unlawful beneficiaries of payments from public funds have been more reinforced while support for false claim reporters has been expanded with the Public Fund Recovery Act revised this time. From now on, ACRC will strive to actively make institutional improvements in order for the public fund leakage not to take place."

## **Easier Access to their Residence in Public Rental Housing for Day Laborers at Small-Scale Construction Sites**

- *Additional points provided to day laborers at construction sites when applying for public rental housing under the condition of putting money aside for a deductible fund for at least one year*
- *Day laborers excluded as business owners of small-scale construction did not put money aside for a deductible fund, overshadowing the purpose of the law*
- *Day laborers should be granted additional points if they have worked as construction workers for at least one year, even without accumulating deductible fund payments*

(6, Mar. 2024, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) recommended the Ministry of Land, Infrastructure, and Transport to include day laborers at construction sites in the list of those eligible for additional points when selecting tenants of public rental housing in cases where they have worked as day laborers in the construction industry for at least one year, even if they have not put money aside for a deductible fund.

Day Laborer A who has worked at construction sites for a significant period submitted a "notice of confirmation for registering as insured of day laborer employment insurance" as evidence material to receive additional points (three points) for construction workers when applying for public rental housing supplied by ○○ Corporation.

However, ○○Corporation denied the eligibility of Day Laborer A for additional points and dropped Day Laborer A during documentation screening on the

grounds of having accumulated deductible fund payments with the Construction Workers Mutual Aid Association for only 40 days. Eventually, Day Laborer A failed the documentation screening.

In response, Day Laborer A filed a grievance complaint to ACRC, arguing that it was unreasonable to be discriminated against in the selection of public rental housing tenants on the grounds of the business owner's failure to put money aside for deductible fund, even though the day laborer at construction site met work period requirements for additional points.

According to the results of a survey conducted by ACRC, even though additional points for construction workers aim to address the housing insecurity of day laborers at construction sites, the "Enforcement Rule of the Special Act on Public Housing" only includes persons who have accumulated deductible fund payments for at least one year under the "Act on the Employment Improvement of Construction Workers."

However, persons with the obligation of contributing to the deductible fund are limited to those working at construction sites of a certain scale, leading to situations where business owners of small-scale construction do not put money aside for the deductible fund for their workers.

Consequently, the accumulation of deductible fund payments varied depending on the scale of the construction, and there have been problems where the selection of tenants of public rental housing is decided based on the scale of construction at which day laborers worked, overshadowing the purpose of additional points, which aimed to alleviate the housing insecurity of day laborers at construction sites.

In this regard, ACRC recommended the Ministry of Land, Infrastructure, and Transport grant additional points to construction workers if their work history can be objectively verified through the "notice of confirmation for registering

as insured of day laborer employment insurance" issued by the Korea Workers' Compensation and Welfare Service, considering the purpose of additional points system for construction workers.

ACRC Vice Chairperson Kim Tae Gyu said, "We must actively address unreasonable discrimination arising from the failure of fully reflecting the purpose of legislation aimed at supporting socially disadvantaged groups. We will remain committed to improving unreasonable institutions and rigorously protecting disadvantaged groups in the housing sector."