

## **ACRC Korea Transparency Newsletter (Apr. 2022)**

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  - For the past five years, ACRC has led the efforts to improve CPI in collaboration with the public servants and citizens based on fair and stringent anti-corruption laws and institutions
  
- ▷ **ACRC Held Briefing Sessions by Region for Early Settlement of the Conflict of Interest Prevention Act Starting on 7th of April**
  - Briefing sessions were held in the order of Daejeon, Gwangju, Seoul, Chuncheon, and Busan, along with online sessions on April 28-29
  
- ▷ **ACRC Provided a Forum for Public Discussion with Target Institutions for Safe Landing of 2022 Comprehensive Integrity Assessment That Has Been Revised**
  - Marking the first year of evaluation of public institutions using completely revised comprehensive integrity assessment (CIA) system, the ACRC chairperson Jeon Hyun-Heui had direct in-person communication with target institutions for successful conduct of CIA

- ▷ **ACRC Discussed Ways to Provide Same Level of Protection and Compensation to Reporters Regardless of Report Type**
  - On the 27th, the ACRC held a discussion to discuss unification of reporter protection and compensation systems in its five Acts
  
- ▷ **Interagency Special Team, “94 Soldiers who Died in Battle or on Duty after the Korean War Found Their Families”**
  - The interagency special team announced the progress on finding families of war dead and dead on duty
  
- ▷ **ACRC, “Social Enterprise that Voluntarily Reported Illicit Receipt of Subsidy and Returned the Total Amount should not Face Revocation of its Social Enterprise Certificate”**
  - The CAAC said that even with reasons for the revocation of social enterprise certificate, public interest gained and damaged interest to the persons involved should be weighed in the revocation decision

## **ACRC Prepares the Foundation for Korea to Leap Forward as an Advanced Nation with Integrity, Following the Achievement of Reaching a Record High in Corruption Perceptions Index**

*For the past five years, ACRC has led the efforts to improve CPI in collaboration with the public servants and citizens based on fair and stringent anti-corruption laws and institutions*

(April 29, 2022. ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui), a national corruption control tower in Korea, plans to continue to push for anti-corruption reform for more transparent and fair society with an aim to join the top 30 countries in the global ranking in Corruption Perceptions Index (CPI) based on the achievements of anti-corruption reform it has made over the last five years.

ACRC has made various achievements such as the improvement in CPI for five consecutive years and recording an all-time high in the said index, etc. by drawing up the pan-governmental five-year anti-corruption master plan for the Moon administration, revamping norms and institutions including enacting the Act on the Prevention of Conflict of Interest Related to Duties of Public Servants (the Conflict of Interest Prevention Act) and implementing policies aimed at spreading a culture of integrity and fairness in everyday life.

Above all, reflecting higher level of expectations of the people for public servants' integrity, ACRC reformed anti-corruption norms and institutions including the code of conduct for public servants and anti-corruption

assessment.

After nine years of promoting the legislation of the Conflict of Interest Prevention Act, the Act was finally enacted in May last year and is scheduled to be in force on the 19th of next month. The scope of duties subject to the Improper Solicitation and Graft Act was also expanded through the revision to the Act made last December to include duties of selecting scholarship students, examining dissertation, and conferring a degree.

In 2018, the Code of Conduct for Public Servants were revised to prohibit public officials' abuse of authority, and the Corruption Risk Assessment of public organizations' bylaws has been conducted to identify and remove legal provisions therefrom that may result in unfair privileges or undermine fair performance of duties in public organizations for three years starting in 2020.

In addition, with the Comprehensive Integrity Assessment System being completely overhauled for the first time in 20 years, the anti-corruption efforts in public organizations at various levels are to be assessed in a comprehensive manner as of this year.

Furthermore, ACRC has promoted various policies for anti-corruption norms and regulations to take root as part of a culture of integrity and fairness in everyday lives of public servants and citizens.

ACRC has also carried out annual inspections of hiring irregularities in public organizations since 2017, detected a total of 679 cases of irregularities, and provided relief and aid for around 3,500 victims, while

strengthening inspections of actual conditions of compliance with behavioral norms by public servants, such as the Improper Solicitation and Graft Act and Code of Conduct, so that those norms can be more deeply permeated into their lives.

- ※ Hiring fairness of public institutions: (2017) 45.4 points → (2020) 62.0 points (based on the survey conducted in May 2021 of how fair public institutions' hiring process is perceived to be)
- ※ The percentage of respondents saying that “the implementation of the Improper Solicitation and Graft Act has brought a positive impact in our society”: (2016) 84.3% of the general public, 87.8% of public servants → (2021) 87.1%, 96.3% (based on the survey conducted in Sep. 2021 of perceptions about the Act after five years of its implementation)

ACRC inspected the current status of integrity education in each public institution to see to it that they faithfully promote integrity education in order to reinforce the anti-corruption capacity of the public sector, supported poor-performing public institutions in securing implementation capabilities, strengthened education for high-ranking officials with tailored programs, and provided consulting services for public institutions with low integrity levels. Also, ACRC offered integrity education not only to public officials but also to the general public including the future generation.

- ※ The number of public officials taking integrity education courses: (2017) 19,805 →(2019) 24,619 →(2021) 88,329

Not being complacent about the anti-corruption feats it achieved over the last five years, ACRC will push ahead with more systemic and

comprehensive anti-corruption policies so that corruption and unfairness will not hamper economic revitalization and undermine the foundation for fair society.

Furthermore, in order for the Conflict of Interest Prevention Act slated to come into force on May 19th to be smoothly established in early stages, ACRC produced and distributed the operation guideline and work manual for the effective implementation of the Act, and will continue to promote the Act-related education and promotional activities targeting public institutions for the months to come.

On top of this, to spread a culture of fair hiring in the public sector, ACRC is stepping up its inspections of hiring irregularities in all public institutions and pushing for the revision bill to the Improper Solicitation and Graft Act to prohibit public officials' solicitations to the private sector, along with the revision to the Code of Conduct for Public Servants to strengthen the control over the abuse of power in the public sector.

In the future, ACRC will check and remove factors vulnerable to corruption in local areas after the local elections, and beef up the integrity education for the spread of a culture of integrity by creating new educational courses for integrity and ethical management for public corporations with a huge influence in people's lives.

ACRC Anti-Corruption Bureau General Director Han Sam-Seok said, "all the fruitful outcomes of anti-corruption policies ACRC has pushed for under the rapid circumstantial changes, including the coronavirus pandemic and industrial sophistication thanks to the fourth industrial

revolution, over the past five years can be attributed to citizens and public officials cooperating with ACRC with great interest,” adding that “ACRC will continue to play its role as an anti-corruption control tower to complete its on-going anti-corruption reformin collaboration with citizens and public officials to realize fairer and more transparent society aspired to by the people.”



## **ACRC Held Briefing Sessions by Region for Early Settlement of the Conflict of Interest Prevention Act Starting on 7th of April**

*Briefing sessions were held in the order of Daejeon, Gwangju, Seoul, Chuncheon, and Busan, along with online sessions on April 28-29*

(April 7, 2022. ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui) held regional briefing sessions on the Act on the Prevention of Conflict of Interest related to Duties of Public Servants (the Conflict of Interest Prevention Act) starting in Daejeon, Sejong, and Chungcheong region on April 7 for stable operation of the Act slated to be in force on May 19, 2022.

The briefing sessions were held in the order of Daejeon, Gwangju, Seoul, Chuncheon and Busan for those in charge of the conflict-of-interest prevention system in 2,142 state agencies, local governments, public institutions and public schools located in the regions and adjacent areas.

ACRC briefed officers responsible for the conflict-of-interest system in their respective organizations on the main contents of the Act and its Enforcement Decree coming into force on May 19, and called for their efforts for the stable settlement of the Act.

In particular, ACRC delivered details of what each public institution has to prepare prior to the implementation of the Act, such as the duty to

designate a conflict-of-interest prevention officer, precautions and frequently asked questions, mandatory education on the Act for officials of their organizations, and the standard reporting system registration and utilization method.

In addition, ACRC held online briefing sessions for two days from April 28 to 29 for those who missed the regional on-site sessions so that all institutions can take part in.

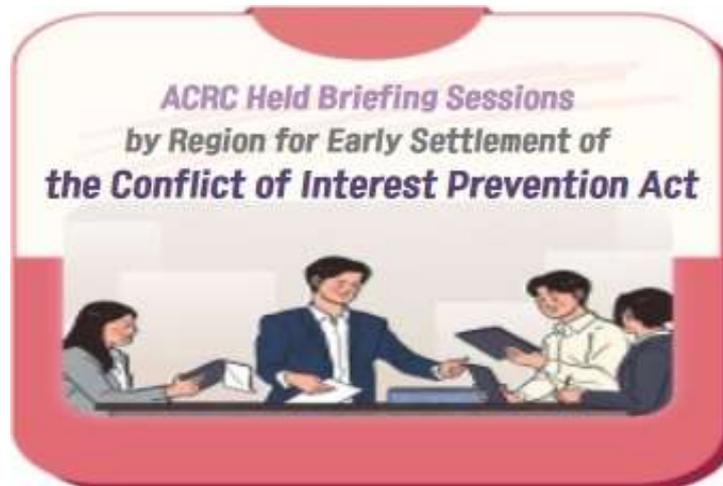
The Conflict of Interest Prevention Act stipulates 10 standards of act related to duties of public servants to prohibit improper seeking of private gains and ensure fair performance of duties, which include: the duty to report and apply for avoidance or recusal of persons with private interest, the duty to report real-estate possession and purchase related to duties of public servants, and restriction on hiring family members of high-ranking officials and signing private contracts.

Obligations to Report and Submit	Restricted and Prohibited Activities
1 Report, apply for avoidance or recusal of persons with private interests	1 Restriction on duty-related outside activities
2 Report possession and purchase of real estate related to duties of public organizations	2 Restriction on employment of family members
3 Submit details of activities in private sector of high-ranking officials	3 Restriction on making negotiated contracts
4 Report any transactions with duty-related parties	4 Prohibition of private use of goods belonging to public agencies and making profits from such use
5 Report any private contacts with retired officials	5 Prohibition of use of duty-related confidential information

ACRC Anti-Corruption Bureau General Director Han Sam-Seok said, “I expect all public institutions will be able to prepare themselves

thoroughly for the implementation of the Conflict of Interest Prevention Act through this regional briefing sessions.”

He also said that “ACRC will actively educate people and public servants about the Act and conduct promotional activities for stable operation and early settlement of the Act as part of a new culture of integrity in the public sector.”



## **ACRC Provided a Forum for Public Discussion with Target Institutions for Safe Landing of 2022 Comprehensive Integrity Assessment That Has Been Revised**

*Marking the first year of evaluation of public institutions using completely revised comprehensive integrity assessment (CIA) system, the ACRC chairperson Jeon Hyun-Heui had direct in-person communication with target institutions for successful conduct of CIA*

(April 13, 2022. ACRC)



Chairperson Jeon Hyun-Heui delivering her greetings at the 2022 CIA Workshop

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui) held the 2022 Comprehensive Integrity Assessment Workshop for Target Public Institutions on three occasions on April 13th, 19th, and 20th with officials in charge from 573 institutions attending. This year marks the first year when the Comprehensive Integrity

Assessment System completely reorganized through integrating the Integrity Assessment (IA) and Anti-Corruption Initiative Assessment (AIA) that had been carried out for the last 20 years.

The Workshop held at an important juncture for the new assessment system to be conducted for the first time since its reorganization is very meaningful in that it provides a venue for direct communication with public institutions covered and for their better understanding about the restructured assessment model and indicators.

On April 13th, the Workshop was attended by a total of 98 public institutions, including 46 central administrative agencies and 17 offices of education and upper level local governments. In particular, Chairperson Jeon Hyun-Heui met officials in charge from the public institutions subject to the assessment to explain ACRC's past anti-corruption policy achievements, the meaning and purpose of the revision to CIA, and make requests during the Workshop.

ACRC officials responsible for each assessment indicator of CIA also explained the assessment system and indicators, and had time to satisfy curiosities that officials in charge at the targeted institutions have had related to the revised CIA through a Q&A session.

On top of this, 226 municipalities and 249 public institutions, including public service-related organizations, public universities and hospitals, attended the Workshops on 19th and 20th April, respectively.

In the CIA to be carried out for the first time starting this year, comprehensive integrity level of each public institution will be derived by

aggregating the scores of: (a) integrity perceptions measured by a survey of the general public who have experienced the service of public institutions and the internal members about their corruption perceptions and experiences; and (b) integrity effort that evaluates anti-corruption efforts of public institutions at various levels through their CIA indicator performances and effects, and lastly subtracting the score of (c) the status of corruption cases that actually took place in public institutions from the sum of (a) and (b).

After it collects opinions through the workshops, etc., ACRC plans to announce the CIA grade of each institution around January next year based on their scores aggregated by conducting an integrity perceptions & experiences survey starting in August and evaluating the performances in the integrity effort indicator for the year of 2022 starting in November.

ACRC Anti-Corruption Bureau General Director Han Sam-Seok said, “In order for the newly structured comprehensive integrity assessment system to be successfully implemented and established, correct understanding and active cooperation of public institutions are above all else,” adding that “Beginning from these Workshops, ACRC will continue to create opportunities to provide accurate information and communicate with regard to the new assessment system so that it can be conducted in a fair and objective manner that both citizens and public servants agree.”

## **ACRC Discussed Ways to Provide Same Level of Protection and Compensation to Reporters Regardless of Report Type**

- *On the 27th, the ACRC held a discussion to discuss unification of reporter protection and compensation systems in its five Acts -*

(April 4, 2022, ACRC)



Chairperson Jeon Hyun-Heui (right) discussing ways to provide same level of protection and compensation to reporters regardless of report type

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui) and Office of National Assemblyman Kim Byung-wook (the Democratic Party of Korea) held a discussion on the 27<sup>th</sup> at the National Assembly Hall to talk about ways to unify the provisions on public interest reporter protection and compensation in five anti-corruption Acts\*

\* The five anti-corruption Acts are the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission, the Protection of Public Interest Reporters Act, the Improper

Solicitation and Graft Act, the Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits, Act on the Prevention of Conflict of Interest Related to Duties of Public Servants (enforced on May 19)

The ACRC receives reports of violation of the five Acts, takes measures to protect reporters from various disadvantages, and pays them monetary rewards and awards.

Depending on which law is violated, however, the level of protection and monetary rewards and awards for reporters are different, because each of the five Acts stipulates its reporter protection and compensation.

For example, the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission provides for a provision on the System of Temporary Suspension of Disadvantageous Measure, which temporarily suspends disadvantageous measures against reporters. The other four Acts, however, do not have such provision, so reports on the violation of the four Acts are not subject to the system.

In addition, the Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits does not provide for non-compliance charges on a person who did not comply with measures for reinstatement of dismissal of disciplinary measures. Moreover, the rate of payment for monetary rewards is stipulated differently in each of the five Acts.

So, the ACRC held the discussion to resolve this problem and talked about ways to unify the provisions related to reporter protection and compensation.

If the unification is made, reporters could receive the same level of

protection and compensation, regardless of the type of the report they file.

The discussion was attended by Kim Hyung-jin, a researcher of National Assembly Research Service, Lee Jae-il, the head of Public Interest Report Center of Heung Sa Dan Transparency Movement, Lee Cheon-Hyeon, a senior researcher of Korea Institute of Criminology and Justice, Seo Bo-guk, a professor of law Chung Nam National University Law School.

The discussion was live-streamed on the official Youtube channel of the ACRC, Gwonik-vision, so anyone was able to watch and participate in the discussion online.

ACRC Chairperson Jeon Hyun-Heui said, “This discussion is aimed to seek ways to re-design the reporter protection and compensation system from the perspective of citizens. I hope that we have a meaningful discussion today.

She added, “Based on what we discuss today, the ACRC will unify the reporter protection and compensation systems stipulated in each of the five Acts into one Act and will develop it into a system can be trusted by citizens.”

## **Interagency Special Team, “94 Soldiers who Died in Battle or on Duty after the Korean War Found Their Families”**

- *ACRC-MND(ROKA)-MPVA special team was launched in December 2021 to find bereaved families of 2,048 war dead and dead on duty-*
- *Ninety four war dead and dead on duty who have found their family will be treated with honor such as through enshrinement of memorial tablet of them in the National Cemetery-*
- *The interagency special team announced the progress on finding families of war dead and dead on duty-*

(April 27, 2022, ACRC)



Chairperson Jeon Hyun-Heui announcing the progress on finding families of war dead and dead on duty

In 70 years, 94 soldiers who died in combat or on duty during the Korean War have found their family. The deceased soldiers, according to

their family's wishes, will be honored as veterans by such as enshrining the memorial tablets of them in the National Cemetery.

On the 27<sup>th</sup>, at the Government Complex, Seoul, the Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui), the Ministry of National Defence (MND, Minister Suh Wook) · Republic of Korea Army (ROKA, Chief of Staff Nam Yeong Shin), and the Ministry of Patriots and Veterans Affairs (MPVA, Minister Hwang Ki-Choul) announced the progress on the inter-agency project called Finding Families of War Dead and Dead on Duty

In December last year, the ACRC, the MND, and the MPVA signed an MOU and launched a Special Team to Find Families of War Dead and Dead on Duty(hereinafter the Special Team).

The Special Team is tasked with tracing bereaved families of the 2,048 soldiers who were recognized as war dead or dead on duty by the ROKA's re-examination between 1996 to 1997. The recognition was, however, not informed to the soldiers' families due to invalid address and other reasons.

The Special Team has carried out multifaceted efforts to find the bereaved families by such as disclosing the soldiers' names, providing telephone consultations, looking up the soldiers' family relation register aided by the local governments, and checking MPVA document. As a result of such efforts, the team selected 135 soldiers out of 1,622 soldiers who died in battle or on duty, and through final verification, the team found the bereaved families of 94 of them.

The team will inform the bereaved families of the fact through talks and

other forms and will support them in enshrinement of the memorial tablets of the deceased soldiers and relocation of their burial site. For war dead and dead on duty whose immediate family has not been found, the MPVA will proceed with the registration process ex officio.

The Special Team said, “As more than 70 years have passed since the Korean War, finding more families of the deceased soldiers requires citizens’ active interest and engagement.”

The names of the 2,048 war dead and dead on duty are posted on the web-sites of the ACRC, e-People, and the MND. Anyone who wants to make an inquiry or provides information on the soldiers’ families, relatives, or acquaintances can make a call to the Special Team.

ACRC Chairperson Jeon Hyun-Heui said, “It is the government’s firm resolve to remember those who have made sacrifices for the country until the end, no matter how much time has passed“

She added, “The ACRC and the Special Team, to practice proactive governance, will work hard to find even one more bereaved family, and in this regard, citizens’ interest and participation will be a great help.”

Minister Suh Wook of the MND said, “To fulfill our mission of taking care of all the soldiers who died fighting for our country, the ROK Army will actively support the special team’s activities and onsite visits”

Minister Hwang Ki-Choul of the MPVA said, “We will do our best to honor and support the soldiers who found their relatives as soon as possible through expeditious examination of registration of Persons of

Distinguished Service to the State and their burial at the National Cemetery.

He also added, “As for soldiers whose relatives have not been identified, the MPVA will register and manage them according to the ex officio procedure under the Act on the Honorable Treatment of and Support for Persons of Distinguished Service to the State”

## **ACRC, “Social Enterprise that Voluntarily Reported Illicit Receipt of Subsidy and Returned the Total Amount should not Face Revocation of its Social Enterprise Certificate”**

*- The CAAC said that even with reasons for the revocation of social enterprise certificate, public interest gained and damaged interest to the persons involved should be weighed in the revocation decision -*

(April 20, 2022, ACRC)

A ruling has been out that even if a social enterprise is subject to revocation of its social enterprise certificate for a reason specified under the relevant Act, the certificate should not be revoked if the disadvantages to those involved far outweigh the public interest.

The Central Administrative Appeals Commission (CAAC) under the Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui) has ruled that it is illegal and unfair to revoke the social enterprise certificate of a social enterprise that voluntarily reported its illicit receipt of Employ Retention Subsidy (hereinafter the Subsidy) and returned the total amount to the competent labor office.

Company A, a social enterprise, set up to provide jobs for the disabled and other vulnerable people, had temporarily suspended its business according to the recommendation by the head of the local government as COVID 19 response.

The company payed its employees compensation for the suspension and received the Subsidy. During the shutdown period, however, the company

hired non-disabled workers and operated its business to supply promised products to public organizations.

Under the Employment Insurance Act, it is illegal for companies to receive the Subsidy after temporarily closed its business and hire new workers or operate its business during the shutdown period.

The social enterprise, upon learning that hiring new employees after receiving the Subsidy is illegal, reported the fact to the competent labor office and returned the subsidy in full. The head of the labor office, however, revoked the company's social enterprise certificate for reason of illegal receipt of the Subsidy.

The Social Enterprise Promotion Act stipulates that in case where a social enterprise obtains or tries to obtain financial support provided under the Act or other Acts by deceit or other fraudulent means, the certificate may be revoked.

The CAAC recognized the company's illicit receipt of the Subsidy. However, the CAAC concluded that considering the purpose of the Act, the decision on revocation of the social enterprise certificate should take into account the public interest to be gained verses the private interest to be infringed, as well as the illegality in the receipt of the subsidy

Moreover, judging from Company A's circumstances, it is hard to see that the company had an intension to illegally receive the Subsidy and got no benefit from the receipt. For this reason, the CAAC decided that the company's actions were not construed as an illegal act severe enough for its certificate to be revoked.

In addition, if the certificate is revoked the company may have to close its business, which will do harm to its workers who are disabled. This is against the purpose and the goal of the social enterprise certification system.

For these reasons, the CAAC has ruled that the revocation of social enterprise certificate of Company A was an excessive execution of discretionary power.

Ms. Min Sung-sim, Director General for Administrative Appeals Bureau of the ACRC said, “I hope that the CAAC’s ruling could expand support for the establishment and operation of social enterprises designed to help the vulnerable.”

