



# TABLE OF CONTENTS

---

<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>INTRODUCTION .....</b>	<b>5</b>
<b>FILTERING OF COMMITMENTS.....</b>	<b>6</b>
<b>COUNTRY CONTEXT .....</b>	<b>13</b>
<b>PROGRESS ON COMMITMENT IMPLEMENTATION .....</b>	<b>16</b>
<b>RECOMMENDATIONS .....</b>	<b>31</b>

# EXECUTIVE SUMMARY

---

## SUMMARY OF FINDINGS

<b>Total number of commitments made at the 18th IACC</b>	<b>14</b>
<b>Total number of commitments selected for monitoring</b>	<b>13</b>

<b>Current level of progress in commitment implementation</b>	
Number of fulfilled commitments	6
Number of partially fulfilled commitments	6
Number of commitments not fulfilled	1

## KEY CHALLENGES TO COMMITMENT IMPLEMENTATION

Some commitments pursued by the Anti-Corruption and Civil Rights Commission (ACRC) were blocked by the legislative processes of the National Assembly. The National Assembly's legislation process is hindering anti-corruption legislation, making it difficult to gather social energy to implement anti-corruption policies.

For the most part, the commitments pursued by the government and the ACRC require cooperation with various government departments, but the ACRC is not able to oversee government anti-corruption policies effectively. Therefore, comprehensive implementation of government anti-corruption policies faces challenges.

There are not enough policies included in the commitments to increase transparency and integrity in the private sector. Furthermore, the government does not have enough will or methodology to pursue the commitments related to private sector.

## KEY OPPORTUNITIES TO ACCELERATE COMMITMENT IMPLEMENTATION

There are favourable social circumstances to promote anti-corruption policies, as the 2016 South Korean candlelight rallies and impeachment of President Park Geun-hye have led to an increase in general anti-corruption sentiment.

The president and other figures in power have stated their will for anti-corruption measures and for the ACRC and the government to pursue the commitments.

Citizens' awareness of anti-corruption and fairness has greatly increased in recent years, and that creates favourable conditions for the government to pursue its anti-corruption commitments.

As citizens become more aware of corruption issues and their understanding of it includes issues of fairness, the government can promote broader anti-corruption policies, such as eliminating employment irregularities.

There is increasing pressure from the market and society to alleviate corruption in the private sector.

## KEY RECOMMENDATIONS

To eliminate elite class corruption, in particular corruption through cronyism, the Act on the Prevention of Conflict of Interest needs to be legislated quickly, and protection of whistleblowers needs to be promoted further.

Consequentially, there needs to be a proactive government-wide solution to eliminate corruption in the private sector. The commitments related to the private sector have not been fulfilled properly and is something for which the government needs to be criticised.

An anti-corruption culture is crucial to eliminate corruption and enhance the integrity of society. However, establishing such a culture requires a lot of time and continuous efforts by all stakeholders. Therefore, the government, together with the private sector, needs to make a sustained effort to expand society's overall anti-corruption culture, with particular emphasis on its promotion in schools. The integrity education included in the commitments should be an important policy.

Cooperation between government and civil society is needed to pursue important international activities, so that active international cooperation, such as hosting the IACC, becomes more effective and that international cooperation leads to a widespread expansion of anti-corruption sentiment domestically.

To effectively promote the government's comprehensive anti-corruption policies, the ACRC's role needs to be further strengthened.

International commitments made at the IACC in 2018 mainly include policies pursued by the ACRC, and therefore are insufficient to include the government's comprehensive anti-corruption policies. Future commitments need to encompass the government's anti-corruption policies.

# INTRODUCTION

---

The 18th IACC in Copenhagen featured a series of high-level meetings among countries in the Organisation for Economic Co-operation and Development (OECD) and non-OECD countries as well as international and regional organisations. As part of these meetings, participants made a set of statements on the steps that each intends to take to make progress in the field of anti-corruption, based on existing commitments, such as Open Government Partnership (OGP) action plans, UK summit, United Nations Convention against Corruption (UNCAC), OECD instruments, Sustainable Development Goals (SDGs), etc.<sup>1</sup> Participants at the high-level meetings agreed to establish a follow-up mechanism engaging all stakeholders (including governments, international and regional organisations, companies and civil society) in monitoring the implementation of these commitments.

The aims of the follow-up mechanisms are to:

- assess the level of progress towards the implementation of the commitments
- provide further analysis on, and complement, other reporting mechanisms
- focus on the qualitative nature of the commitments rather than quantitative scoring or ranking
- provide insights into what has and has not worked and why
- provide insights into the opportunities and challenges for implementation as a basis for understanding where technical support should be targeted

This report aims to capture the context and conditions under which the commitments are being implemented as well as recording progress in the implementation of the commitments. It provides further analysis on, and complements, other reporting mechanisms, rather than duplicate them.

This report also aims to reveal the context and circumstances under which the commitments are being implemented as well as recording progress on their delivery. Furthermore, this report serves as a means by which all stakeholders can track the progress to fulfil the commitments. Recommendations to the Korean government can be also formulated based on this assessment report.

This report presents the results of the first round of monitoring for Republic of Korea.

The report contains the following sections:

1. Filtering of commitments: presents the results of selecting Korea's commitments based on an assessment of their level of specificity and measurability, and hence the feasibility of monitoring each one of them.
2. Analysis of the Korean context: presents a brief analysis of the extent to which the commitments overall are considered pertinent to the country context.
3. Progress in implementing the commitment: presents the level of progress of the commitments selected for monitoring as well as the challenges and opportunities for implementation.
4. Recommendations: presents the key recommendations to accelerate the implementation of commitments.

---

<sup>1</sup> 18th IACC high level segment commitments, <https://iaccseries.org/18th-iacc/18th-iacc-high-level-segment-commitments/>

# FILTERING OF COMMITMENTS

---

In total, the Republic of Korea presented 14 commitments at the 18th IACC in 2018. Of these, 13 are deemed feasible to monitor based on their level of specificity and measurability, as presented below.

**COMMITMENT 1: “We, for the purpose of discussion on government-wide anti-corruption policy implementation and improvement on laws and regulations, commit to operate Anti-Corruption Policy Council which is chaired by the President and consists of major anti-corruption related authorities such as Anti-Corruption and Civil Rights Commission (ACRC), Korea Fair Trade Commission, Ministry of Justice, and National Tax Service.”**

IS THE COMMITMENT SPECIFIC?

NO

This commitment is about operating an Anti-Corruption Policy Council. This commitment was started in 2017, so it is not new. The composition and roles of Anti-Corruption Policy Council have not changed much since December 2018.

IS THE COMMITMENT MEASURABLE?

NO

This commitment is not measurable since it does not cover specific or concrete plans for the Anti-Corruption Policy Council that can be tracked.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING?

NO

**COMMITMENT 2: “We commit to put forth anti-corruption policies that people relate to their life by operating Public-Private Partnership Council for Transparent Society which enables people from every walk of life to take part in the overall process of formulation, execution, and evaluation of government policies.”**

IS THE COMMITMENT SPECIFIC?

YES

The commitment is about operating the Public Private Partnership Council for Transparent Society and promoting anti-corruption policies open to public participation.

IS THE COMMITMENT MEASURABLE?

YES

This commitment is measurable since we can check whether the Public Private Partnership Council for Transparent Society is operating and whether it has policies that enable people from every walk of life to take part in the overall process of formulation, execution and evaluation of government policies.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 3: “We commit to re-organize the Anti-Corruption and Civil Rights Commission (ACRC) into an agency with a stronger focus on anti-corruption and integrity functions.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to reorganise the Anti-Corruption and Civil Rights Commission by focusing on integrity policies and the prevention of corruption.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure the reorganisation efforts and achievements of the ACRC and whether they have a stronger focus when it comes to anti-corruption and integrity functions

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 4: “We, with an aim to prevent budget waste caused by illicit claims for public fund, commit to enact the Act on the Prevention of False Claims of Public Funds and improve other related laws and regulations, as well as strengthening monitoring and inspection on the possibility of public fund leakage from such as illicit receipt of government subsidies.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific, as it aims to reorganise laws and policies, such as legislating the Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits, and to reinforce the inspection and monitoring of public fund leakages.

IS THE COMMITMENT MEASURABLE? **YES**

The reorganisation of these policies is measurable. The reinforcement of inspection and monitoring of public fund leakages is also measurable by inspecting related government policies and their implementation.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 5: “We commit to improve relevant laws and regulations to strengthen the system to prevent conflict of interests of public officials and to enable public officials to reject their superiors’ illegal instructions.”**

IS THE COMMITMENT SPECIFIC? **YES**



This commitment is specific as it focuses on improving laws and regulations in conflicts of interest.

IS THE COMMITMENT MEASURABLE? YES

This commitment can be measured by checking whether the system to prevent conflicts of interests by public officials has been implemented and whether the ability of public officials to reject their superiors' illegal instructions has been improved and strengthened.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? YES

**COMMITMENT 6: “We commit to end employment irregularities in public organizations, which have been frequently cited as a corruption-prone area, by building government-wide cooperation system to exclude those involved in irregularities from the work concerned, to provide grounds for removing them from their post, and to strengthen management of employment-related information.”**

IS THE COMMITMENT SPECIFIC? YES

This commitment is specific. It aims to end employment irregularities in public organisations through the government building a cooperative system and creating policies to eliminate employment corruption in public institutions that are considered prone to corruption.

IS THE COMMITMENT MEASURABLE? YES

We can measure the level of efforts to create these policies.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? YES

**COMMITMENT 7: “We, for the purpose of preventing business-politic collusion which has been frequently cited as a main cause of various disasters and accidents, commit to prohibit awarding an unfair contract to a retired public official’s organization and to strengthen management and supervision on industries with high entry barrier such as port and shipping.”**

IS THE COMMITMENT SPECIFIC? YES

This commitment is specific as it aims to prevent public-private collusion and commits to prohibiting the awarding of unfair contracts to a retired public official’s organisation and to strengthen management and supervision of industries with a high entry barrier, such as ports and shipping.

IS THE COMMITMENT MEASURABLE? YES



This commitment is measurable as we can check the government's legislation and administrative actions towards preventing public-private collusion and prohibiting the awarding of unfair contracts to former public officials.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 8: “We commit to promote awarding outside board directors, compliance officers, and compliance assistants with authorities to supervise and control corporate compliance management and commit to expand public disclosure of important business management risk information.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment aims to develop a corporate compliance system, such as an external board directors, compliance officers and compliance assistants to ensure monitoring and control functions, and pursue the increased disclosure of important business risks.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure the introduction of related policies or administrative measures that improve corporate compliance through the appointment of an external board of directors, compliance officers and compliance assistants with the authority to supervise and control compliance.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 9: “We commit to enhance integrity in the private sector by guaranteeing outside auditors’ independence for stronger business accounting transparency and by taking business accounting compliance data into account in the selection of subjects of government regular tax audit.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to enhance integrity in the private sector and to increase business accounting transparency. It aims to strengthen the independence of external auditors, and to enhance integrity in the private sector by taking accounting transparency data into account during the selection of regular tax investigation targets.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure whether the relevant instruments and efforts to enhance integrity in the private sector were adopted, such as guaranteeing external auditors’ independence for stronger business accounting transparency and by taking business accounting compliance data into account in the selection of subjects for regular government tax audits.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 10: “We commit to pursue assessing private sector integrity level by systemically diagnosing integrity level and corruption-causing factors in the private sector to support the private sector with their voluntary integrity efforts.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to develop a model for measuring the integrity of the private sector by systemically diagnosing the integrity level and corruption-causing factors in the private sector.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure whether a model for systemically diagnosing the integrity level and corruption-causing factors in the private sector has been developed.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 11: “We commit to impose stronger crackdown and punishment on five major acts of corruption (bribery, influence-peddling, improper solicitation, embezzlement, and breach of trust) and proactively recover proceeds of such crimes. We also commit to apply zero-tolerance to public officials committing corruption.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to reinforce the crackdown and punishment for the five major crimes conducted by public officials, including bribery, embezzlement and breach of trust, and to reinforce the recovery of illicit profits.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure whether specific efforts have been introduced to strengthen the punishment of crimes by public official and whether there is zero-tolerance to public officials committing corruption.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 12: “We commit to promote whistleblowing on public interest violation by enhancing protection for whistleblowers with a system to allow them to have their cases reported by an attorney, by guaranteeing the recovery of their tarnished reputation, and by fostering positive image on whistleblowing.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to strengthen the protection of public interest whistleblowers by introducing a vicarious reporting system through attorneys. Also, its goal is to introduce measures to maintain the reputation of public interest whistleblowers.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure whether the reporting system and the reinforcement of protective measures for public interest whistleblowers has been introduced and whether it has a system to have their cases reported by an attorney, guaranteeing the recovery of their tarnished reputation and by fostering a positive image of whistleblowing.

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 13: “We commit to internalize integrity awareness of the future generation by strengthening lifecycle integrity education for not only public officials but also citizens of all walks of life, such as children, secondary, primary and college students, and would-be public officials.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to strengthen integrity education and awareness among students at primary and secondary schools and college students.

IS THE COMMITMENT MEASURABLE? **YES**

We can measure whether integrity programmes for each education cycle have been introduced. .

HAS THE COMMITMENT BEEN SELECTED FOR MONITORING? **YES**

**COMMITMENT 14: “We commit to expand anti-corruption cooperation with the global community by fully implementing global anti-corruption compacts through inter-government agency cooperation and by pushing forward with hosting the International Anti-Corruption Conference in 2020.”**

IS THE COMMITMENT SPECIFIC? **YES**

This commitment is specific as it aims to expand anti-corruption cooperation with the global community by fully implementing global anti-corruption compacts through inter-government agency cooperation and specifically by hosting the International Anti-Corruption Conference in 2020.

IS THE COMMITMENT  
MEASURABLE?

**YES**

We can measure whether global anti-corruption compacts through inter-government agency cooperation have been implemented and whether the International Anti-Corruption Conference in 2020 took place.

HAS THE COMMITMENT  
BEEN SELECTED FOR  
MONITORING?

**YES**

# COUNTRY CONTEXT

---

In 2016, South Korea's President Park Geun-hye was impeached and removed from office following revelations of massive corruption in her government. Following impeachment, President Park and several senior officials in her administration were arrested, tried and convicted for a variety of offences, including bribery, abuse of power and coercion. The new president, Moon Jae-in, was elected into office in May 2017 with a pledge to clean up the mess by instituting strong anti-corruption reforms.<sup>2</sup> The Anti-Corruption Policy Council, which had been stopped by the previous regime, has restarted its activity under the President Moon Jae's regime.

According to the 2015-2017 Transparency International Global Corruption Barometer (GCB), 50 per cent of Koreans said that corruption had increased in this period. In 2016, according to the Corruption Perception Index (CPI),<sup>3</sup> South Korea obtained a score of 53 out of 100 and ranked 52 out of 176 countries. In 2019, South Korea improved its CPI score to 59 and ranked 39 out of 180 countries. This positive trend is also confirmed by the 2019 Index of Public Integrity, where South Korea ranks 20 out of 117 countries.<sup>4</sup> While we can see some improvement in recent years, Korea ranks relatively low compared with other OECD countries.

According to the 2015-2017 GCB results, the areas most prone to corruption in Korea were shown to be political circles, including the National Assembly and local assembly members. According to the survey conducted by Korea Institute of Public Administration in 2019, 69.45 per cent said that politicians were the most corrupt, and a survey conducted by Transparency International-Korea in 2018 yielded the same results. According to the OECD, corruption in lower levels of society, such as low-ranking public officials, has been largely solved; but corruption in the legislature, corporate directors and the judiciary is worse than the OECD average.

In the Bertelsmann Stiftung's Transformation Index (BTI) and their Sustainable Governance Indicators (SGI) 2019, South Korea falls into the upper-middle ranks, coming in 15 for its economic policy that focuses on labour-market transformation, but still falls into the lower-middle ranks at 28 in the quality of democracy, although it was stated that "the new government is taking a far more open approach than its predecessors".<sup>5</sup> According to the BTI 2020, Korea ranked 11 out of 137 on political transformation, 8 out of 137 on economic transformation, and 14 out of 137 on governance index.<sup>6</sup>

During the 2016-2017 candlelight protests, Korea made some positive changes, and the Moon Jae-in administration introduced anti-corruption policies that have improved government policy evaluation. After the candlelight rallies and President Moon's inauguration, there was a major change in the evaluation of government anti-corruption policies. However, conflict and

---

<sup>2</sup> Jaylia Yan, *South Korea's Moment for Chaebol Reform is Now*, 16 November 2020.

<https://globalanticorruptionblog.com/2020/11/16/south-koreas-moment-for-chaebol-reform-is-now/>

<sup>3</sup> Transparency International, *Corruption Perceptions Index 2019*, 2019,

<https://www.transparency.org/en/cpi/2019/results>

<sup>4</sup> Index of Public Integrity homepage, <https://integrity-index.org/>

<sup>5</sup> BTI, *Korea's Anti-Corruption Efforts an Inspiration for Other Countries*, 9 December 2019,

<https://blog.bti-project.org/2019/12/19/koreas-anti-corruption-efforts-an-inspiration-for-other-countries/>

<sup>6</sup> BTI, *South Korea Country Report 2020*, 2020,

<https://www.bti-project.org/en/reports/country-report-KOR.html#pos0>

confusion have arisen surrounding these policies, such as the reform of anti-corruption institutions, and the fairness controversy related to high-ranking officials has proved to be an important social issue.

The Anti-Corruption Policy Council is chaired by the president and all major anti-corruption related authorities, such as the Anti-Corruption and Civil Rights Commission (ACRC), Korea Fair Trade Commission, Financial Services Commission, Ministry of Justice and National Tax Service, participate in it. However, the Anti-Corruption Policy Council operates as a conference system, and therefore does not have the executive force to promote a comprehensive anti-corruption policy. A total of 17 people, including the president, ministers, committee chairpersons and directors have participated in five meetings from 2017 to November 2019. The chairman of the board of audit and inspection and the head of the national intelligence service, as well as many institutions overseeing policies related to corruption, are among those who have attended. The council has dealt with themes such as “Korea without Corruption”, “Transparent Korea with the People”, “A Fair Society without Foul Play or Privilege”, “A Society without Privileges, a Fair Korea”, “Fair Korea, Anti-Corruption Reform without End” and will continue to hold regular meetings.

Progress has been made in anti-corruption governance as organisations such as the ACRC (chaired by the president) and the public-private anti-corruption committee – Public Private Partnership Council for Transparent Society – have been created and are operating. ACRC has the following four functions:

- address civil complaints
- build a clean society by preventing and deterring corruption in the public sector
- protect people’s rights from illegal and unfair administrative practices through the administrative appeals system
- make recommendations on the improvement of unreasonable laws or systems which may lead to civil complaints or a corruption-prone environment <sup>7</sup>

In April 2018, ACRC announced the five-year comprehensive anti-corruption plan at the second Anti-Corruption Policy Consultative Council meeting, chaired by President Moon Jae-in. The plan includes 50 tasks in four strategic areas, covering anti-corruption measures in both public and private sectors. The four strategic areas are collective anti-corruption efforts, a clean public sector, transparent business environment and putting integrity into action.<sup>8</sup>

The judiciary is generally able to check the power of the executive, and the constitutional court in particular has earned a reputation for its independence. For example, after Park was jailed in 2017, her predecessor Lee Myung-bak was sentenced to 15 years in prison for corruption in October 2018.<sup>9</sup>

New provisions were added to the code of conduct of public officials to prevent conflicts of interest. In late December 2019, the National Assembly passed a bill to set up a special anti-corruption

---

<sup>7</sup> Anti-Corruption & Civil Rights Commission functions,

<https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchList&menuId=020111>

<sup>8</sup> Clean Portal, *Moon Jae-in Administration Announced Five Year Comprehensive Anti-Corruption Plan*, 19 April 2018, <https://www.clean.go.kr/eng/selectEngNttView.do?bbsId=10&btxNo=569&ctgrNo=222>

<sup>9</sup> BTI, *South Korea Country Report 2020, 2020*, <https://www.bti-project.org/en/reports/country-report-KOR.html#pos0>

investigation unit tasked with investigating wrongdoing by high-ranking government officials, which includes senior prosecutors, judges and police officers.<sup>10</sup>

South Koreans are very aware of their achievement in creating one of the few genuinely democratic and stable nation-states in East Asia. Political and civil rights are generally respected, although there is still considerable room for improvement. The national security law, from the period of military dictatorships, remains in place. Limitations on the freedoms of association and assembly continue to exist, along with some internet censorship and government interference with the press.<sup>11</sup>

Many reforms have been made since 2017; however, many have had a mixed reception. For example, President Moon's proposed anti-corruption agency, although authorised by parliament in December 2019, has yet to be established, and has been roundly criticised for its potential to be used to suppress political opponents. And President Moon's attempt to exert a more centralised control over prosecutors was derided by critics as a retaliatory measure against prosecutors investigating government corruption. But perhaps the greatest disappointment of the Moon administration's approach to anti-corruption is its reluctance to target the root of the country's most serious corruption problem: the unchecked power of the chaebols.<sup>12</sup> Though President Moon announced chaebol reform as a platform priority, his actions since his election have borne little fruit.<sup>13</sup>

---

<sup>10</sup> OECD, *OECD Economic Surveys*, 2020, <https://www.oecd.org/economy/surveys/korea-2020-OECD-economic-survey-overview.pdf#page=40&zoom=100,82,121>

<sup>11</sup> BTI, *South Korea Country Report 2020*, 2020, <https://www.bti-project.org/en/reports/country-report-KOR.html#pos0>

<sup>12</sup> Chaebols are massive, dynastically controlled business conglomerates.

<sup>13</sup> The Global Anticorruption Blog, *South Korea's Moment for Chaebol Reform is Now*, 16 November 2020, <https://globalanticorruptionblog.com/2020/11/16/south-koreas-moment-for-chaebol-reform-is-now/>



# PROGRESS ON COMMITMENT IMPLEMENTATION

**COMMITMENT NAME:** “We commit to put forth anti-corruption policies that people relate to their life by operating Public-Private Partnership Council for Transparent Society which enables people from every walk of life including the public sector, economic circle, professional association, and civil society organizations to take part in the overall process of formulation, execution, and evaluation of government policies.”

**THEMATIC AREA:** legislative and institutional framework

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** OGP Action plan; national anti-corruption plan

## Current level of progress in commitment implementation

Fulfilled

X

Partially fulfilled

Not fulfilled

In March 2018, under the 710th order of the prime minister, Public-Private Partnership Council for Transparent Society was launched.<sup>14</sup> Thirty leaders from economics, civil society, media, professional associations, the public sector and academia participate in the council.<sup>15</sup> Other public-private partnership councils for transparent society were formed and operated by 16 local governments. The Public-Private Partnership Council for Transparent Society has held nine conference meetings in two years, held eight practical affair meetings, and the six affiliated professional sub-committees have held a total of 100 conferences. The Public-Private Partnership Council has proposed policies such as the appointment of external auditors for public interest corporations, better regulation of special activity expenses, increased transparency for local assembly members, reinforcement of protection for public interest whistleblowers, improvement of fairness and transparency in apartment pre-sales, and strengthening fairness in hiring private school employees. The Transparent Society Agreement was also promoted.

As of 2020, the central Public-Private Partnership Council for Transparent Society, the local government Public-Private Partnership Council, and the public-private partnership councils for each sector (such as public institutions and national defence) are operating.<sup>16</sup>

<sup>14</sup> Anti-Corruption and Civil Rights Commission, Korea Launched Private-Public Consultative Council for Transparent Society, 6 March, 2018

<https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=0205&conflD=62&conConfId=62&conTabId=0&currPageNo=1&boardNum=69403>

<sup>15</sup> Anti-Corruption and Civil Rights Commission, *Promoting Public-Private Partnership*, 2020

<https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchList&menuId=02031605>

<sup>16</sup> Gyeonggi Province <https://sccc2104.tistory.com/1099>

Daejeon <https://www.daejeon.go.kr/drh/drhStoryDaejeonView.do?menuSeq=1479&ntatcSeq=1230981935>  
Busan <https://www.nocutnews.co.kr/news/5163453>

## Opportunities to accelerate commitment implementation

The Public-Private Partnership Council for Transparent Society is creating policies open to public participation through a civilian-oriented policy establishment process in which people from all walks of life participate, discover and debate anti-corruption agendas and create policies. Therefore, the Public-Private Partnership Council for Transparent Society has a meaningful role in the formation and spread of an anti-corruption culture, which is the most important task in creating a transparent society.

With some effort from the government and participants, the Public-Private Partnership Council for Transparent Society could be used for civilian participation in establishing policies and as a forum for reaching social consensus. In particular, the anti-corruption policy process in which the public participates needs to be exported to other national sectors and countries.

## Recommendations

Recognise the importance of public-private cooperation and expand public participation to create social empathy for anti-corruption policies.

Recognise the importance of anti-corruption activism through public-private cooperation, and establish the direction of activities and projects pertaining to local governments' public-private partnership council.

**COMMITMENT NAME:** “We commit to re-organise the ACRC into an agency with a stronger focus on anti-corruption and integrity functions to satisfy the public call for anti-corruption reform and to fully perform anti-corruption control tower of Korea.”

**THEMATIC AREA:** legislative and institutional framework

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed

Partially completed

X

Not started/dropped

The Korean Anti-Corruption and Civil Rights Commission (ACRC) was launched on February 29, 2008 by merging three related government entities: the Ombudsman of Korea, the Korea Independent Commission Against Corruption and the Administrative Appeals Commission.<sup>17</sup> To re-organise the ACRC into an agency with a stronger focus on anti-corruption and integrity policies, the ACRC submitted a bill to change its name to the National Integrity Committee to ensure that it

<sup>17</sup> ACRC, *Background*, <https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchList&menuId=020110>

oversees anti-corruption and integrity policies, and also to separate the less relevant function of a central administrative appeal committee.<sup>18</sup>

To make this amendment into law, five discussions between the ruling party, the government and the Blue House (the president's residence) were held. The bill was chosen and managed as a main bill, and the ACRC repeatedly explained the importance for it to be passed to National Assembly members. Despite such efforts, the bill did not pass congress and was automatically abolished with the expiration of the 20th National Congress, but was submitted again to the 21st National Congress.<sup>19</sup>

## Challenges to effective commitment implementation

The ACRC submitted a bill to the National Assembly, re-organising itself to focus on anti-corruption policy and clarifying its character as a general organisation for anti-corruption and integrity. However, the ACRC has faced legislative trouble since the bill was not passed in congress and was automatically abolished because of the National Assembly's expiration. The ACRC is making efforts to fulfil the commitment but is being hindered by the National Assembly's legislation process.

## Recommendations

Amend the law on ACRC to strengthen its mandate, so that it can oversee anti-corruption and integrity policies

**COMMITMENT NAME:** "We, with an aim to prevent budget waste caused by illicit claims for public fund, commit to enact the Act on the Prevention of False Claims of Public Funds and improve other related laws and regulations, as well as strengthening monitoring and inspection on the possibility of public fund leakage from such as illicit receipt of government subsidies."

**THEMATIC AREA:** public integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed

X

Partially completed

Not started/dropped

<sup>18</sup> ACRC, 30 January 2018,

<http://www.acrc.go.kr/acrc/board.do?command=searchDetailTotal&method=searchDetailViewInc&menuId=05050102&boardNum=68382>

<sup>19</sup> Lawtimes, 20 August, 2020 <https://www.lawtimes.co.kr/Legal-News/Legal-News-View?serial=162710&kind=AF01>

As the standard for the fair use of public funds, the Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profit went into effect on 1 January 2020.<sup>20</sup> It provides for the recovery of the illegitimate profits derived from false claims for public subsidies and grants estimated at about 214 trillion South Korean won, and the imposition of additional monetary sanctions up to five times the amount illegitimately obtained.

Specific matters provided for under the decree are as follows<sup>21</sup>:

- Besides government subsidies, compensation and contributions as specified in the Public Finance Recovery Act, the types of public funds subject to the act include compensatory grants, support funds, relief money, pension benefits, payments made for contracting-out government services, social security benefits and money or goods of a similar nature.
- Those who falsely or excessively claim and improperly use public funds for other purposes than the indicated shall be charged with additional monetary sanctions.
- After a deliberative committee's consideration, details of the person making a false claim for a large amount of public subsidies and grants will be disclosed on the website of the responsible administrative authority for one year. The details include the name, age, address, company name, the value of illicit profits and specific statements of imposition of additional monetary sanctions.
- Where a reporter of public subsidy fraud cases receives disadvantageous measures against their social position, and those discriminatory measures have a negative effect on the working conditions for the reporting of fraud, or where a reporter and their relatives are likely to suffer harm to their lives or bodies due to reporting, they may request the commission to take measures for a guarantee of their status and personal protection.

The ACRC is carrying out education and awareness raising for the recipients of public funds, public officials and the general public, and is developing a system for predicting signs of the receipt of illicit funds. In addition, the ACRC is working on discovering and improving related laws with lower punishment levels than this act. In March 2020, an advisory group was established composed of 17 experts from various fields, including seven lawyers, seven law professors, one financial expert and two ministry officials.<sup>22</sup>

**COMMITMENT NAME:** “We commit to improve relevant laws and regulations to strengthen the system to prevent conflict of interests of public officials and to enable public officials to reject their superiors’ illegal instructions.”

**THEMATIC AREA:** public integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

### Current level of progress in commitment implementation

Completed

<sup>20</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&boardNum=80761>

<sup>21</sup> Ibid.

<sup>22</sup> ACRC, ‘공공재정환수법 해석 자문단’ 출범, 2020

## Not started/dropped

In January 2018, the ACRC amended the code of conduct for public officials, a presidential decree, to pre-emptively introduce and implement provisions to prevent conflicts of interests in the activities of public officials in the executive branch. In January 2020, the bill for prevention of public officials' conflict of interest was created and submitted to the National Assembly.<sup>23</sup> It sets forth specific codes of conduct that public officials should abide by in conflicts of interest situations when performing public duties. The bill was initially a part of the government bill for the enactment of the Improper Solicitation and Graft Act, but it was scuttled during the deliberation process at the National Assembly.<sup>24</sup> The bill was not processed during the 20th National Assembly, and in June 2020, it was resubmitted to the 21st National Assembly.<sup>25</sup> The newly submitted bill includes eight specific standards of behaviour that public officials should comply with to improve fairness in the process of performance of official duties. More specifically, public officials who perform duties, such as licensing, interrogation, inspection, budgeting, funding, investigation, conducting trials, auditing or involved with employment and promotion, should disclose the fact that they have private interests with a related duty to the head of their agency within five days after discovering the fact and should request exclusion from performing the duty concerned. In addition, to prohibit illegitimate transactions between public officials and parties related to their duties – for example, where a public official is involved in money transactions, marketable securities and property – the official should disclose the issue to the head of their agency. Failure to report conflicts of interest can result in a penalty of up to KRW 20 million (US\$16,000). This bill particularly stipulates that much stricter preventive rules would apply to high-ranking officials and those in charge of duties especially vulnerable to corruption, including personnel management and contracting. The bill also includes a provision aimed at prohibiting public officials from conducting external activities that may impede the fair performance of their duties, such as advising to parties related to their duties for a quid pro quo, or using goods, vehicles, land and facilities of public agencies for private gain. While many efforts have been made to regulate conflict of interests for the public officials, the bill still did not pass the 21st National Assembly.

### Challenges to effective commitment implementation

The act on prevention of conflict of interest was submitted to the National Assembly, but the bill was abolished as the 20th National Assembly expired without reaching a resolution on the bill. The government resubmitted the bill, but the National Assembly failed to legislate it. Therefore, the ACRC submitted the bill again to the 21st National Assembly, which started in 2020. The National Assembly's discussion of the bill is an important challenge.

### Opportunities to accelerate commitment implementation

If the act on prevention of conflict of interests is legislated, it will be an important law towards alleviating corruption in the public sector and eliminating unfair practices.

<sup>23</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&boardNum=81977>

<sup>24</sup> Ibid.

<sup>25</sup> Ibid.

## Recommendations

Adopt the bill for prevention of public officials' conflict of interest.

**COMMITMENT NAME:** “We commit to end employment irregularities in public organizations, which have been frequently cited as a corruption-prone area, by building a government-wide cooperation system to exclude those involved in irregularities from the work concerned, to provide grounds for removing them from their post, and to strengthen management of employment-related information.”

**THEMATIC AREA:** public integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed

Partially completed

X

Not started/dropped

In November 2018, the employment irregularity task force for public institutions was launched in Korea.<sup>26</sup> It conducted a full-scale survey on the employment of all 1,453 public institutions.<sup>27</sup> In addition, a reception desk for employment irregularities was opened.<sup>28</sup> The full-scale survey revealed a total of 182 employment irregularities. Victims of employment corruption were relieved of their duties; 3,294 out of 3,313 employment corruption victims (as of December 2019) were re-employed or given another application opportunity. Plans to improve the prevention of employment irregularities, such as severe punishment for those involved and their close relatives, were announced.<sup>29</sup>

While these measures have been taken as part of the employment irregularity task force, continuous efforts need to be made to solve employment irregularity problems, which are widespread among public institutions. A social environment that tolerates such unfair practices can hinder anti-corruption efforts. In particular, a comprehensive solution is needed to alleviate the closed-off employment practice and the practice of requesting special consideration for job positions.

<sup>26</sup> YNA, 공공기관 채용비리 근절 추진단 출범...매년 전수조사, 2018, <https://www.yna.co.kr/view/AKR20181102062900001>

<sup>27</sup> ACRC, 1,453 개 공공기관 정규직 전환 등 채용 전반 정기 전수조사 실시, 2018,

<sup>28</sup> ACRC, 3 개월 간 '공공기관 채용비리' 집중신고 받는다, 2019,

<sup>29</sup> ACRC, 공공기관 채용실태 정기 전수조사 결과 및 개선대책 발표, 2019, <https://acrc.go.kr/acrc/board.do?command=searchDetail&method=searchDetailViewInc&menuId=05050102&boardNum=78661>

## Challenges to effective commitment implementation

Temporary policies are inadequate as employment irregularities tend to happen surreptitiously. A social environment that tolerates such unfair practices hinders transparent employment efforts.

## Opportunities to accelerate commitment implementation

Use the employment irregularity task force for public institutions and the reception desk for employment irregularities as well as the survey results to build a government-wide cooperation system to exclude those involved in irregularities from their work, provide grounds for removing them from their post and to strengthen management of employment-related information.

## Recommendations

Adopt continuous measures to solve the employment irregularity problems, which are widespread among public institutions.

Create a comprehensive solution to alleviate the closed-off employment practice and the practice of requesting special consideration for job positions.

**COMMITMENT NAME:** “We, for the purpose of preventing business-politic collusion which has been frequently cited as a main cause of various disasters and accidents, commit to prohibit awarding an unfair contract to a retired public official’s organization and to strengthen management and supervision on industries with high entry barrier such as port and shipping.”

**THEMATIC AREA:** public integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed

Partially completed

Not started/dropped

X

This commitment was announced by ACRC as part of the five-year comprehensive anti-corruption plan; however, no progress has been reported in publicly available sources on the implementation of this commitment so far.

## Opportunities to accelerate commitment implementation



The five-year comprehensive anti-corruption plan should be used to regulate collusion between businesses and politicians.

## Recommendations

Prohibit the awarding of unfair contracts to retired public officials' organisations and strengthen management and supervision of industries with high entry barrier, such as ports and shipping.

**COMMITMENT NAME:** “We commit to promote awarding outside board directors, compliance officers, and compliance assistants with authorities to supervise and control corporate compliance management and commit to expand public disclosure of important business management risk information.”

**THEMATIC AREA:** business Integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** not applicable

## Current level of progress in commitment implementation

Completed

Partially completed

x

Not started/dropped

According to the information provided by the ACRC, in June 2019 ACRC drafted the proposal to enhance the effectiveness of corporate compliance system and sent it to the relevant authority. Currently the system to promote compliance officers and assistants is being improved. For example, in January 2019, the Ministry of Justice amended the Standard compliance control guideline for listed companies. The Guidelines provide that: an internal reporting system for whistleblowing may be established, personal information about whistleblowers and details of related internal reports shall be kept confidential, extenuating circumstances shall be taken into consideration in cases where a whistleblower reports a tort or illegal act in which he or she has been involved, and no whistleblowers shall be subject to any disadvantages due to their whistleblowing.<sup>30</sup> In January 2020, the Ministry of Justice has amended the Enforcement Decree of Commercial Act, to extend the disqualification requirement of listed companies to strengthen independence of outside board directors (January 2020). It stipulates that the following persons cannot serve as outside directors of a listed company: (1) anyone who worked as an outside director of such company for more than six years; (2) anyone who worked as an outside director of the company or any of its affiliates for more than nine years in total.<sup>31</sup> In June 2020, the Ministry of Justice has also proposed an amendment to Act on Corporate Governance of Financial Companies to improve corporate governance regime.<sup>32</sup> In

<sup>30</sup> The Law Reviews, [The Corporate Governance Review – Edition 10, South Korea](#), May 2020

<sup>31</sup> The Law Reviews, [The Corporate Governance Review – Edition 10, South Korea](#), May 2020

<sup>32</sup> Kim & Chang, [The Ministry of Justice Amending the Korean Commercial Code to Reinforce Regulations on Corporate Governance](#), 18 June 2020

addition, Fair Trade Commission established a guideline to make public announcement of corporate governance mandatory.

### Opportunities to accelerate commitment implementation

#### Opportunities to accelerate commitment implementation

The five-year comprehensive anti-corruption plan should be used to promote a corporate compliance system.

#### Recommendations

Strengthen corporate compliance system, through the appointment of an external board of directors, compliance officers and compliance assistants to ensure they monitor and control compliance and pursue increased disclosure of business risks.

**COMMITMENT NAME:** “We commit to enhance integrity in the private sector by guaranteeing outside auditors’ independence for stronger business accounting transparency and by taking business accounting compliance data into account in the selection of subjects of government regular tax audit.”

**THEMATIC AREA:** business integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

#### Current level of progress in commitment implementation

Completed

Partially completed

x

Not started/dropped

This commitment was announced by ACRC as part of the five-year comprehensive anti-corruption plan. The recommendations to enhance the integrity of private sector, including strengthening the independence of outside auditors, have been implemented to a certain extent. For example, to strengthen independence of auditors the Act on External Audit of Stock Companies was amended in November 2018.<sup>33</sup> According to the information provided by the ACRC, in November 2019, the Securities and Futures Commission designated outside auditors for total 220 listed companies including Samsung Electronics.

#### Opportunities to accelerate commitment implementation

The five-year comprehensive anti-corruption plan should be used to enhance integrity in the private sector

<sup>33</sup> Kim & Chang, *Enforcement of Act on External Audit of Stock Companies, etc. and Amendments to Enforcement Decree and Rule Thereof*, 9 November 2018  
[https://www.kimchang.com/en/insights/detail.kc?sch\\_section=4&idx=18804](https://www.kimchang.com/en/insights/detail.kc?sch_section=4&idx=18804)

## Recommendations

Further enhance integrity in the private sector by guaranteeing external auditors' independence for stronger business accounting transparency

**COMMITMENT NAME:** “We commit to pursue assessing private sector integrity level by systemically diagnosing integrity level and corruption-causing factors in the private sector to support the private sector with their voluntary integrity efforts.”

**THEMATIC AREA:** business integrity

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed

x

Partially completed

Not started/dropped

In 2018, the ACRC developed a model to systemically diagnose the integrity level of the industrial sector, so that corporations can measure the integrity level of their own business management.<sup>34</sup> The ACRC uses this model to assist the private sector with their voluntary integrity efforts and to establish new policies. Private sector integrity level was assessed by Korean Institute of Criminology in 2019, by using the integrity assessment model developed by ACRC.<sup>35</sup> According to the ACRC the press release of the integrity index diagnosis and the result was published in June 2019. would need to be the result of a government-civil society cooperation.

## Challenges to effective commitment implementation

The ACRC developed a private sector integrity index to measure the private sector's integrity level and clarify the level of corruption in the private sector as well as to systemically diagnose causes of corruption and provide solutions. However, measuring the widespread corruption in the private sector and providing a single index was a challenging operation. Nevertheless, the model attempted by the ACRC achieved certain feats in developing an integrity index for each industry/corporation. Further research is needed to develop a corruption index for the private sector, like the CPI, for the public sector.

## Opportunities to accelerate commitment implementation

If the commitment leads to a corruption perception index for the private sector, which measures the private sector's corruption level along with CPI implemented in the public sector, the operation could have great meaning, but it would need to be the result of a government-civil society cooperation.

<sup>34</sup> ACRC, [Provision of the Diagnosis Model for Private Industries' Integrity Level](#), 2019

<sup>35</sup> ACRC, [Integrity Assessment of private sector to be conducted for the first time ever](#), June 2019

## Recommendations

Use the data to measure the integrity index of each industry/corporation frequently, and pursue efforts to develop a private sector integrity index.

**COMMITMENT NAME:** “We, with an aim to strengthen effectiveness of disciplinary measures against corrupt officials, commit to impose stronger crackdown and punishment on five major acts of corruption (bribery, influence-peddling, improper solicitation, embezzlement, and breach of trust) and proactively recover proceeds of such crimes. We also commit to apply zero-tolerance to public officials committing corruption.”

**THEMATIC AREA:** security and law enforcement

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed	X
Partially completed	
Not started/dropped	

In 2019, the Department of Justice prioritised five major acts of corruption: bribery, influence-peddling, improper solicitation, embezzlement and breach of trust. Since then, 709 people (including 54 public servants) were indicted and 179 people (including 20 public servants) were imprisoned.<sup>36</sup> In addition, the Public Finance Recovery Act, which came into force on 1 January 2020, aims to recover illegitimate profits derived from false claims for public funds (subsidies, compensation and contributions), which amount to an estimated KRW 214 trillion (about US\$180 billion or 11 per cent of annual GDP).<sup>37</sup>

**COMMITMENT NAME:** “We commit to promote whistleblowing on public interest violation by enhancing protection for whistleblowers with a system to allow them to have their cases reported by an attorney, by guaranteeing the recovery of their tarnished reputation, and by fostering positive image of whistleblowing.”

**THEMATIC AREA:** security and law enforcement

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** UK Anti-corruption summit; National Anti-corruption plan

<sup>36</sup> Ministry of Justice, Legal Yearbook, 2019, p. 232

<sup>37</sup> OECD, *OECD Economic Surveys*, 2020, <https://www.oecd.org/economy/surveys/korea-2020-OECD-economic-survey-overview.pdf#page=40&zoom=100,82,121>

## Current level of progress in commitment implementation

Completed

X

Partially completed

Not started/dropped

The Act on the Protection of Public Interest Whistleblowers came into force on 30 September 2011 and is designed to protect individuals who report violations of the public interest to certain prescribed bodies (for example, their employer) if they suffer “disadvantageous measures”.<sup>38</sup> On 18 October 2018, the ACRC amended the act to fundamentally prevent the leak of public interest whistleblowers’ personal information and has introduced the system of representative public interest reporting through counsel.<sup>39</sup> In May 2019, the ACRC signed a memorandum of understanding (MoU) with the Korean Bar Association for the facilitation of representative reporting through advisory attorneys, which sets out that there should be an advisory attorneys group and that the ACRC shall support those represented by attorneys with expenses incurred.<sup>40</sup> According to this MoU, it is expected that anonymous public interest disclosures through advisory attorneys will be facilitated better as the attorneys can submit public interest reports without revealing the whistleblowers’ real names.<sup>41</sup> To promote whistleblowing on public interest violation, the ACRC expanded the scope of public interest whistleblowing and reinforced punishment in cases where the identity of whistleblowers was revealed.<sup>42</sup> In addition, they subsidised medical care for public interest whistleblowers,<sup>43</sup> and implemented Whistleblower Day, by raising awareness and reinforcing their protection.<sup>44</sup> They also improved the social perception of whistleblowers and are taking measures to foster a positive image of whistleblowing.<sup>45</sup>

On 20 November 2020, the revised Public Interest Whistleblower Protection Act came into force, with 182 newly added laws including the Act on Special Cases Concerning the Punishment of Sexual Crimes and the Military Service Act that are critical and urgent to the

<sup>38</sup> ACRC, *Act on the Protection of Public Interest Whistleblowers*, 2017, <https://www.acrc.go.kr/en/data/2.0.Act%20on%20the%20Protection%20of%20Public%20Interest%20Whistleblowers.pdf>

<sup>39</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&confId=62&conConfId=62&conTabId=0&currPageNo=6&boardNum=79765>

<sup>40</sup> Clean Portal, 청렴포털은 투명하고 공정한 사회로 향하는 나침반이 되겠습니다, no date, <https://www.clean.go.kr/pbbn/pbbnRep.do?uprMenuId=0890&menuId=M0440&menuId=05020408>

<sup>41</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <https://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&confId=62&conConfId=62&conTabId=0&currPageNo=6&boardNum=79765>

<sup>42</sup> ACRC, *부패신고자에게 불이익 주면 3년 이하 징역 등 처벌 수위 높아져*, 2019

<sup>43</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019,

<http://acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&confId=62&conConfId=62&conTabId=0&currPageNo=6&boardNum=80510>

<sup>44</sup> Ibid.

<sup>45</sup> ACRC, *부패신고자에게 불이익 주면 3년 이하 징역 등 처벌 수위 높아져*, 2019

existing 284 laws, the violation of which is deemed as a conduct detrimental to the public interest.<sup>46</sup>

## Challenges to effective commitment implementation

The ACRC is making an effort to promote public interest whistleblowing, but some legislative changes need to pass through the National Assembly, which complicates the process.

## Opportunities to accelerate commitment implementation

Use the IACC in December 2020 in Korea to further promote public interest whistleblowing.

## Recommendations

Use the IACC in December 2020 in Korea to further promote public interest whistleblowing. To facilitate public interest whistleblowing, widen its scope and promote more proactive policies.

**COMMITMENT NAME:** “We commit to internalize integrity awareness of the future generation by strengthening life-cycle integrity education for not only public officials but also citizens of all walks of life, such as children, secondary, primary and college students, and would-be public officials.”

**THEMATIC AREA:** other

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** national anti-corruption plan

## Current level of progress in commitment implementation

Completed

Partially completed

X

Not started/dropped

ACRC developed integrity education material for students.<sup>47</sup> In 2019, the ACRC implemented a participatory programme for integrity experience targeting senior elementary and middle school students, such as building stories and debating integrity.<sup>48</sup> More than 1,200 students from 10 schools participated in the programme. For twelfth graders, the commission organised a camp to promote a culture of integrity, in which 1,395 students from eight schools participated. The camp was designed to teach the value of integrity while the students had an enjoyable experience. It consisted of a range of initiatives such as the golden bell quiz, history lectures, traditional

<sup>46</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <http://ethics.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&confId=62&conConfId=62&conTabId=0&currPageNo=1&boardNum=82972>

<sup>47</sup> ACRC, *White Paper on National Rights and Interests*, 2019, p. 154

<sup>48</sup> ACRC, *Korea Annual Report 2019*, 2019, <https://www.theioi.org/downloads/228f0/2019%20ACRC%20Annual%20Report.pdf>

performance shows and raps about integrity. In 2019, ACRC also established a course on anti-corruption and integrity aligned with the official curricula of colleges to help college students have better understanding of anti-corruption laws and systems, and raise their awareness of integrity issues. The anti-corruption and integrity course was taken by a total of 725 students at Pusan National University, Seoul National University and Chungbuk National University.<sup>49</sup>

The ACRC also implemented an integrity course for the general public. Consisting of an integrity concert, history lectures with the theme of integrity and a talk show on the Improper Solicitation and Graft Act, the course was given six times for a total of 1,180 citizens, including the citizen inspector general for South Chungcheong Province, members of the Association for Regional Prosperity in Taebaek City, and those who participated in local integrity festivals.

While some effort has been made to develop educational materials on integrity awareness, it is necessary to accelerate the development of integrity education for more citizens throughout the country. In particular, it is necessary to work with education authorities to strengthen youth education.

## Recommendations

Accelerate the development of integrity education content across the country.

Consult with education authorities to strengthen youth education on integrity awareness.

**COMMITMENT NAME:** “We commit to expand anti-corruption cooperation with the global community by fully implementing global anti-corruption compacts through inter-government agency cooperation and by pushing forward with hosting the International Anti-Corruption Conference in 2020.”

**THEMATIC AREA:** international cooperation and support

**COMMITMENT TIMEFRAME:** not stated

**COMMITMENT SOURCE:** UK anti-corruption summit; national anti-corruption plan

## Current level of progress in commitment implementation

Completed

X

Partially completed

Not started/dropped

The OECD Anti-Bribery Convention 4 phase evaluation report, which was published in December 2018, noted positive aspects of Korea’s anti-corruption framework, notably the revised act on Combating Bribery of Foreign Public Officials in international business transactions and the legal framework for whistleblower reporting protection.<sup>50</sup> Also, the report commended actively cooperating with foreign law enforcement authorities. However, according to OECD’s economic survey on Korea,

<sup>49</sup> Ibid.

<sup>50</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <http://acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&confId=62&conConfId=62&conTabId=0&currPageNo=9&boardNum=77242>



published in August 2020, Korea's OECD Anti-Bribery Convention enforcement record has declined between the 2011 and 2018 assessments. Coordination mechanisms between Korea's police and prosecutors' offices and reporting requirements of suspected bribery to relevant law enforcement agencies need to be clarified.<sup>51</sup>

Due to the COVID-19 pandemic the International Anti-Corruption Conference (IACC), originally planned for June 2020, will now take place between 30 November and 5 December 2020 and will be a virtual event.<sup>52</sup> It will be hosted by the government of Republic of Korea, represented by the ACRC and organised by the IACC Council and Transparency International, with the participation of TI Korea.<sup>53</sup>

## Challenges to effective commitment implementation

Due to COVID-19 pandemic the IACC has been postponed to December 2020 and will be a virtual event.

---

<sup>51</sup> OECD, *OECD Economic Surveys*, 2020, <https://www.oecd.org/economy/surveys/korea-2020-OECD-economic-survey-overview.pdf#page=40&zoom=100,82,121>

<sup>52</sup> ACRC, *Enforcement Decree of Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits*, 2019, <http://ethics.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020501&confId=62&conConfId=62&conTabId=0&currPageNo=1&boardNum=82959>

<sup>53</sup> IACC, *About the IACC Series*, no date, <https://iaccseries.org/about/>

# RECOMMENDATIONS

---

- Amend the law on ACRC to strengthen its mandate to oversee anti-corruption and integrity policies.
- Recognise the importance of public-private cooperation and expand public participation to create social empathy for anti-corruption policies.
- Recognise the importance of anti-corruption activism through public-private cooperation, and establish the direction of activities and projects pertaining to local governments' public-private partnership council.
- Adopt continuous measures to solve the employment irregularity problems, which are widespread among public institutions.
- Create a comprehensive solution to alleviate the closed-off employment practice and the practice of requesting special consideration for job positions.
- Prohibit the awarding of unfair contracts to retired public officials' organisations and strengthen management and supervision of industries with high entry barrier, such as ports and shipping.
- Strengthen corporate compliance system, through the appointment of an external board of directors, compliance officers and compliance assistants to ensure they monitor and control compliance and pursue increased disclosure of business risks.
- Further enhance integrity in the private sector by guaranteeing external auditors' independence for stronger business accounting transparency
- Use the data to measure the integrity index of each industry/corporation frequently, and pursue efforts to develop a private sector integrity index.
- Use the IACC in December 2020 in Korea to further promote public interest whistleblowing. To facilitate public interest whistleblowing, widen its scope and promote more proactive policies.
- Accelerate the development of integrity education content across the country.
- Consult with education authorities to strengthen youth education on integrity awareness.

Contact us!

[iaccmonitor@transparency.org](mailto:iaccmonitor@transparency.org)  
[www.iaccmonitor.org](http://www.iaccmonitor.org)

Engage

Follow us, share your views and help us shape the IACC  
agenda

[facebook.com/InternationalAntiCorruptionConference](https://www.facebook.com/InternationalAntiCorruptionConference)

[twitter.com/IACCseries](https://twitter.com/IACCseries)