

ACRC Korea Transparency Newsletter (Jun. 2023)

- ▷ **Globally Sharing Public Institution Comprehensive Integrity Assessment**
- ▷ **Holding a Meeting on “Integrity and Ethical Management for Business,” Inviting Experts from Legal and Business Circles**
- ▷ **Vulnerable Social Groups in the Welfare and Labor Sectors- Married Immigrants and Migrants Workers-Gathering Together**
- ▷ **Reports on Improper Solicitation Saw Great Reduction from 3,330 cases in 2018 to 369 cases in 2022**
- ▷ **Recruiting Trainees Among the Youth Leading the Republic of Korea that Upholds “Integrity”**

Globally Sharing Public Institution Comprehensive Integrity Assessment

- *Anti-corruption policies shared at the UNCAC meeting joined
by 189 State Parties*

(June 12th 2023, ACRC)

Korea's anti-corruption policies, including the Public Institution Comprehensive Integrity Assessment, were introduced to 189 State Parties during the United Nations Convention against Corruption (UNCAC) meeting held in Vienna, Austria, from June 12 to 16.

The Anti-Corruption and Civil Rights Commission (ACRC) shared Korea's anti-corruption policies and engaged in discussions on internationally pending issues relating to anti-corruption at the 14th UNCAC Implementation Review Group and the 14th Working Group on Prevention meeting.

UNCAC is an international convention, currently consisting of 189 State Parties, which aims to enhance the quality of life for global citizens by combating corruption that undermines democratic and ethical values and justice and jeopardizes sustainable development and the rule of law.

State Parties to the Convention and anti-corruption experts from international organizations have been participating in the annual meeting since 2010 to share their progress towards the implementation and consider technical assistance for implementation review procedure and effective implementation.

In May 2023, Korea's summary report on the second cycle review of the implementation of UNCAC was released on the United Nations Office on Drugs and Crime (UNODC) website.

At a recent meeting, ACRC gave a presentation on the Public Institution Comprehensive Integrity Assessment system. The Commission shared the Public Institution Comprehensive Integrity Assessment model, which has integrated existing assessment systems, along with the result of the 2022 Public Institution Comprehensive Integrity Assessment with the international community.

In addition, ACRC engaged in discussions on major agenda items, including best practices for efficiency assessment of anti-corruption policies and the relationship between corruption-preventive approach and law enforcement approach.

ACRC Assistant Chairperson of Planning and Coordination Office Lim Yoon-Ju said, "We will actively introduce and share Korea's outstanding anti-corruption policies, such as the Comprehensive Integrity Assessment system, at the UNCAC meeting where experts from 189 State Parties are gathered."

Holding a Meeting on “Integrity and Ethical Management for Business,” Inviting Experts from Legal and Business Circles

- ACRC “looks forward to the enhancement of business’ responsiveness to the strengthened ESG management and international anti-corruption standards” -

(June 21st, 2023, ACRC)

On June 21, the Anti-Corruption and Civil Rights Commission (ACRC) held a policy advisory council meeting, which is comprised of experts from legal and business circles, with the aim of enhancing the responsiveness of businesses to Environmental, Social, and Governance (ESG) management and international anti-corruption standards, such as Foreign Corrupt Practices Act.

The latest meeting was the third in a series, following the meetings held in June and December 2022, respectively, involving 20 participants*, including anti-corruption and ESG experts, experts from legal and business circles, and businesspeople, all of whom have participated in the development of the Integrity and Ethics Compliance Program (K-CP).

* **(Legal circle)** Commissioner from the Sentencing Commission, lawyer at Kim&Chang, etc. **(Economic organization)** the Korea Chamber of Commerce and Industry, the Federation of Korean Industries, Korean Enterprises Federation, Korea Federation of Small and Medium Business, etc. **(Business)** LG Electronics and CJ ENM **(Anti-corruption)** Transparency International-Korea, UNGC Network Korea, etc.

The recent policy advisory council meeting served as a platform to complement the checklist for voluntary compliance and compliance methods of the K-CP Guideline for Business, which is planned to be distributed in the future, by listening to a wide range of opinions from experts and businesspeople regarding the direction and major content of the Guideline.

K-CP Guideline for Business includes content that helps domestic companies to efficiently and voluntarily comply with regulations related to foreign anti-corruption and ESG. In particular, the checklist of the Guideline will enable anti-corruption regulations and guidelines of each diagnostic index to be easily understood.

The checklist has 6 categories*, including the diagnostic index of public disclosure and improper solicitation. It is expected that businesses comply with international anti-corruption guidelines voluntarily and actively by utilizing the checklist.

* CP governance, policy and procedure, high risk sector/management of third party, CP culture, monitoring and measures, reporting and archiving

ACRC has committed to ensuring that Korean companies actively respond to the strengthened international anti-corruption standards. With regard to this, the Commission conducts a trial operation of the K-CP, provides training, and releases monthly publications called “ACRC Integrity and Ethical Management Briefs.”

※ International ESG disclosure standards, such as the Corporate Sustainability Reporting Directive (CSRD) and the Sustainable Finance Disclosure Regulation (SFDR) of the European Union (EU), have been strengthened, and “anti-corruption” has become one of the four pillars of India-Pacific Economic Framework (IPEF), established in May 2022.

Furthermore, in June 2022, ACRC distributed the Integrity and Ethics Compliance Program Guideline for Public Sector, including state-owned companies, and has been supporting public institutions to voluntarily prevent and mitigate corruption risks in conjunction with the integrity efforts assessment index.

An ACRC insider said, “We anticipate that the K-CP Guideline for Business could ensure that Korean companies proactively respond to strengthened ESG management and international anti-corruption standards.”

Vulnerable Social Groups in the Welfare and Labor Sectors- Married Immigrants and Migrant Workers- Gathering Together

- ACRC provides an “Onsite Outreach Program” tailored for Asan-si

(June 28th 2023, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC) is visiting Asan today to organize a place where the Commission can meet with married immigrants, migrant workers, and local residents who are experiencing grievances in the welfare and labor sectors to listen to their difficulties and provide resolutions.

< Operating Schedule for Onsite Outreach Program Tailored to the Welfare and Labor Sectors >

Region	Asan, South Chungcheong Province
Time and Date	10:00 - 15:30 Wed. June 28
Place	Main Conference Room, 3 rd floor, Onyang 4-dong Administrative Welfare Center
For whom	Multicultural families, migrant workers, and residents experiencing grievances in the welfare and labor sector

The Onsite Outreach Program will, in particular, serve as a platform to provide counseling for the grievances experienced by vulnerable social groups, including foreign workers and multicultural families, and listen to their thoughts and opinions.

Migrant workers and married immigrants are institutionally marginalized groups, experiencing numerous grievances in the welfare and labor sectors, such as employment permission, health insurance, and emergency welfare support.

Accordingly, ACRC plans to establish a foundation for continued cooperation with local ombudsmen, organizations, and institutions in the region to address

grievances through onsite meetings while resolving grievances experienced by marginalized groups on the spot.

Asan-si established the Asan Multicultural Immigration Plus Center in September 2017, marking the first of its kind in Korea, and has been providing support to multicultural families, foreign workers, international students, and expatriates, offering a one-stop service for a range of government services necessary for their life in Korea.

The Asan Multicultural Immigration Plus Center houses the Immigration Office of the Ministry of Justice and the Foreigner Employment Management Team of the Ministry of Employment and Labor. In addition, Korean language education and interpretation and translation services are provided through the operation of the Asan Multicultural Family Support Center and the Asan Migrant Workers Center.

ACRC will explore the current state of grievance complaints among multicultural families and foreign workers and discuss cooperative measures for the resolution of the grievance complaints through an onsite meeting with people from the Asan Multicultural Immigration Plus Center.

ACRC Deputy Director General for General Complaints Deliberation LEE Sang-Don said, “We hope that today's Onsite Outreach Program serves as a platform for onsite communication with local residents and helps resolve grievances experienced by vulnerable social groups in the welfare and labor sectors, such as issues concerning multicultural families and migrant workers. ACRC is committed to visiting vulnerable social groups and regions in blind zones within the welfare and labor sectors to listen to their grievances and difficulties and address them.”

Reports on Improper Solicitation Saw Great Reduction from 3,330 cases in 2018 to 369 cases in 2022

- *Reports on violations of the Improper Solicitation and Graft Act amounted to 1,404 cases last year of which 416 people received sanctions including criminal punishment -*
 - *ACRC requested relevant agencies take corrective measures for multiple reported cases of violations identified as improperly handled -*
 - *ACRC released the result of an inspection of 2022 operational status of the Improper Solicitation and Graft Act -*

(June 29th 2023, ACRC)

ACRC revealed that 1,404 cases of reports on violations of the Improper Solicitation and Graft Act were received by public institutions of various levels, and 416 public officials faced sanctions including criminal punishment last year. In particular, violations of the Act reported last year amounted to 369 cases, a huge reduction compared to 3,330 cases reported in 2018.

The Anti-Corruption and Civil Rights Commission (ACRC) announced on 29th June the result of an inspection of 2022 operational status of the Improper Solicitation and Graft Act by public institutions. This inspection was conducted by the ACRC with a focus on the operational status of the Improper Solicitation and Graft Act by public institutions of various levels, including reports on violations received by public institutions up to last year since the first year of the implementation of the Act (28th Sep. 2016), contents of cases handled, and education/consulting services provided by public institutions.

Until the end of December last year since the Act came into force in 2016, public institutions of various levels have received a total of 13,524 cases of reports on violations. By type of violation, improper solicitation was the most

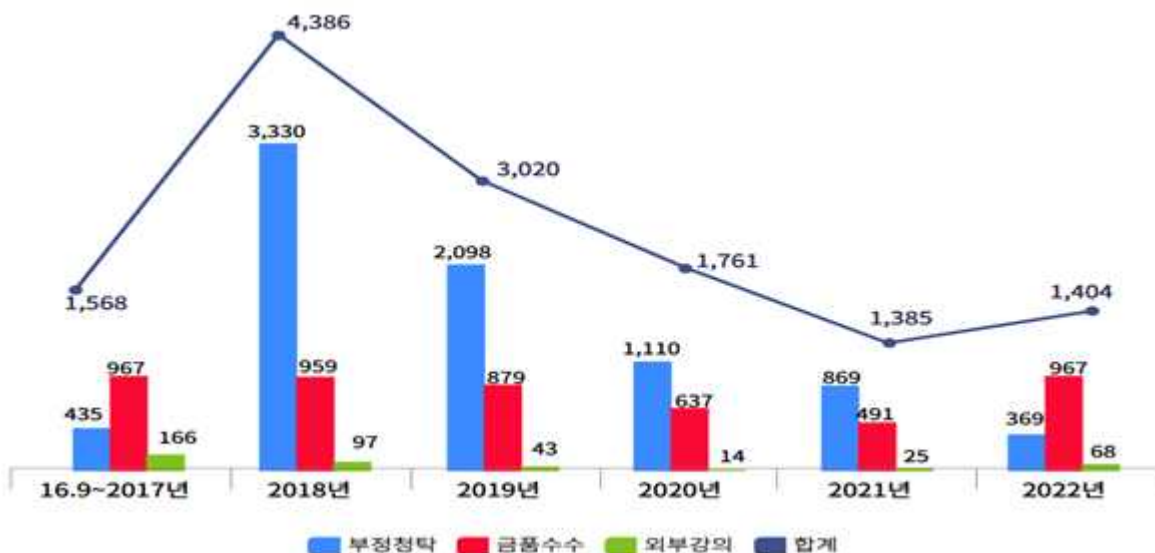
frequent with 8,211 cases reported (60.7%) followed by receipt of money, goods, etc. amounting to 4,900 cases (36.2%), and excessive honoraria for outside lectures, etc. with 413 cases reported (3.1%).

Looking at the trend of reports on violations by year, the number of reports increased to a great extent from 1,568 cases in 2017 to 4,386 cases in 2018, but since then, reports have been continuously decreased. However, there was a slight increase last year with 1,404 cases reported.

In the case of reports related to receipt of money, goods, etc. the number of cases reported have been declining since the implementation of the Act, but last year, it saw a slight increase which seems attributable to stricter enforcement of the law by the incumbent administration.

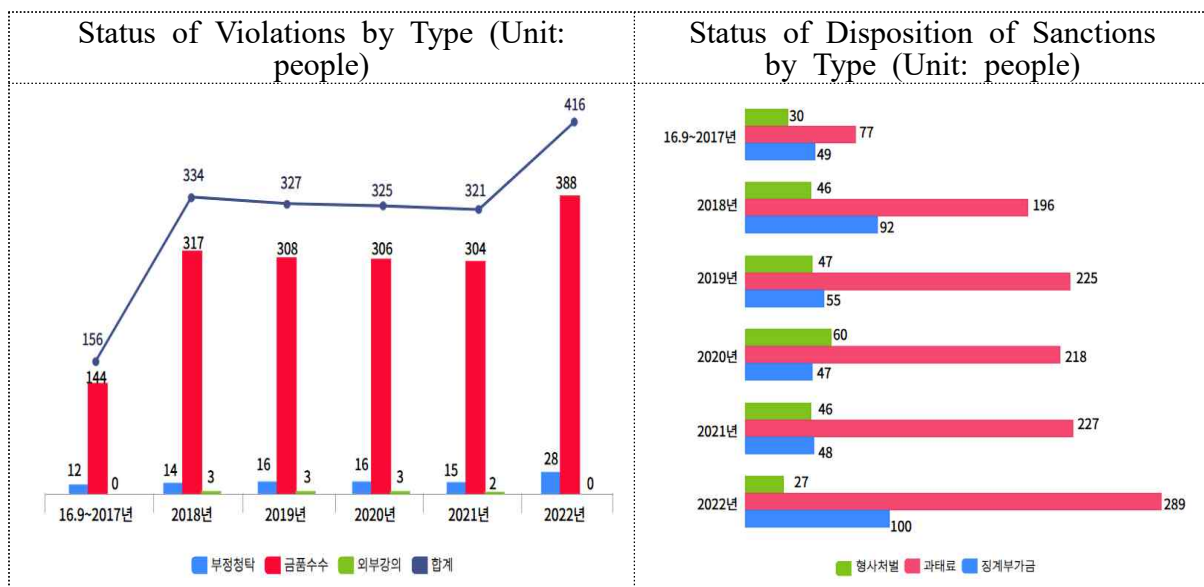
On the other hand, ACRC has found that there was a great reduction in the number of improper solicitation-related reports, which saw a continuous drop since 2019, by 89% compared to 2018 when 3,330 cases were reported, with public institutions receiving 369 cases last year. This reduction seems to result from constant efforts from the government to eradicate hiring irregularities in public institutions.

< Trend of Reports on Violation by Year (Unit: cases) >



For the same period, the number of public officials, etc. who faced disposition of sanctions due to violation of the Improper Solicitation and Graft Act stood at a total of 1,879 among which 1,767 received sanctions for taking money, goods, etc. and 101 for improper solicitations.

By type of disposition of sanction, those who received administrative fines, disciplinary additional charge, and criminal punishment amounted to 1,232 (65.6%), 391 (20.8%), and 256 (13.6) officials, respectively.



Approximately 99.4% out of the public institutions inspected have designated improper solicitation prevention officers to deal with the matters related to the implementation of the Improper Solicitation and Graft Act, including education, consulting, receipt of reports, investigation and processing of reports on violations.

In addition, public institutions of various levels excluding a few newly established ones were found that they have been faithfully fulfilling their duties to operate institutions under the Improper Solicitation and Graft Act, including by running integrity training programs for their public officials, etc. more than twice a year on average.

ACRC has identified a total of 24 improperly handled cases of reports and requested that public institutions that closed cases of those who received money, goods, etc. after merely imposing disciplinary actions without referring the cases to investigation agencies for further inspection or that imposed penalties only on the bribed, rather than also imposing administrative fines on the briber should take corrective measures.

ACRC plans to engage in thorough follow-up management for public institutions to push for corrective measures they have been requested, by reflecting whether they have implemented those measures or not into their assessment of comprehensive integrity level.

Furthermore, ACRC will reinforce the enforcement of the law based on the result of the inspection conducted this time through sharing cases of frequently reported violations and improperly handled reports by institution at a workshop for officials in charge of prevention of improper solicitations in the future.

ACRC Vice Chairperson and Secretary General Chung Seung Yun said, “the fact-finding inspection of the status of operation of the Improper Solicitation and Graft Act by public institutions conducted every year is mainly aimed at enhancing the effectiveness of the law, including identification of institutional vulnerabilities and institutional improvement areas and demanding of public institutions to take corrective measures,” adding that “ACRC will strengthen education for improper solicitation prevention officers of each public institution to be able to execute the law in a strict manner.”

Recruiting Trainees Among the Youth Leading the Republic of Korea that Upholds “Integrity”

- ACRC operated “20-30 Anti-Corruption Expert Academy,” working with anti-corruption experts -

(June 7th 2023, ACRC)

A professional anti-corruption training program was provided with the aim of developing the professional capacity for the integrity of young people in their 20s and 30s who will lead the Republic of Korea that upholds integrity, working with experts in the anti-corruption field.

Anti-Corruption Training Institute (ACTI) of the Anti-Corruption and Civil Rights Commission (ACRC) recruited trainees among the youth for the 2023 training program, “20-30 Anti-Corruption Expert Academy,” until June 16.

“20-30 Anti-Corruption Expert Academy” is a training program that enables the youth to have better understanding of anti-corruption issues in and out of the country and build professional capacity for integrity that is necessary for soon-to-be and entry-level members of society.

The training program targeted around 80 young people aged from 19 to 34. It was a four-day program from July 4 to 7.

The program consisted of various methods, including lectures and action learning. Trainees could learn domestic and foreign anti-corruption trends, policies for anti-corruption and integrity, correlations between integrity and economic development, and integrity and ethical management through lectures, delivered by the ACRC Chairperson and leading experts in the anti-corruption field.

Trainees participated in action learning where they could engage in

self-directed learning through case studies within respective teams and the submission and presentation of research projects.

Trainees who completed the program were offered various benefits. They all received a certificate of completion bearing the name of the ACRC Chairperson. Additionally, the best performers from each team received certificates of merit awarded by the ACRC Chairperson. Furthermore, trainees received gifts worth 100,000 won every time they answered an individual quiz round correctly.

Detailed information about trainee recruitment of the “20-30 Anti-Corruption Expert Academy” was released on both ACRC and ACTI websites.

An ACRC insider said, “Integrity is the most important value that the youth should have. We will actively support them to build the integrity capacity that is required these days through this training program.”