

The Protection of Public Interest Reporters Act

The Protection of Public Interest Reporters Act was enacted in March 2011, to strengthen the protection for public interest reporters.



Scope of application

Acts detrimental to the public interests mean acts detrimental to public health and safety, the environment, consumer interests, fair competition, and other public interest equivalent thereto. Filing a report of acts detrimental to the public interests is referred to as whistleblowing disclosure.

Examples of Acts Detrimental to the Public Interest

Acts harming public health

- **Non-medical personnel who perform medical practices**
 - Imprisonment for up to 5 years or a fine of up to 50 million won under Article 27 of the Medical Service Act
- **Selling imported food without filing an import declaration thereof with the Ministry of Food and Drug Safety**
 - Imprisonment for up to 5 years or a fine of up to 50 million won under Article 42 of the Special Act on Imported Food Safety Control

Acts threatening public safety

- **A manufacturer or importer who manufactures or imports child products subject to safety certification without obtaining safety certification therefor**
 - Imprisonment for up to 3 years or a fine of up to 30 million won under Article 41 of the Special Act on the Safety of Product for Children

Acts damaging the environment

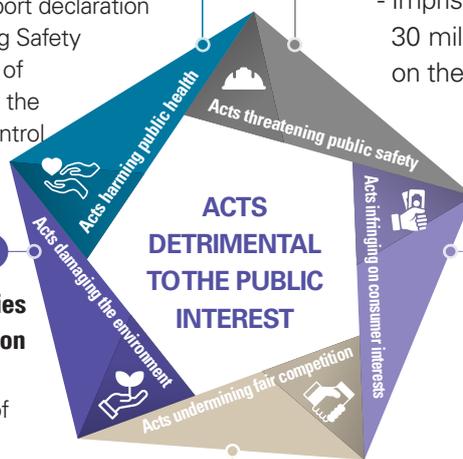
- **Installing and operating emission facilities without installing air pollution prevention facilities**
 - Imprisonment for up to 7 years or a fine of up to 100 million won under Article 89 of the Clean Air Conservation Act

Acts infringing on consumer interests

- **Business entities that do not report the fact that the products they supplied to consumers have serious defect that can cause damages to the lives, bodies, or properties of customers**
 - An administrative fine of up to 30 million won under Article 86 of the Framework Act on Consumers

Acts undermining fair competition

- **Market-dominant entity that abuses their market-dominance position by unfairly determining, maintaining, or changing the price of goods or services**
 - Imprisonment for up to 3 years or a fine of up to 200 million won under Article 5 of the Monopoly Regulation and Fair Trade Act
- **Giving a bribery to foreign public officials to get improper profits in international business transactions**
 - Imprisonment for up to 5 years or a fine of up to 5 times the benefits if the the benefits derived from the offense exceed 10 million won.
 - For the corporation, a fine of up to 5 times the benefits if the benefits exceed 500 million won
 - Provided, the corporation may have immunity where it has given due attention and supervision, including operating a compliance monitoring system and providing education programs.



Whistleblower protection system

➤ **The confidentiality of whistleblowers' identity is guaranteed.**

- No one should reveal or publish whistleblowers' personal information without their consent. A violator will face imprisonment for up to five years or a fine not exceeding 50 million won.

➤ **Disadvantageous measures against whistleblowers are prohibited.**

- No one should take disadvantageous measures against whistleblowers because of their whistleblowing disclosure. Whistleblowers who faced disadvantageous measures can request the ACRC for protection measures such as reinstatement. Those who do not follow ACRC's protection measures will face imprisonment for up to 3 years or a fine of up to 30 million won.

➤ **Whistleblowers can request personal protection measures**

- If a whistleblower, or his/her relative or cohabitant has suffered or is highly likely to suffer serious harm to his or her life or body because of the whistleblower disclosure, he or she can request the ACRC to take necessary measures for personal protection. The ACRC will then request the head of a police office to take personal protection for him or her.

➤ **Whistleblowers' liability for illegal acts related to their disclosure can be mitigated.**

- If whistleblowers' illegal acts are discovered in connection with the case they disclosed, their criminal penalty, disciplinary measures or unreasonable administrative disposition could be reduced or exempted. In addition, if their disclosure includes job secrets, they are not deemed to have breached the confidentiality.

※ The protection system above are applied to both whistleblowers and their cooperators.

Rewards for Whistleblower

Type	Subjects	Qualification
Rewards	Insider whistleblower	Where a whistleblowing disclosure recovered or increased revenues to the State or a local governments directly (4-20% of the amount levied in fines or penalty surcharge due to a whistleblowing disclosure)
Awards	Whistleblower	Where a whistleblowing disclosure recovered revenues or prevented losses to the State or local governments or enhanced the public interests
Relief money	Whistleblower	Where due to whistleblowing disclosure, whistleblowers suffered or payed expenses, such as medical treatment, moving, legal procedures, or wage losses

※ Insider whistleblower refers to a person who works or worked for a public institution, enterprise, corporation, organization, etc. that are reported; or a person who conducts or conducted affairs in accordance with a construction or service contract or any other contract signed with a public institution, enterprise, corporation, organization, etc. that are reported.

※ If a whistleblower received monetary rewards by an administrative agency and the amount received was less than what he or she should receive according to the payment criteria under the Enforcement Decree of the Protection of Public Interest Reporters Act, the whistleblower can request payment of the difference to the ACRC.