

Practitioner's Note No.1



Strategic Approaches to Corruption Prevention:

A Practitioner's Perspective Based on the Experience of
the Republic of Korea and UNDP Missions

ANTI- CORRUPTION

Acknowledgements

Author 	▫ Mr. Euywhan Kim, Commissioner, Anti-Corruption & Civil Rights Commission (ACRC)
Editing Team 	▫ Ms. Ahjung Lee, Policy Specialist, UNDP Seoul Policy Centre (USPC) ▫ Ms. Hye-Jin Park, Communications & Partnership Specialist, USPC ▫ Ms. Gichung Lee, Policy Analyst, USPC ▫ Ms. Yoojin Kong, Intern, USPC ▫ Mr. Minhyuk Hong, Intern, USPC

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Foreword

Poor governance and entrenched systems of corruption remain a major challenge for human development today around the world. For UNDP, the work on Anti-Corruption is highlighted in our Signature Solution #2 on strengthening effective, inclusive and accountable governance. Without creating accountable and transparent institutions in the public sector, in particular, no country will be able to achieve the Sustainable Development Goals (SDGs) of the Agenda 2030.

Since 2015, UNDP Seoul Policy Centre (USPC) has been partnering with the Anti-Corruption & Civil Rights Commission (ACRC) of the Republic of Korea to share Korea's experience and lessons learned in the area of Anti-Corruption. Our SDG Partnership programme on Anti-Corruption supports partner countries in their corruption prevention efforts through the systematic utilization and application of Korea's tested-and-proven policies. While there is no universal 'magic bullet' for addressing a complex challenge such as corruption, our experience has proven the value of peer-to-peer knowledge exchange between Korea and other countries.

In this context, I am pleased to publish our very first practitioner's note based on decades of experience, practical insights and wisdom of Mr. Euy-Whan Kim, Commissioner of ACRC. During his service in UNDP Headquarters on secondment (2017-2019), Mr. Kim made contributions to strengthen the capacity of developing countries to fight corruption through triangular cooperation between UNDP, ACRC and developing countries. This paper summarizes the highlights of what he shared with several countries during this period. I would like to thank Commissioner Kim for generously imparting his most valuable insights with UNDP and our partner countries; and I also thank my team for their editing and publication work.

Stephan Klingebiel



Director of the UNDP Seoul Policy Centre

About the Author



Euywhan Kim returned to ACRC (Anti-Corruption & Civil Rights Commission) in May 2019 after his secondment in UNDP New York as a Senior Advisor on Anti-Corruption. After his UNDP mission, he became a Commissioner in ACRC on July 2019. At UNDP, he made outstanding contributions to strengthen the capacity of developing countries to fight against corruption through triangular cooperation between UNDP, ACRC and developing countries.

During his 18+ years of work as a Director and Director-General in the Korean Anti-Corruption Agency since 2002, he has been deeply involved in implementing Korea's Anti-Corruption policy and enforcing the law not only in the area of preventing corruption such as policy making, integrity assessment (IA), corruption risk assessment (CRA) and integrity training, but also in investigating corruption cases.

In terms of promoting international cooperation, he conducted several technical assistance programmes to share Korea's various measures in fighting against corruption with developing countries. He also created both the Anti-Corruption Agency Forum in 2002 and the APEC Anti-Corruption Task Force in 2004 to enhance partnerships with Anti-Corruption agencies in the Asia-Pacific region. He was also deeply involved in drafting the United Nations Convention against Corruption (UNCAC) in Vienna from 2003 to 2005. In addition, he had an abundance of international exposure while he worked for Korea's Anti-Trust Commission, enhancing multilateral cooperation with OECD, WTO (UNCTAD) and many bilateral partnerships with USA, Japan, EU, Germany, Russia and France, among others.

When he was the Director-General of the Bureau of Anti-Corruption of ACRC in 2011, he was responsible for developing and coordinating Korea's Anti-Corruption policy. In particular, he took a leading role in enacting Korea's new anti-bribery Act (Improper Solicitation and Graft Act) which had a huge impact on prohibiting corrupt behavior not only in the public sector, but also in the private sector since its later enactment in 2016. He accumulated his own unique know-how on the success and failure factors of Anti-Corruption policy throughout his career, which can prove valuable to the Anti-Corruption efforts of many countries.

He also contributed to enhancing transparency and accountability in the private sector, focusing on providing policy support for corporate ethics and compliance as well as preventing corporate and accounting fraud. Before he joined the field of Anti-Corruption, he worked for the Korea Fair Trade Commission (KFTC) and was in charge of establishing anti-trust and competition policies for the corporate sector. One of the major tasks during his work at the KFTC includes the merger between Hyundai Motor and Kia Motor in 1997.

Born in 1960, he is married with one daughter. He earned degrees in Sociology (BA) from Korea University and Public Policy and Management (MA) from the Ohio State University, USA.

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Importance of Preventive Measures for Anti-Corruption

1.

Corruption and its Implications

Anti-Corruption must be the essential groundwork of any government, serving as the basis for all administrative, judicial and legislative procedures of the state.

If Anti-Corruption is not prioritized, corruption will present major risks to development, adversely affecting the effectiveness of the government's policies. For instance, if corruption prevails throughout the government's procedures and activities, the implementation of many potentially good policies will eventually fail. Furthermore, government agencies and public institutions are unlikely to function properly if their members do not recognize the importance of Anti-Corruption, and as a result, engage in bribery, fraud and other corrupt activities. This can ultimately lead to the inefficient usage of public budgets.

Estimates show that the cost of corruption equals more than 5% of global GDP (US\$2.6 trillion) with more than US\$1 trillion paid in bribes every year (World Economic Forum).¹ Corruption increases the cost of doing business by up to 10% on average.² With corruption intruding potential growth across all sectors, Anti-Corruption should be prioritized in the national agenda. Moreover, the existence of corruption and bribery in the recruitments and promotions of public officials will curtail talented and competent candidates from entering the government workforce, which will then lead to a waste of human resources and low capacities in the public sector as a whole.

2.

Need for Effective Corruption Prevention Policies

We need to have effective corruption prevention policies as countries will not succeed in decreasing corruption risks in the long run without putting preventive policies in place. In an effort to prevent the risks described above, many Anti-Corruption policies call for 'Zero Tolerance.' However, this would be empty rhetoric if it is not accompanied by strong political will and actual action. For instance, it would be very discouraging for the public to witness the avoidance of legal punishment for bribery even though Anti-Corruption laws and policies are in effect. In addition, Anti-Corruption policies that operate in favor of certain persons or interests will render the rule of law futile and eventually break the trust between the government and the public, resulting in the loss of public support.

¹ World Economic Forum. "Network of Global Agenda Councils Reports 2011-2012". http://reports.weforum.org/global-agenda-council-2012/councils/anti-corruption/?doing_wp_cron=1553840437.4626851081848144531250

² OECD. "Boosting Integrity, fighting corruption". <https://www.oecd.org/competition/50350066.pdf>