

ACRC Korea Transparency Newsletter (April 2021)

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 - The law will be applicable to about 2 million public officials, creating a momentum to make Korea an advanced country in integrity

- ▷ **The ACRC greatly strengthens integrity education for high-ranking public officials, while enacting the Act on Prevention of Conflict of Interest in Public Office to prevent another LH(Korea Land & Housing Corporation) speculation scandal**
 - It also plans to distribute Guidelines for Ethical and Compliant Management to enhance integrity of public companies

- ▷ **ACRC Resolves Four Month Delay of Visa Issuance for Vice-principal of International School in Korea**
 - 'ACRC Foreign Enterprises Ombudsman' created on 10 March resolved its first case

- ▷ **The ACRC reinforces Police Ombudsman and objective external control over the police**
 - The ACRC and the KNPA signed an MoU to improve rights and interests of people and create an uncorrupted society

- ▷ **Colombia introduces Corruption Risk Assessment from the ACRC**
 - ACRC-UNDP held a webinar for introduction of Corruption Risk Assessment program for the Colombian public officials in the Administrative Department of the Public Service on 21st Apr

- ▷ **The ACRC creates Guidelines for Ethical and Compliant Management and implements in public companies, including LH(Korea Land & Housing Corporation), first**
 - Fifteen experts from different areas in our society were appointed in 30th of last month to participate in development of Guidelines for Ethical and Compliant Management, relevant indices and operational regulations

The Act on the Prevention of Conflict of Interest in Public Office drafted by the ACRC was passed at a plenary session in the National Assembly. The Law is scheduled to take effect from May next year.

- *The law will be applicable to about 2 million public officials, creating a momentum to make Korea an advanced country in integrity -*
- *The ACRC “will swiftly take follow-up measures, including enactment of its enforcement ordinance, so that the Act on the Prevention of Conflict of Interest in Public Office can be implemented from May next year without any problems.” -*

(30 April 2021, ACRC)



The Act on the Prevention of Conflict of Interest in Public Office, which prevents and manages conflict-of-interest situations that may be faced by public officials, and eradicates pursuit of improper private interest, was passed at the plenary session of the National Assembly on 29th of April.

Anti-Corruption and Civil Rights Commission (Chairperson: Jeon Hyun-Heui; ACRC) announced that the Act on the Prevention of Conflict of Interest in Public Office will be implemented from May next year after one year of preparation, including enactment of the enforcement ordinance, once the law is promulgated.

The Bill on the Prevention of Conflict of Interest in Public Office was first submitted by the ACRC in 2013 to the 19th National Assembly. After 8 years, through the enactment of the law in the 21st National Assembly, the efforts finally came to the fruition.

For a long time, international organizations, such as the UN and the OECD, have emphasized that member countries need to introduce mechanisms for prevention of conflict of interest to deter corruption in the public sector. Advanced OECD members, such as the US, France, and Canada, have already established their laws for prevention of conflict of interest, strictly controlling conflict of interest of public officials.

With the enactment of the Act on the Prevention of Conflict of Interest in Public Office, Korea now has a preventive mechanism for conflicts of interest that is suitable to its international standing. This will be an opportunity to enhance the level of integrity in our society to the next level.

The ACRC has made multi-faceted efforts for the enactment of the law. From the 19th to the 21st National Assembly, the commission submitted government bills to enact the law. In April 2018, regulation for prevention of

conflict of interest was added first to the Code of Conduct for Public Officials, a presidential degree, and has been implemented.

Due to recent Korea Land and Housing Corporation (LH) speculation scandal, the general public demanded for fundamental prevention of the pursuit of private interest by public officials using information or power obtained while handling public affairs, namely real estate speculation.

As such, ACRC, a government agency responsible for anti-corruption activities, saw that institutional mechanism should be established to fundamentally prevent the pursuit of private interest by public officials in order to ultimately prevent such scandals, like the current LH situation. The commission also worked hard to promote through media and at the National Assembly that the Act on the Prevention of Conflict of Interest in Public Office is the key solution.

Under the leadership of chairperson Jeon Hyun-Heui, all the members at the ACRC have been fully engaged in continued consultation and persuasion by visiting key stakeholders in the National Assembly, including the representatives of ruling and opposition parties, in person.

In the meantime, all walks of life expressed their interest and support. In particular, Private-Public Consultative Council for Transparent Society comprised of 32 representatives of the society from civil groups; namely People's Solidarity for Participatory Democracy, civil societies, businesses, trade associations, media, academia, and public organizations; issued

statements and demanded for early adoption of the Act on the Prevention of Conflict of Interest in Public Office.

The National Assembly also actively responded to the national demand for legislation of the Act on the Prevention of Conflict of Interest in Public Office to stamp out the pursuit of private interest by public officials by holding eight sessions of legislative subcommittee meetings, beginning with the public hearing of the National Policy Committee on the 17th of last month.

The ACRC will do its best for one year in the follow-up measures required to enforce the law from May next year. First, the ACRC will commission research for the establishment of enforcement ordinance from this May, and after legislative procedure, it will complete the introduction of the enforcement ordinance within this year.

Furthermore, the ACRC will carry out active education activities, including briefing sessions by region and distribution of guide books, so that public officials, the subject of this law, fully understand the law and embrace it as a code of conduct in public offices. On top of this, it will wage a national campaign on various media channel to raise awareness of the key content of this law among the general public.

“I am deeply grateful to everyone including civil society, media and the National Assembly, for their efforts to make this law possible, and to the people who have been with us until we create this preventive mechanism

for conflict of interest that can fundamentally prevent improper pursuit of private interest by abusing the position or power of public officials,” said Chairperson Jeon Hyun-Heui of ACRC. “The Act on the Prevention of Conflict of Interest in Public Office will be a historic milestone for Korea to become a country having greater integrity.”

“As a pan-government control tower for anti-corruption, the ACRC will make special efforts to stably implement the Act on Prevention of Conflict of Interest in Public Office, so that the public sector can regain trust tarnished by the recent LH speculation scandal, and Korea becomes an advanced country in terms of integrity by moving up to world’s top 20s in Corruption Perception Index (CPI),” she added.

The ACRC greatly strengthens integrity education for high-ranking public officials, while enacting the Act on Prevention of Conflict of Interest in Public Office to prevent another LH(Korea Land & Housing Corporation) speculation scandal

- It also plans to distribute Guidelines for Ethical and Compliant Management to enhance integrity of public companies -

(13 April. 2021, ACRC)

Anti-corruption and integrity education for over 2,000 public officials working at public organizations, including the members of the National Assembly, Ministers and Deputy Ministers, and heads of public offices will be greatly expanded and strengthened.

Along with this, the commission implements measures to facilitate integrity education, such as support for ethical and compliant management of companies, including public companies, and expansion of integrity education for future generation, to boost integrity consciousness of public officials and to advance Korea to world's top 20s in Corruption Perception Index (CPI).

Anti-Corruption and Civil Rights Commission (Chairperson: Jeon Hyun-Heui; ACRC) reported measures for reinforcing integrity education to prevent moral hazard of public offices, including LH(Korea Land & Housing Corporation), and regain trust from general public at the 16th Cabinet meeting and requested

active support of each ministry on 13th of this month.

According to this measure, integrity education for high ranking officials, such as the members of the National Assembly, ministers and deputy ministers, heads of local governments, and chairpersons of public institutes, will be strengthened by requiring face-to-face integrity education. Also, there are additional measures, namely disclosing the completion status of integrity education courses by organization, and special education for the organization with unsatisfactory level of completion in integrity education.

Besides, the ACRC will improve accessibility to integrity education for public officials by supporting and connecting with 112 public education and training organizations under public agencies, encompassing both central administrative agencies and local governments, to open their own integrity education courses.

The commission plans to consider feasibility of launching the Center for Promotion of Ethical and Compliant Management (a tentative name) that provides assistance in consultation and education on anti-corruption and ethical management for companies. It also to distribute Guidelines for Ethical and Compliant Management to establish ethical management practice of companies, including public companies, to support ethical and compliant management of public and private companies.

Along with this, the ACRC's Anti-Corruption Training Institute aims at enrichment of anti-corruption education for our future generation, such as primary and secondary school students who show high effects of education.

To this end, customized anti-corruption programs will be developed and distributed for every school. Specifically, an anti-corruption program custom-made for the test-free semester will be provided as a teacher training course.

“Due to the recent LH speculation scandal, demand for the Act on Prevention of Conflict in Public Office as well as ethical management of companies is bigger than ever,” said Chairperson Jeon Hyun-Huei of the ACRC. “The ACRC will make all the efforts to eradicate corruptive practice in our society and infuse the culture of integrity everywhere through measures, such as expansion and reinforcement integrity education for high-ranking public officials, and creation ethical management of companies.”

ACRC Resolves Four Month Delay of Visa Issuance for Vice-principal of International School in Korea

- *'ACRC Foreign Enterprises Ombudsman' created on 10 March resolved its first case -*

(27 April 2021, ACRC)

Resolution was made on the first case of a foreign enterprise grievance filed against the four-month delay of the issuance of visa for a vice-principal of an international school based in Jeju Island.

Foreign Enterprises Ombudsman, launched on 10 March by the Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui), officially received the first foreign enterprise grievance case and through consultation with relevant authorities, resolved the case so as to restrictively allow for visa issuance to experts including in those in the education field from 19 March.

ACRC Foreign Enterprises Ombudsman (the Ombudsman) receives and consults foreign companies' grievances, administrative appeals, reports of corruption and public interest infringement of various types, and inquiries on the Improper Solicitation and Graft Act through professional consultants as well as translation and interpretation services.

On March 30, a complaint was filed with the Ombudsman of the ACRC on the four-month delay of visa issuance to a newly appointed vice-principal of

an international school in Jeju Island, causing many problems in providing education in the school.

Currently, because of the spread of COVID 19, excepting the areas of foreign affairs and government affairs, areas including the education field face a restriction on visa issuance.

Upon receiving the case, the Ombudsman of the ACRC explained the case in detail, for example, why the case was filed and how serious the problem is, to competent authorities including the Ministry of Justice. Through a close cooperation with the agencies, the Ombudsman could be able to find a solution

As a result, from 19 April, experts in some areas including the education sector could get a visa restrictively.

ACRC Commissioner Kim Tae-eung, who was appointed as Ombudsman for foreign enterprises on March 16, said, “Foreign companies investing and operating in Korea have a significant impact on Korea’s economy. I expect that the Ombudsman will greatly help foreign companies unfamiliar with local laws and culture when they experience corruption or grievances but do not know where to file their case or face language barriers.”

ACRC Foreign Enterprises Ombudsman Hotline

Email: acrc@korea.kr Tell: 044-200-7154

The ACRC reinforces Police Ombudsman and objective external control over the police

“The ACRC and the KNPA signed an MoU to improve rights and interests of people and create an uncorrupted society”

(28 April. 2021, ACRC)

- ◎ Anti-Corruption and Civil Rights Commission will make the efforts to bolster system and mutual cooperation to facilitate Police Ombudsman program.
- ◎ They will jointly respond to corruptive crime, including corruption in public office, create an incorrupt society, and boost national capacity for anti-corruption.
- ◎ They will strengthen mutual cooperation in human exchange, education and training for improvement of rights and interests of people and protection of human rights.

The Anti-Corruption and Civil Rights Commission (Chairperson: Jeon Hyun-Heui; ACRC) and Korean National Police Agency (Commissioner General: Kim Chang Yong) signed a memorandum of understanding at the Korean National Police Agency office building in Migeun-dong, Seoul, on 28th this month and decided to reinforce their mutual cooperation to enhance rights and interests of people and create an incorrupt society.

This MoU was designed for the two agencies to join their force in creating just and incorrupt society by responding to corruptive crimes, such as

real-estate speculation of public officials, while bolstering objective external control to better protect rights and interests of people in police's work as recent reform on investigation rights strengthens the roles and responsibilities of the police.

In accordance with this MoU, the two agencies agreed on mutual cooperation for 1) investigation and handling of civil complaints related to the police; 2) promotion and education of Police Ombudsman program for the general public; 3) investigation and handling of corruption reports and public interest disclosures, and protection of reporters; and 4) improvement of integrity of the nation and the police.

[Cooperation between ACRC and National Police Agency]

- ▶ Investigation and handling of civil complaint related to the police
- ▶ Promotion of Police Ombudsman program to the general public and education to protect rights and interests of people
- ▶ Improvement of integrity of the nation and the police
- ▶ Investigation and handling of corruption report and public interest disclosure, and protection of reporters
- ▶ Improvement of unreasonable system that violates rights and interests of people
- ▶ Other matters required for cooperation and development between the two organizations

First, the two agencies determined to more actively utilize the ACRC's Police Ombudsman program, so that it can play a stronger role in the objective external control.

The ombudsman program is a system that protects basic rights of citizens when they request for help after getting damage from illegal or unfair administrative measures taken by administrative agencies by conducting investigation of the reported cases.

The ACRC has been serving as an ombudsman for complaints against the police since 2006. With the reform of investigation rights, on 22nd February the ACRC appointed Kang Jae-yeong, Oh Wan-ho, and Sonh Nan-joo of ACRC as members of the Police Ombudsman program to swiftly respond to civil complaints related to the police.

In the future, police-related civil complaints submitted to the ACRC will be objectively handled by the Police Ombudsman through interview with the complainers upon their submission and through field investigation. As such, the program is expected to provide effective external control over the power of the police strengthened after the reform of investigation rights.

Korean National Police Agency said that it will cooperate in the investigation of the ARCR's Police Ombudsman, while actively accepting the ACRC's recommendations to improve systems. Until now, the police agency has been pro-actively embracing recommendations of the ACRC and National Human Rights Commission of Korea (NHRC) for improving systems, meeting the expectations of people.

- Since 2017, the agency accepted 244 recommendations from the ACRC out of 249 for civil complaints (98.0%).
- Since 2017, the agency accepted 85 recommendations from the NHRC out of 88 (96.6%).

Recently, a driver was caught for the violation of designated lane on an expressway where it is not easy for ordinary citizens to notice that the road is a speed-change lane. The police agency accepted the ACRC's recent recommendation for cancelling its fine, and the police also decided to repay fines to all 1,033 drivers who were caught on the same road.

In addition, the police is creating its own civil complaint response system centering around heads of local police stations. Repeated or long-time outstanding civil complaints are directly handled by the heads of police stations through interview. Also, through Civil Complaint Mediation Committee participated by civilian experts, the police is improving the resolution of civil complaints.

Moreover, the ACRC and the KNPA agreed to work even more closely together to create a just society and eradicate corruption.

In order to solidify the nation's capacity to respond to corruption, the two agencies will share corruption-related information held by each agency with one other, while reinforcing human exchange as well as education and training for human resources in investigation and inquiry.

Furthermore, the two agencies agreed to join the force to establish a dedicated body in the police agency for enhance rights and interests of people and protection of human rights, while reinforcing systems for greater integrity of the police. Besides, they will organize and operate a regular working-level consultation meeting to implement the MoU smoothly in the future.

“The cooperation between the two agencies for protection of people’s rights and interests as well as anti-corruption activities through today’s MoU will strengthen national trust toward the police ombudsman as an effective external control over stronger authorities of the police. It will also provide an opportunity to raise integrity of the police and public offices tarnished by the recent real-estate speculation scandal.”

Colombia introduces Corruption Risk Assessment from the ACRC

- *ACRC-UNDP held a webinar for introduction of Corruption Risk Assessment program for the Colombian public officials in the Administrative Department of the Public Service on 21st -*

(22 April. 2021, ACRC)

The Anti-Corruption and Civil Rights Commission (Chairperson: Jeon Hyun-Heui; ACRC) held a video conference in collaboration with United Nations Development Program (UNDP) for the Colombian public officials in the Administrative Department of the Public Service on 21st of this month in order to share information and know-how for Colombia to introduce Corruption Risk Assessment program, which prevents corruption in the public sector in advance.

The Corruption Risk Assessment is a system that keeps corruption from taking place by eliminating or improving factors causing corruption in laws and regulations. The ACRC assesses four areas – compliance, execution, administrative procedures, and corruption control – of newly established and revised laws and regulations through 11 criteria, such as the risk of conflict of interest, and suggests improvement on unsatisfactory areas.

This meeting was attended by five Colombian public officials; including Director Andriana Vargas who is responsible for general management of greater citizen participation and transparency at the Administrative Department of the Public Service, six members of Corruption Risk Assessment

Team at the UNDP Colombia, and working-level staff from the UNDP Seoul Policy Center and the ACRC. The 21 participants discussed ways to successfully introduce Korea's Corruption Risk Assessment program to Colombia.

Beginning with this seminar, the ACRC will share its experience and know-how on the Corruption Risk Assessment and support Colombian public officials in developing indices suitable for their local situations.

The ACRC signed an MoU with the UNDP to share Korea's anti-corruption policies with other developing countries in 2015. Starting with a program for Vietnam in 2016 and 2017, the two organizations have carried out an intensive training program to share anti-corruption policy measures, including Anti-Corruption Initiative Assessment, by selecting a target country every year.

Until 2021, the ACRC has conducted training programs on its representative anti-corruption policy measures, Anti-Corruption Initiative Assessment and Corruption Risk Assessment, for Vietnam, Moldova, Myanmar, Kosovo, Iraq, Malaysia, and Uzbekistan.

In March this year, Afghanistan Anti-Corruption Commission held a webinar with the ACRC and the UNDP to introduce Anti-Corruption Initiative Assessment and Corruption Risk Assessment, and promised to continue its exchange and cooperation with the UNDP in the future.

“The ACRC will continue its efforts to make Korea’ excellent anti-corruption policy measures global standards by constantly supporting with the UNDP the successful introduction and continued implementation of Korea’s anti-corruption policy in developing countries,” said Chairperson Jeon Hyun-Heui of the ACRC.

The ACRC creates Guidelines for Ethical and Compliant Management and implements in public companies, including LH(Korea Land & Housing Corporation), first

- Fifteen experts from different areas in our society were appointed in 30th of last month to participate in development of Guidelines for Ethical and Compliant Management, relevant indices and operational regulations -

(2 April. 2021, ACRC)

In the wake of the recent Korea Land and Housing Corporation (LH) speculation scandal, the Anti-Corruption and Civil Rights Commission (ACRC; Chairperson: Jeon Hyun-huei) makes Guidelines for Ethical and Compliant Management to build ethical management culture in public companies, and implement the guidelines at the LH first.

For this, on 30th of last month, the ACRC appointed 15 experts in different areas - academia, trade associations, civil society, and businesses - in our society to take part in the development of Guidelines for Ethical and Compliant Management, relevant indices, and code of conduct (operational regulations).

The ACRC selected and commissioned 15 members based on the recommendation of the participating organizations in the Private-Public Consultative Council for Transparent Society, which was established to collect

opinions from all walks of life and present policy directions on higher integrity and anti-corruption policies in March 2018.

Since 2009, the ACRC has been operating corporate ethics management courses to strengthen awareness of ethical management and work capabilities among corporate executives and employees. On top of this, the commission provided support to spread and foster ethical and compliant management culture in companies by reinforcing communication and cooperation with related organizations, such as business associations, in line with the trend of strengthening anti-corruption and ethics rounds in the international society.

“In the era of globalization, the impact of corruption is growing. In particular, with recent LH speculation scandal, the importance of ethical and compliant management and anti-corruption in public companies is highly emphasized,” chairperson Jeon Hyun-Heui of ACRC.

She also requested to the members, saying “to strengthen corporate competitiveness and establish a fair, transparent and ethical management system, join your force in creating the guidelines for ethical and compliant management.”