



Anti-Corruption and Civil Rights Commission  
**Korea, Republic**



# ACRC KOREA

Annual Report 2011

Korea,  
a country of integrity

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## Foreward

The year 2011 was a year for the Anti-Corruption and Civil Rights Commission (ACRC) to focus on its original function of protecting people's rights, but at the same time, to make efforts to create the identity of a Korean-style ombudsman and anti-corruption agency based on the achievements over the last three years. The ideal model for the ACRC is a comprehensive ombudsman carrying out its roles to protect individual's rights, implement concerned policies, secure legitimacy of administration, and facilitate communication between the government and the people.

The ACRC has handled with about 29,000 administrative appeals, provided counseling service to 2.18 million civil petitions filed to the 110 Government Call Center, as well as handle 1.07 million civil complaints through the e-People system in a prompt and fair manner. Moreover, it analyzed the complaints in a systematic way and provided the analyzed materials to concerned public agencies, resulting in the incorporation of 102 cases into their policies.



Furthermore, the Commission increased the number of places to carry out the "Onsite Outreach Program" to up to 45 regions and solved about 20 civil petitions using onsite mediation that was carried out with a seasoned win-win approach. For example, the Commission addressed a 40-year long problem between the citizens of Gangneung and the Army about removing barbed-wire fences along the Sacheon beach in the region, by mediating both sides. In addition, the "acceptance rate" of administrative appeals has increased by as much as 18% and the percentage of oral hearings conducted for administrative appeals has increased by as much as 62%,

much to the convenience of the complainants. The Commission also improved 81 institutions to remedy inconveniences of people's daily lives, prevent corruption, and improve unreasonable practices.

In the meantime, the ACRC enacted the Act on the Protection of Public Interest Whistleblowers that affords whistleblowers protection when they report on any violation of public interest, such as the public health or safety, the environment, consumer interests, and fair competition, to enhance the integrity of Korean society. The enforcement of this Act is very meaningful because the country can now protect its people who act for the interest of the community with its system. Particularly, enacting the Code of Conduct for Local Councilmen and introducing the Solicitation Declaration System will also serve as good opportunities to open a new horizon for institutions to prevent corruption and establish a culture of integrity.

The importance of the role of protecting people's rights cannot be overemphasized given the increasing uncertainty caused by risks such as the global economic crisis as well as growing demands for the protection of civil rights, which have been driven by people's heightened awareness about their rights. Furthermore, the mission and duty of the ACRC is very important for Korea to help it leap forward to advanced nation status by nurturing social capital as a new growth engine and reconciling social conflicts.

Confronting the needs of the times, the ACRC is making a dramatic synergy effect despite its short history of 4 years, and will do its utmost to provide a new dimension of service to protect people's right with the connection and convergence of its functions.

This annual report for 2011 contains all the efforts we have undertaken to protect the rights of the people over the last year. I hope that this book will provide useful information that can be used by all those who share an interest in the activities of the ACRC.

March 2012



**Young-Ran Kim**

Chairperson

Anti-Corruption & Civil Rights Commission

# Overview

## About ACRC

The Anti-Corruption and Civil Rights Commission (ACRC) was launched on February 29, 2008 by the integration of the Ombudsman of Korea, the Korea Independent Commission Against Corruption and the Administrative Appeals Commission.

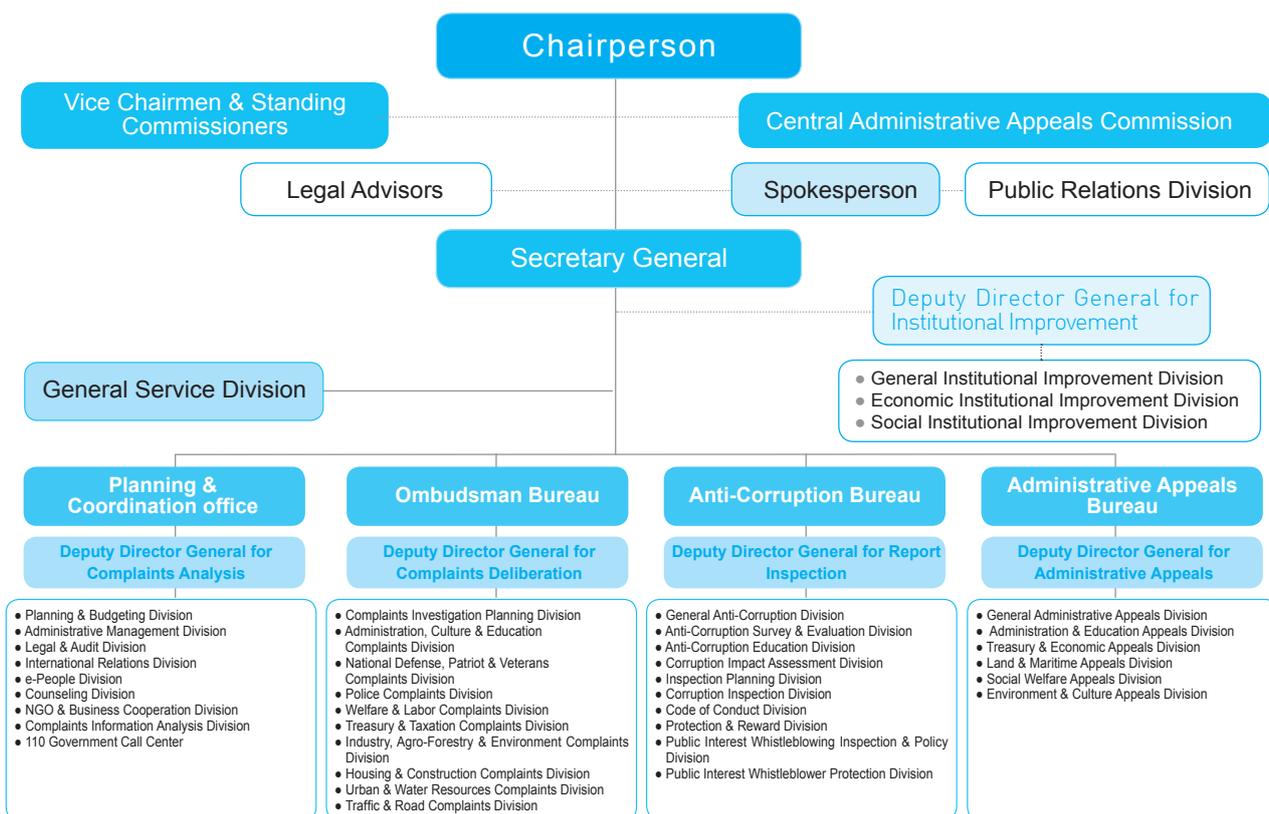
With the consolidation of these three organizations, citizens can be provided with one-stop service of addressing public complaints, filing administrative appeals and fighting corruption by a single organization in a speedier and more convenient manner.

The ACRC overhauls a legal and institutional framework to offer more convenient and efficient public service to the people, resolves people’s grievances, and seeks to spread a culture of integrity throughout the society.

The decision-making body of the ACRC consists of fifteen Commissioners including 1 Chairperson (minister-level), 3 Vice-Chairmen (vice minister-level), 3 Standing Commissioners and 8 Non-standing Commissioners, all of whom are appointed by the President. Each member serves a three year term and may be reappointed for an additional term. The ACRC’s Commissioners are granted independence in fulfilling their duties and guaranteed their public positions.

The Secretariat of the ACRC is comprised of Policy and Coordination Office, Ombudsman Bureau, Anti-Corruption Bureau, Administrative Appeals Bureau, and Institutional Improvement Bureau. As of March 2012, the ACRC employs 476 public servants.

### Organization of the ACRC





## Major Functions of the ACRC

### Handling Complaints

#### Receiving complaints

Citizens may file complaints with the ACRC on illegal and unfair practices of administrative agencies, infringed rights and grievances caused by the lack of appropriate systems and policies.

#### Investigation

Investigators of the ACRC may demand that the administrative agencies concerned give explanation on the filed complaints and submit relevant materials and documents. They may also request attendance and testimony of complainants, stakeholders, reference persons and relevant staff members. The ACRC investigators may also conduct on-site investigations at the agencies concerned.

#### Deliberation & decision-making

Upon the completion of investigation, the ACRC deliberates opinions and evidence submitted. Based on the deliberation results, it recommends corrective measures or issues official opinions on the complaints or the relevant laws, institutions, and policies.

#### Improving ineffective systems

The ACRC seeks to root out the cause of people's grievances by identifying systems and policies that burden the people. Based on the analysis of complaints, review of suggestions made by citizens, and media monitoring, the ACRC recommends institutional improvements or issues official opinions to relevant government agencies. Furthermore, the ACRC reviews the implementation of its recommendations on a regular basis to make sure that the recommended improvements are incorporated into the legal and institutional framework.

#### "e-People" ([www.epeople.go.kr](http://www.epeople.go.kr))

"E-People" is the system handling civil complaints online

at the pan-governmental level to provide people easier access to public service. The online government portal connects all the 43 national administrative organizations, all the 246 local government agencies, 14 major public companies, and 144 overseas missions. Using e-People, citizens and foreigners living in Korea can submit grievances, proposals, reports of corruption, and administrative appeals related to government service. The automatic classification feature allows received complaints to be sent to the suitable agencies that can most effectively deal with these complaints. Currently, the multilingual service of e-People is provided in 6 languages: Chinese, English, Indonesian, Japanese, Mongolian, and Vietnamese.

#### "110 Government Call Center"

Those who have enquiries about civil services provided by any administrative agencies can call 110 anywhere in Korea. The public organizations connected to this call center include 56 central administrative agencies, 16 metropolitan and provincial governments, and 234 municipalities. The center also provides text message counseling service, and operates the video counseling system for those with hearing disabilities.

### Fighting Corruption

#### Coordinating nationwide anti-corruption initiatives

The ACRC formulates national anti-corruption policies to be implemented at every level of government. And, it discusses and coordinates government-wide measures designed to prevent corruption in the long term. Every year, the ACRC conducts the Integrity Assessment designed to measure the levels of integrity of public sector organizations, as well as the Anti-Corruption Initiatives Assessment. The fundamental objective of these assessments is to encourage public organizations to make voluntary efforts to tackle corruption.

#### Removing corruption risks from laws and systems

The ACRC makes recommendations to help government

agencies to amend ambiguous, corruption-prone laws and institutions, and regularly checks the implementation of ACRC's recommendations. Under the Corruption Impact Assessment system, the ACRC examines every proposed enactment and amendment for any factors that could contribute to the occurrence of corrupt practices.

#### **Receiving and handling reports on suspected corruption**

Any person may report an act of corruption to the ACRC. If there is a need to investigate a reported case of corruption, the ACRC may refer the case to an investigative authority. Then, the investigative agency is required to notify the ACRC of the results of investigation. The ACRC may ask the agency to reinvestigate the case. Additionally, it may directly file an accusation of corruption cases involving high-ranking public officials.

#### **Monitoring the violation of the Code of Conduct for Public Officials**

The Code of Conduct for Public Officials was enacted in February 2003 as an ethical guideline for public officials. Based on this model code, public sector agencies have introduced their own codes of conduct. The ACRC monitors compliance with and investigates violations of these codes by public sector employees.

#### **Protecting and rewarding reporters of corruption and public interest whistleblowers**

For those who have suffered or are expected to suffer any disadvantage due to the reporting of corruption, the ACRC guarantees their employment and takes measures to protect their physical safety. It also provides them with financial rewards in case that the reporting of corruption directly contributed to recovering or increasing revenues or reducing costs of public agencies.

The Act on the Protection of Public Interest Whistleblowers enacted in 2011 has extended the ACRC's protective measures to cover whistleblowers in the private sector. Under the Act, the Commission protects and provides rewards and relief money for those who reported violations of the public interest that impede health and safety of citizens, the environment, the interest of consumers and fair competition, including foreign bribery.

#### **Raising public awareness and promoting partnerships against corruption**

The ACRC carries out a variety of public awareness programs including anti-corruption training and campaigns to encourage citizens' cooperation and participation in enhancing national integrity. It also conducts various activities to promote public-private partnership to fight corruption by lending support to the Policy Council for Transparent Society. The ACRC works closely with international organizations and anti-corruption agencies of other countries to join global efforts for fighting corruption, including the implementation of the United Nations Convention against Corruption, OECD Anti-Bribery Convention, and G20 Anti-Corruption Action Plan.

### **Adjudicating Administrative Appeals**

#### **Administrative Appeals System**

The administrative appeals system is a mechanism allowing people whose legal rights have been violated or who have experienced any form of injustice by government agencies to file appeals to the agency concerned.

#### **Subjects of administrative appeals**

The general public may make an administrative appeal when their legal rights have been infringed or they have experienced any form of illegal and unfair exercise of public power ("disposition") or "nonfeasance".

- "Disposition" is a legal act performed by administrative agencies directly related to the people's rights and duties. It includes granting specific rights or designating duties to people in accordance with the law.
- "Nonfeasance" is a failure to perform an act requested by the party concerned and required by law.

#### **Procedures for administrative appeals**

##### **● Submission of appeals**

An appellant can submit administrative appeals to the disposition agency or the ACRC via direct visit, mail, or Internet ([www.simpan.go.kr](http://www.simpan.go.kr)).

##### **● Response to appeals**

The disposition agency writes an answer regarding the appellant's appeals within ten days after receiving his/her application, and presents it to the ACRC. Then, the Central

Administrative Appeals Committee within the ACRC sends the answer to the appellants to enable them to understand the opinion of the disposition agency concerned.

#### ● Deliberation & adjudication

The ACRC thoroughly examines statements of both sides, and sets the date for deliberation. After deliberating whether the appealed case is illegal and unfair, it notifies the results to the disposition agency and the appellant through a written document.

## ACRC: Four Years of Achievement

The Anti-Corruption and Civil Rights Commission (ACRC) was launched at the beginning of 2008. The ACRC was formed by integrating the Ombudsman of Korea, the Korea Independent Commission Against Corruption and the Administrative Appeals Commission for the purpose of providing one-stop service for the protection of people's rights. Although the tasks and backgrounds of these three organizations were different, they had a common objective of protecting both directly and indirectly the rights and interests of people. Evaluations of the four-year achievements of the ACRC may vary depending on the standard used. However, given that most of indexes showing its achievements considerably improved after integration, it is reasonable to say that over just the last four years, the ACRC has succeeded in gaining a solid foothold as a comprehensive organization protecting people's rights.

Compared to the three organizations which existed prior to integration, the ACRC handled 40% more public complaints and administrative appeals with fewer personnel. Its integrated work process resulted in policy improvement related to complaint handling, the efficiency of systems and the role of administrative appeals in providing remedies of rights violations. Critics point out that in terms of the fight against corruption, the Corruption Perceptions Index (CPI) did not show any improvement over the past four years. However, in order to more accurately evaluate the fight against corruption, some other factors such as national policy priorities or preemption, the government-wide anti-corruption system and the achievements of other related organizations must also be collectively considered. Based on such

recognition, the evaluation of works and achievements of the ACRC for the past four years as well as the future paths that the Commission should take are explained.

## 1. Achievements over the Last Four Years Following the Launch of the ACRC

### Synergistic Effects Following Organizational Integration

One of the major improvements after integration has been that more complaints can be handled by fewer personnel compared to the three organizations of the past. In 2007 prior to the launch of the ACRC, about 46,000 complaints were handled by 542 personnel in the three organizations, whereas in 2010 which is the third year after integration, 64,706 complaints (up 39%) were addressed by 466 personnel (76 fewer people).

### < Comparison between Complaints Handled before and after Integration >

Year	Number of Personnel	Complaints Addressed	Administrative Appeals	110 Governmental Call Center
2007 (pre-integration)	542	23,373	23,178	899,244
2010 (post-integration)	466	34,510 [Δ47.6%]	30,199 [Δ30.3%]	1,962,545 [Δ118.2%]

One noticeable change is that the number of complaints received after integration rose sharply, because of people's high expectations for better accessibility to and increased awareness of an integrated organization for complaint handling.

Efficiency of the complaint handling process was greatly improved after integration, because personnel, facilities and information were shared among the three organizations. Some tasks such as planning, budget, general affairs and global cooperation were integrated, and it became possible to reduce the number of personnel required to perform those tasks. The rest of the personnel were sent to the complaint handling work, enhancing efficiency of the operation of workforce in general. Another change to be praised is that a smaller number of personnel dealt with more complaints and still improved the quality of services. The complaint handling

period was reduced from 31 days (2007) to 22 days (average over the last four years) while public satisfaction about complaint handling went up from 62 to 72 points. The administrative appeal period was on average shortened from 82 days in 2007 to 79 days in 2011, and the oral hearing rate and the on-site evidence investigation rate were up by 16.2% and 21.8% respectively.

**< Complaint Handling Index >**

	2007 (pre-integration)	2008-2011 (4-year average)	Improvement
Received	23,681	30,542	up 37%
Handled	23,373	30,566	up 37.3%
Complaints Handled per Person	186	285	up 53.2%
Average Handling Period	31.6 days	22 days	down 6 days
Acceptance Rate (cumulative)	83.20%	92.00%	up 9% p
Public Satisfaction	62.8 points	75.8 points	up 13.0 points

**< Average Administrative Appeal Period >**

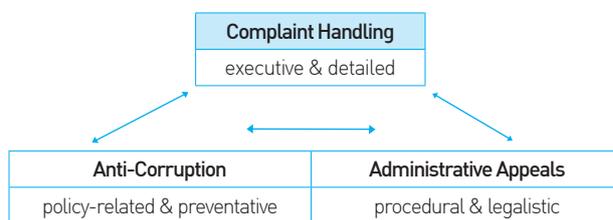
Year	Avg. Appeal Period (days)	Within 60 days (cases)	61-90 days (cases)	90 days+ (cases)
2007	81.6	15,720	5,217	2,242
2008	68.0	16,383	3,389	3,370
2009	74.2	16,966	5,320	5,175
2010	79.3	18,175	6,392	5,905

**Improvements in the Complaint Handling Made by Cross-Studying Policy**

The overall improvements in the work process that resulted from carrying out cross-studies into policies are more significant achievements. For instance, complaint handling and administrative appeals are essentially similar to each other because they are both self-rectifying systems for illegality and unfairness within the Executive Branch and at the same time, are systems protecting people’s rights. Thus, the handling procedure or the establishment of principles providing relief can be used in common between the two areas. In addition, as anti-corruption is mostly related to policy and regulation, cases of anti-corruption can be used to prevent complaints.

In this sense, collaboration and cross-studies by work divisions of themselves in the integrated Commission provide a valuable opportunity to draw administrative observations. In fact, it is a very interesting subject of study to look into how the work of complaint handling (executive and direct service), anti-corruption (policies and control) and administrative appeals (formal and procedural) fuse to bring about a synergistic effect under the common objective of improving the service of protecting people’s rights.

**< Complementarities of the Three Functions >**



The policy-related function of the complaint handling work was supplemented and reinforced. The Ombudsman Bureau and the Anti-Corruption Bureau interchanged personnel actively after integration, resulting in applying the methodology of the Anti-Corruption Bureau, whose characteristic is policy-related, to the Ombudsman Bureau. One exemplary case is the Complaint Handling Consulting Service which emulated the Integrity Consulting Service of the Anti-Corruption Bureau.

Given that the Complaint Handling Bureau did not offer a consulting service prior to integration, it can be said that the Bureau achieved a policy-related development that was meaningful. The Complaint Handling Consulting Service started in 2009 for four organizations, and expanded its service to ten organizations after upgrading its model in 2010. It provides practical consulting and advice for improving policies regarding the complaint handling process of a certain organization, and the Commission continues to cooperate with the organization after providing consulting.

The Complaint Handling Bureau and Administrative Appeals Bureau shared information on important policies, and such collaboration has a possibility for further development. Before integration, the Complaint Handling Bureau was in charge of rights relief and the Administrative Appeals

Bureau was in charge of carrying out the justification of administrative works. However, in order to highlight the rights relief aspect after integration, many changes took place in the Administrative Appeals Bureau. For example, administrative appeals became more claimant-centered, such as by offering flexible punishment for crimes related to the livelihood of ordinary citizens (ex: the driver’s license), the vitalization of on-site oral hearing, the adoption of the on-line claim system for administrative appeals, and the active utilization of a system for suspension of authority.

The amendment to the Administrative Appeals Act including strengthening the procedural rights of claimants by adopting a temporary procedural system in July 2010 and improving the fairness of Administrative Appeals Commissions across the nation is an effort to reinforce the rights relief function.

However, some are currently pointing out that the hearing of unfair administrative measures should be vitalized, which almost ended up as a mere scrap of paper, in order for the Administrative Appeals Bureau to accept the spirit of rights relief of the Complaint Handling Bureau. Their argument is that there are lessons to be learned from the Complaint Handling Bureau which has collected unfair cases using an opinion submission system. Meanwhile, it was concluded that complaint handling is relatively less elaborate from the legal perspective than are administrative appeals, although there was considerable mingling of such factors because of the interchange of personnel after integration. If, however, there is a relationship between the decreasing acceptance rate of complaint handling and an excessive dependence on legal research, it should be rethought for the sake of protecting people’s rights.

Another remarkable change made after integration in the complaint handling work was a new analysis system for complaint-related information. Before integration, complaints were merely reported and managed on using statistics, but have been converted into a policy-related work with the establishment of the Complaints Information Analysis Center. Starting from 2008, the Center reports approximately 1 million complaints submitted to the ACRC’s e-People system to their associated divisions every year so that they can refer to those complaints

when establishing and implementing policies. A more accurate methodology for analyzing complaint-related information was developed in 2011 to provide more information in a systematic manner. It has allowed a total of 35 suggestions to be made about improving policies and systems. Furthermore, a weekly report on the analysis of trends in complaints is distributed to all governmental bodies to prevent complaints and civil petitions.

**< Complaint Information Analysis System >**

Collecting Civil Complaints	Analyzing Information	Providing information & improving institutions
<ul style="list-style-type: none"> <li>• e-People</li> <li>• 110 Government Call Center</li> <li>• Government websites &amp; media</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive analysis of social issues &amp; frequently filed complaints</li> <li>• Comparative analysis of comprehensive trends (sex, regional preferences, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Identification of institutions to be improved</li> <li>• Real-time provision of information for relevant public agencies</li> </ul>

**Effects of the Integrated Institutional Improvements**

The greatest effect that integration had was on the Institutional Improvement Bureau because its work process flow goes from discovering tasks, fact-finding, and making recommendations to checking of implementation. All tasks used to be done separated per each area, but, post-integration, the tasks have been carried out jointly. The checking of implementation has also been integrated, which has led to a considerable enhancement in the quality of work and efficiency.

The organization for institutional improvement started with the three divisions of the Institutional Improvement Planning Division and the Institutional Improvement Division in the Anti-Corruption Bureau as well as the Complaint Institutional Improvement Division of the Ombudsman Bureau. In May 2009, the Director General for Policy Planning was appointed within the Planning and Coordination Office, and the responsibility was divided between two Director Generals — the Director General for Institutional Improvement Planning in charge of anti-corruption and the Director General for Institutional Improvement in charge of complaint handling. In February 2010, the Director General for Institutional Improvement was appointed to be under

the direct control of the Secretary General in an attempt to strengthen the function of general management and adjustment relating to institutional improvement, and has again been restructured into the three new divisions of the General Institutional Improvement Division, Economic Institutional Improvement Division and Social Institutional Improvement Division. An exclusive body was established to deal with complaints and anti-corruption issues as well as complex tasks, and the shortened approval process brought about a prompt improvement in institutions. In addition, the fact that many personnel in charge of different areas were involved, such as complaint handling, anti-corruption, administrative appeals and complaint information, contributed greatly to the increase in the number of cases of institutional improvement.

#### < Institutional Improvements in Anti-corruption >

Year	Recommendations	Sub-tasks	Number of Personnel	Recommendations per Person
2005	11	193	-	-
2006	12	183	-	-
2007	7	147	26	0.27
2008	8	103	23	0.34
2009	16	128	15	1.06
2010	22	178	21	1.05
2011	33	189	18	1.83
<b>Total</b>	<b>109</b>	<b>1,121</b>	<b>-</b>	

\* Half of the average number of personnel was allocated in 2010 and 2011 because the Director General for Institutional Improvement was responsible for both anti-corruption and complaint handling.

#### < Institutional Improvements in Complaint Handling >

Year	Recommendation	Sub-task	Number of Personnel	Recommendation per Person
2005	55	55	-	-
2006	101	101	-	-
2007	111	111	168 (exclusive charge: 10)	0.66
2008	95	102	145 (exclusive charge: 12)	0.65
2009	99	278	139 (exclusive charge: 12)	0.71
2010	70	432	147 (exclusive charge: 21)	0.47
2011	48	186	145 (exclusive charge: 18)	0.33
<b>Total</b>	<b>579</b>	<b>1,265</b>	<b>-</b>	<b>-</b>

\* The achievements in 2011 were relatively low as institutional improvement in anti-corruption was a priority for 2011.

#### Evaluation on the Anti-Corruption Achievements

Anti-corruption is a national issue that should be cooperatively managed by major administrative bodies, such as the legislative and the judicial branch, the Ministry of Justice, the Ministry of Public Administration and Security and the ACRC. Thus, it is true that such a fact makes it difficult to accurately measure the achievements made by anti-corruption efforts. From the perspective of policy, anti-corruption can be defined as a strategic effort to lead and change public officials to have a fair attitude, and the ultimate objective of institutional improvement in the anti-corruption area is to bring about changes in the behavior of public officials.

The best way to evaluate achievements in anti-corruption effort is by assessing unveiled changes in the behavior of public officials. If no change is discerned in the behavior of public officials even after many measures have been suggested, those measures will be concluded to be ineffective for the public sector. In this sense, it is somewhat of an embarrassment to look at the ACRC's anti-corruption effort in the first three years, because it is true that only small changes in the public officials' behavior were witnessed even though a lot of actual efforts were made, such as educational programs and campaigns. A new effort made in 2011 to lead the change can be said to be a very encouraging result.

First, the ACRC, in order to take the initiative and set an example, decided not to collect any cost for outside lectures on integrity from the second half of 2011. Also, in the beginning of 2012, the ACRC is planning to prepare and recommend a standard of outside lecture cost for other administrative bodies. To date, the public has criticized the high cost for outside lectures and said that they are being misused to offer bribes and that the income received thereby is a benefit outside the regular salary. A public official refusing reimbursement for an outside lecture and limiting the amount of the payment is a clear change that people can bear witness to, and it will affect both the public and the private sectors.

Another measure to bring about changes is the enactment of the Act on the Prevention of Special Favors and Conflicts of Interest which has been promoted

since the beginning of 2011. This Act is expected to have a refreshing shock on those who were involved in corruption using loopholes in the law, especially people's behavior who thought that asking a special favor was merely an act of compassion and of fine custom made without any sense of guilt. In this respect, if an appropriate anti-corruption measure can be interpreted as a measure that can bring about a positive effect and inspire changes by shocking people about improper behaviors, the ACRC's anti-corruption efforts can be concluded to be on the right track after 2011, and the Commission raises high expectations for further achievements.

Before concluding achievements in the anti-corruption area, it is necessary to identify the relationship between anti-corruption efforts and the protection of people's rights, because it is a predominant view that public officials and the government of integrity are related to the common good, rather than to just the interest of each individual. In fact, however, there are many cases of corrupt public officials and the government bringing disadvantage and difficulty to individuals. Examples of this include: a corrupt public official postponing an approval as he or she was not given a bribe; a complacent public official neglecting poor residential environment; or a public official in charge of a contract developing a relationship with a specific company and unduly eliminating its rivals from the bidding. All of these cases can harm the interests or the rights of life of people. Then, such cases become a direct cause of the infringement upon people's interests. The ACRC, in an attempt to prevent civil petitions, is educating public officials in charge of complaint handling, establishing standards of complaint handling and providing consulting service to some organizations. Anti-corruption is also playing a significant role in the prevention of civil complaints.

Thus, the ACRC's anti-corruption efforts are measures that protect people's rights and are essentially the same as its complaint handling or administrative appeal work. Nevertheless, anti-corruption protects people's rights in an indirect way because it aims to eliminate negative variables, while the other two functions work in a more direct way.

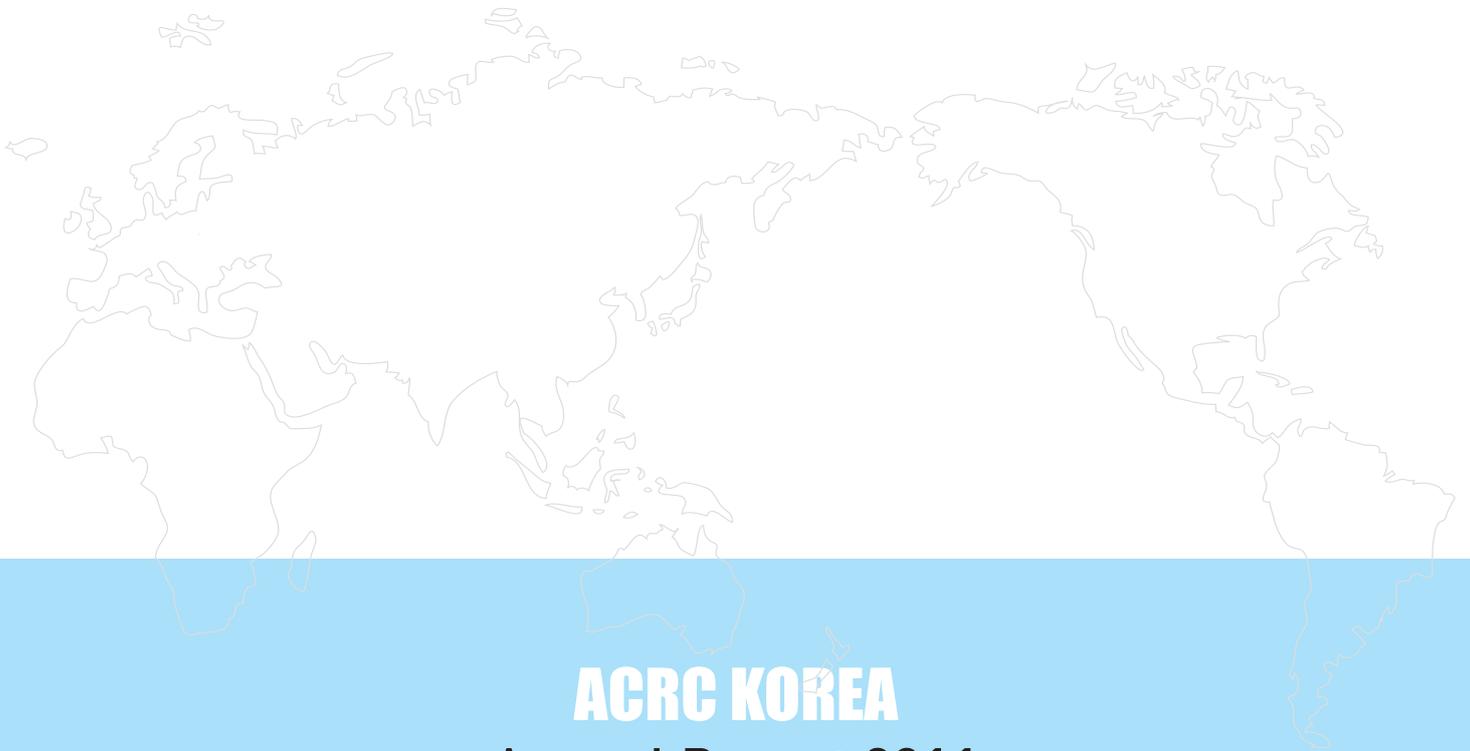
## 2. Future Path

The ACRC, based on its achievements, is now faced with the task of providing upgraded service for the protection of people's rights. Beyond the integration of the three organizations, it is time to add a new dimension to efforts for protecting people's rights by connection and convergence of works. To date, the ACRC has improved efficiency to successfully alleviate concerns over a clash between the three major tasks of complaint handling, anti-corruption and administrative appeals. The next step is to develop the appropriate policies and tasks for protecting people's rights as a comprehensive organization.

The year 2012, in which the new government will be elected, gives an appropriate setting to review and evaluate the achievements of the last four years and to suggest a mid- to long-term vision and operational plan. As administrative bodies are becoming larger and more bureaucratized, people whom a country belong to are sometimes marginalized. In such a circumstance, the importance of the work staying people-centered when protecting their rights cannot be over-emphasized.

For instance, the success of an integrated organization in charge of the three tasks of complaint handling, anti-corruption and administrative appeals, which seem somewhat separate, depends on how closely those tasks and functions can be connected together.

The experiences gained over the last four years proved that the three works can be integrated while pursuing the one common goal of protecting people's rights. The historical responsibility that the ACRC should take on from 2012 is to strengthen convergence of the major tasks, raise the task of protecting rights up to a higher level and consequently, develop an ideal model for the protection of the people's rights in Korea.



**ACRC KOREA**  
**Annual Report 2011**

# Part 1

## Major Cooperative Activities to Protect People's Rights

- Chapter 1 Public-Private Partnership
- Chapter 2 International Cooperation
- Chapter 3 Public Relations



# Part 1 Major Cooperative Activities to Protect People's Rights

## Chapter 1

### Public-Private Partnership

#### 1. Overview

The ACRC is striving to promote public-private partnership to establish a foundation for the realization of a fair society by facilitating communication and cooperation with civil and social groups and strengthening support for companies to spread the culture of ethical management.

The Policy Council for Transparent Society, launched on December 9, 2009, has promoted ethical management and held discussions and workshops on accounting transparency in cooperation with participating organizations and groups. The Council has acted as an inter-organization network that works cooperatively to spread a culture of integrity to the overall society and to enhance the trust therein.

Private competition projects of the ACRC have invited the public to share their autonomous, anti-corruption activities since 2007. In 2011, the ACRC selected and supported six projects involving civil society organizations which aim at heightening the awareness of anti-corruption and integrity.

The ACRC Honorary Consultants are volunteers who work without compensation. The volunteer system has been introduced since 2008 in order to secure a social safety net for ordinary people. As of the end of 2011, there were 1,226 honorary consultants playing important roles as advisors and consultants to protect people's rights on a nationwide scale.

The on-line newsletter Corporate Ethics Brief has reported on the most recent trends related to ethical management since 2005. The Brief upgraded its contents in 2011, and the Ethical Management Training Program

which started in 2009 was expanded to meet the increasing demand for education in 2011.

#### 2. Major Accomplishments in 2011

##### The Policy Council for Transparent Society

The Policy Council for Transparent Society is a consultative group of the public and private sectors, launched on December 9, 2009 with an aim of promoting anti-corruption and enhancing integrity across the country. As of December 2011, the Council comprises 26 organizations from 9 sectors including government, politics, business, civil society and professional associations.

In 2011, the Council focused on laying the groundwork for and expanding economic cooperation, and co-hosted discussions, workshops and symposiums with major organizations in the economic field in order to promote ethical management.

##### Private Competition Projects

Private competitions are held to invite creative, private-led initiatives that can be connected to and complement the government's anti-corruption policies. In 2011, the ACRC selected and provided financial support for six groups working in four different areas including education, welfare and politics.

The selected projects included the Transparency Play for Children, the Youth Camp Exploring the Great Men of Integrity in History and the Trust School Movement for Vitalizing Public Education in the education field; the Social Pact on Anti-Corruption & Transparency in the social and welfare field; and the Pledge of Local Assemblymen for Realizing the Society of Transparency and Trust in the political field.



### **ACRC Honorary Consultants for Enhanced Communication with People**

The ACRC Honorary Consultants are volunteers who consult about the protection of people's rights, make suggestions to improve related systems and introduce policies of the ACRC to the public without compensation.

The ACRC appointed 166 consultants among retired public officials in Seoul and Gyeonggi-do in September 2008, and attracted additional consultants, such as social workers, licensed real estate agents and beauticians, whose work is closely related to the daily life of ordinary people. In 2011, a total of 1,226 consultants are working in 228 local districts.

The ACRC provides educational support to consultants through regional workshops in which consultants can be trained about their roles and counseling techniques.

### **Support for Autonomous Corporate Ethical Management**

Transparency and ethics are the key elements that allow corporations to survive and improve their competitiveness in the global economy. In line with the trend for transparency and ethics, the ACRC promoted various projects to create a transparent and fair business environment and make ethical management take root at the corporate level.

The monthly on-line magazine Corporate Ethics Brief conveys the most recent trends and best practices relating to ethical management inside and outside Korea. In 2011, the on-line magazine upgraded the contents by setting up a new column written by eminent persons and reporting on an increased number of ethical business practices per each sector and industry. The Corporate Ethics Brief is distributed to public and private companies, economic organizations and academia by e-mail, and is uploaded on the official website of the ACRC.

The ACRC operated educational programs for compliance officers, supporting the effort to promote corporate ethical management in a systematic manner. The educational programs included lessons on how compliance officers can enhance their capability, and in particular, the frequency of the programs was increased from two times to five times in 2011 to meet the demands for education on ethical management.

Furthermore, the ACRC has hosted the Corporate Ethics Workshop since 2008 to help officers in charge of ethical management at public and private companies and other related groups as they establish an efficient network for information sharing and cooperation.

### **Improving Professionalism & Fairness Based on the MOUs with Professional Associations**

It has been three years since the ACRC signed MOUs with the Korean Medical Association and the Korean Bar Association to receive professional counseling so that it can enhance public confidence in complaint handling processes and provide legal assistance for the underprivileged.

To date, the ACRC sought advice in 144 cases from professional associations in order to improve professionalism and fairness in handling complaints. In 2011, a total of 39 cases in the field of health and welfare, labor, industry, national defense and patriots-veterans sought medical advice; for instance, on the decision of whether to award physical disability stemming from an industrial accident, decisions of men of national merit and physical grade, and claims to be paid.

**Chapter 2****International Cooperation****1. Overview**

In 2011, the ACRC actively engaged in the global fight against corruption and strengthened cooperation with ombudsman institutions of other countries to protect the rights of overseas nationals.

As the chief representative of Korea for the G-20 Anti-Corruption Working Group, the ACRC operated a working-level meeting dedicated to the implementation of the G-20 Anti-Corruption Action Plan, jointly with nine other authorities including the Ministry of Justice and the Ministry of Foreign Affairs and Trade. The Working Group reported to the G-20 Summit in November 2011 about G-20 countries' progress in the implementation of the Action Plan, which included Korea's enactment of the Act on the Protection of Public Interest Whistleblowers.

The ACRC received a positive evaluation from the OECD regarding Korea's implementation of the OECD Anti-Bribery Convention in October 2011. It successfully responded to the phase 3 on-site visit by the OECD Working Group on Bribery in cooperation with related bodies. The Commission also completed the implementation of the phase 2 recommendations by enacting the Act on the Protection of Public Interest Whistleblowers.

Furthermore, the ACRC, as the secretariat of the Anti-Corruption Agency (ACA) Forum, laid a firm foundation for the Forum by setting up plans for the cooperative activities of member countries and adopting the Terms of Reference (TOR) at the 6th Forum meeting in November 2011 in Fremantle, Australia.

The ACRC signed an MOU with the Korea International Cooperation Agency (KOICA) in April 2011 to expand anti-corruption technical assistance for developing countries, and has operated professional, in-depth training programs designed to enhance competence of anti-corruption practitioners. In addition, the ACRC provided

technical assistance tailored for the demands of other countries including Indonesia, Thailand, Vietnam and Uzbekistan so that Korea's major anti-corruption policies such as the Integrity Assessment and the Corruption Impact Assessment can be introduced to those countries.

The Commission strengthened efforts to promote the rights of overseas residents and played an active role in the international ombudsman effort by working to lay out the future path of an ombudsman system for each nation. It conducted a comparative study on the ombudsman institutions in Asia in order to find a cooperative measure suitable for the ombudsman system of Asia. It shared the results of the study with members of the International Ombudsman Institute (IOI).

The ACRC signed an MOU with the ombudsman institutions of Kirgizstan and Thailand in October and December 2011 respectively to reinforce cooperation for protecting overseas residents. It also operated ombudsman outreach programs in several Central Asian countries to actively manage complaints of overseas residents.

**2. Major Accomplishments in 2011****Participation in the G20 Anti-Corruption Agenda**

The G20 Anti-corruption Working Group which was organized under an agreement reached at the 4th G20 Summit held in Toronto in 2010 went through extensive negotiations for several months which culminated in the G20 Anti-corruption Action Plan. In the subsequent Summit in Seoul, leaders of the G20 shared the idea that it was necessary to prevent and eradicate corruption and adopted the Action Plans as an Annex.

The G20 Anti-corruption Action Plan calls on G20 countries to join the major international conventions relating to anti-corruption and includes important issues such as global and public-private partnerships for anti-corruption, the protection of corruption reporters and the improvement of the status of anti-corruption organizations. In 2011, the ACRC, as a leading organization in charge of anti-corruption efforts in Korea, collected data on how Korea is working to implement the

G20 Anti-corruption Action Plan. The ACRC has monitored the overall anti-corruption efforts in the private sector as well as related systems or policies of the government. Also, the ACRC plays a key role in taking a broader view of the implementation stage. Finally, the ACRC gathers corruption-related information in a systematic manner.

The results of monitoring were reported to the G20 Anti-Corruption Working Group Meeting three times. At the working group meetings, the ACRC explained that Korea is making its utmost effort to be prepared for the Phase 3 Review of the OECD Anti-bribery Convention in 2011 and the phase 1 implementation review of the UN Convention against Corruption in 2012, and shared the overview on Korea's anti-corruption efforts. The Commission also took part in reviewing the first monitoring report on the Implementation of the G20 Anti-Corruption Action Plan to be submitted to the 6th Cannes G20 Summit and included the enactment of the Act on the Protection of Public Interest Whistleblowers as one of the accomplishments of Korea.

### **Active Response to the Rounds of Anti-corruption Global Efforts**

The OECD conducted the Phase 3 Review in Seoul in May and at the OECD headquarters in October. The ACRC actively participated in meetings with relevant organizations to prepare working group meetings and answers to additional questions of the lead examiner. Korea, in particular, has enacted and implemented the Protection of Public Interest Whistleblowers which was one of the recommendations made in the Phase 2 Review, receiving a positive analysis from the OECD headquarters.

The International Anti-Corruption Academy (IACA) is an international organization in charge of research, education and training related to preventing and eliminating corruption. The IACA shares the theoretical achievements gained from its research and exemplary cases of anti-corruption collected from member countries in an attempt to enhance professionalism and efficiency in anti-corruption efforts on the working level. The IACA achieved the status of an international organization in March 2010, and the IACA now (as of December 2011) has

a total of 57 member countries including 26 parties. The first meeting of the Assembly of Parties is scheduled to be held in Austria in October 2012.

The ACRC has actively taken part in the IACA since participating in the IACA Inaugural Conference held in Austria in September 2010. It became the 26th party of the IACA by signing and ratifying the Agreement for the Establishment of the International Anti-Corruption Academy as an International Organization in cooperation with the Ministry of Foreign Affairs and Trade and the Ministry of Justice.

### **Taking on the Role of the ACA Forum Secretariat**

The Anti-corruption Agency (ACA) Forum is a forum for the heads of anti-corruption organizations in the Asia-Pacific region which was started in Seoul in November 2002 for the purpose of strengthening cooperation among such organizations and their capabilities. The ACA Forum has a total of seven member countries: Korea, Hong Kong, Indonesia, Malaysia, Australia, Singapore and the Philippines. The ACRC played its role as a secretariat of the ACA Forum, such as setting the agenda, making follow-up measures, supporting exchanges amongst member countries and operating the official website of the ACA ([www.aca-forum.org](http://www.aca-forum.org)).

The ACRC, jointly with the Australia New South Wales ICAC, held the 6th ACA Forum in Fremantle, Australia on November 18, 2011. The Forum approved the Terms of Reference (TOR) which include basic regulations and laid a foundation for the systematic and efficient operation of the ACA Forum. In addition, participants discussed ways to further cooperation amongst member countries by exchanging human resources or training programs designed for member countries and shared experiences and opinions about their common issues including the cultural aspects of corruption and improving the anti-corruption system in the procurement sector.

The ACRC regards the ACA Forum as an opportunity to muster global cooperation amongst anti-corruption organizations and to further promote the Forum to improve awareness of anti-corruption efforts inside

and outside Korea. These efforts will ultimately contribute to developing the ACA Forum into a high-level forum for the leaders of anti-corruption in the Asia-Pacific region.

### Technical Assistance to Enhance the Anti-corruption Capability of Developing Countries

#### (1) Enhancing the Anti-corruption Capability of Developing Countries in Cooperation with the KOICA

As the first cooperative project with the KOICA based on the memorandum of understanding on the technical assistance for developing countries in the areas of anti-corruption and ombudsman policies signed with the KOICA in April 2011, the ACRC invited public officials of Indonesia to provide a training program on how to strengthen anti-corruption capabilities.

The first training program was participated in by a total of 15 public officials from the Corruption Eradication Commission, the Attorney-General's office, the Audit Board and the Indonesian National Police Agency. The education for trainees centered on the code of conduct of Korean public officials and the protective system for corruption reporters. The participants also visited the Ministry of Public Administration and Security, the Public Procurement Service and the Korea Customs Service to learn about the ethical system of the Korean public sector and the anti-corruption system that utilizes the functions of an e-government. The trainees voice their commitment to conducting research and analyses on codes of conduct and regulations for protecting informers of corruption based on the education provided. They also made suggestions to the government about how to improve such systems.



In October 2011, the ACRC co-hosted a training program with the KOICA for twelve anti-corruption practitioners of the Anti-corruption Commission of Bangladesh. The trainees selected the adoption of a code of conduct, the Corruption Awareness Survey, and the protective system for corruption informers like Korea as the first issue to be improved. In the survey, they answered that they will report about the code of conduct and the integrity assessment process in the public sector to their Commission, and will study how to apply these lessons to their country.

#### (2) MOUs on Anti-Corruption Cooperation

The Korea-Indonesia Anti-corruption MOU was the first of its kind to be signed by Korea with a foreign government. Under the MOU, the ACRC has shared various programs with Indonesia since 2007 such as Integrity Assessment, anti-corruption policy assessment and analysis on the impact of corruption. As a result, Indonesia has conducted an integrity assessment, an anti-corruption policy assessment and an analysis on the impact of corruption for the central and local governments and the public corporations since 2008, and has recommended related organizations to revise any Act or system that includes possible causes of corruption.

The ACRC held the 5th meeting of the Korea-Indonesia Cooperation and coordination committee in Seoul on July 28, 2011. Upon the request of Indonesia, new areas in which to cooperate were added during the meeting, such as improving the anti-corruption system and the on-line filing system. The ACRC also proposed to add the performance evaluation on mutual cooperation and promotional activities to the agenda.

The ACRC signed an MOU on Anti-corruption Cooperation with the National Anti-Corruption Commission of Thailand (NACC) on September 15, 2009. In May 2011, the ACRC and the NACC co-hosted the Thailand-Korea Seminar on the Preventive Measures under the UNCAC in Bangkok in May 2011. In the seminar, both nations shared their policies and experiences in various areas such as the development of preventive policies and the prevention of conflicts of interest and corruption in the area of government purchases. The delegate of the

ACRC introduced Korea's anti-corruption strategies, exemplary cases, the code of conduct for public officials, its public-private partnerships in anti-corruption, the integrity assessment of the public organizations and anti-corruption policy assessment.



Korea-Thailand Seminar on the Preventive Measures under the UNCAC (May 23, 2011)

Upon the request of Vietnam, the ACRC signed a Korea-Vietnam Ombudsman MOU with the Office of the Central Steering Committee for the Anti-Corruption of Vietnam (OSCAC) on February 3, 2010 and agreed to provide information on Korea's major anti-corruption policies in order. A workshop was held in June 2011 in which Korea presented its code of conduct for public officials, institutional improvements in anti-corruption and anti-corruption policies in the land sector. An international workshop was held in Hanoi, Vietnam in March 2011 for the sake of developing protective measures to offer protection to informers in Vietnam. The ACRC was invited to this workshop to introduce the protection system of Korea. The ACRC plans to closely cooperate with related authorities such as the Prosecution Service and the Public Procurement Service so that ways to improve transparency in the prosecution process regarding corruption and anti-corruption policy in the public procurement sector will be delivered to Vietnam.

### Participating International Conferences on Ombudsman

The IOI is a non-profit corporation consisting of 135 Ombudsman institutions from 76 countries. It was established in 1978 for the purpose of disseminating the concept of the protection of people's rights. The ACRC has worked as the director for Asia since joining the IOI in 1996, and Ms. Young-ran Kim was re-elected as the Regional Director on August 19, 2011.

At the Annual Board Meeting held in Zambia in November 2011, the ACRC made a presentation about a Comparative Study on the Asian Ombudsman Institutions in which outsourced researchers compared the organizations and functions of ombudsman institutions in 16 Asian countries. The presentation was very well-received by the audience. The Commission also participated in discussions of the IOI to express the opinions of Asia and to have them be incorporated into the policies of the IOI.

The Chairperson Young-ran Kim of the ACRC participated in the 12th Conference of the Asian Ombudsman Association held in Japan in December 2011 and gave a presentation entitled the Efforts and Achievements of the ACRC (Korea) in Protecting the Vulnerable in Society. The presentation included such issues as using an onsite outreach program to resolve regional conflicts, onsite mediation process, protection of overseas residents in cooperation with foreign ombudsman, and a systemic investigation for the socially disadvantaged, highlighting the importance of ombudsman's work to protect the rights of socially vulnerable people.



Presentation at the 12th Conference of the Asian Ombudsman Association (December 7, 2011)

The ACRC's complaint handling system is widely known not only by ombudsman institutions in Asia but also by these associations around the world. For example, the e-People was recently awarded the UN Public Service Award and has received high marks from around the world as an efficient complaint handling system that integrates both the central and local governments. Many countries hope to adopt the system in their own countries, and in particular, President Beverley A. Wakem (CBE, New Zealand) of the IOI made a request

for a presentation on the e-People at the IOI World Conference 2012 to be held in November 2012. Moreover, the e-People will be introduced in the IOI. Training for Asia and the APOR region (Hong Kong & Macao) is scheduled for May 2012.

### Signing Additional MOUs for Expanded Ombudsman Cooperation

The ACRC promotes cooperation with the ombudsman organizations of other countries to expand the tasks carried out by ombudsman, protect the rights of overseas residents and companies that entered the foreign markets, and handle the complaints they make. The ombudsman organizations of both countries between which an MOU has been signed should actively cooperate to help resolving complaints or inconveniences experienced by overseas residents (including companies) in the other country. If a resident of a partnering country files a complaint to the administrative body, the result will be reported to the resident, and an administrative will visit a company, a worker or a multi-cultural family to offer consulting services to resolve their complaints. In addition, two countries provide a language service that residents of a partnering country can file a complaint and communicate in their languages, and share the results.

In February 2012, the ACRC signed the first MOU with the Ombudsman of Indonesia, a country in which a number of Korean people are living and companies are conducting business. The ACRC visited Jakarta, Indonesia to host the Korea-Indonesia Ombudsman Cooperation Meeting in September 2011, and visited Koreans to accept their complaints. Prior to the Meeting, the ACRC visited the Ansan City Migrant Community Service Center to consult and handle difficulties experienced by Indonesian workers such as pension problems and the late disbursement of wages.

In October, the ACRC began to reinforce cooperation with the ombudsman organizations of the Central Asian countries to protect the rights of the Korean Diaspora who are having crucial difficulties living in those countries. The Commission signed an MOU with the

Ombudsman of Kyrgyzstan for protecting the rights of overseas residents and plans to sign an additional MOU with the Ombudsman of Uzbekistan.

Furthermore, the ACRC operates the overseas e-People for Koreans living in Uzbekistan, Kyrgyzstan and Kazakhstan. The overseas e-People enabled the ACRC to listen to the difficulties they have with daily life, to raise some complaints to formulate a dialogue with related authorities in Korea, and to have their complaints handled. The real-time e-People which went on operation for the first time received very positive responses from the Embassies and from Koreans living in certain countries, because they respected that the ACRC came all the way to Central Asia and strived to resolve difficulties and complaints of Koreans living there.

In December, an MOU was signed in Tokyo, Japan with the Ombudsman of Thailand which has since 2010 constantly expressed its intention to promote cooperation. At the 12th Conference of the Asian Ombudsman Association, Chairperson Young-ran Kim met her counterpart of the Ombudsman of Thailand to discuss measures to actively protect the rights of Koreans and Thai living in their respective country, and signed an MOU regarding the prompt processing of complaints for people of each other. The signing of this MOU stood as an ideal opportunity to secure a channel for protecting the rights of both countries as well as to strengthen a cooperative relationship amongst the Ombudsman of Asia.



Signing of Korea-Thailand Ombudsman MOU  
(December 5, 2011)

### 3. Future Path

The ACRC, for the purpose of enhancing integrity across the country, plans to put more effort into bringing itself into compliance with the global standards proposed in the rounds of global anti-corruption, such as the UN Anti-corruption Convention and the OECD Anti-bribery Convention. In addition, the Commission aims to facilitate the operation of the G20 Anti-corruption Action Plan Working Group in close cooperation with the Ministry of Justice and the Ministry of Foreign Affairs and Trade. As a party of the IACA, the ACRC will actively participate in educational programs to create an occasion to upgrade its capabilities as an organization exclusive dealing with anti-corruption. Moreover, the Commission will cooperate further with the IACA, for example, by signing additional MOUs, so that its policies can be introduced in the regular course of the Academy.

The ACRC plans to continuously promote anti-corruption policies and technical assistance projects for those countries which signed an MOU with the Commission, and at the same time cooperate with the KOICA to expand its technical assistance to Africa and the Middle East and upgrade the training program on anti-corruption for the public officials of developing countries.

Furthermore, the ACRC will seek an ideal opportunity to increase technical assistance, for example, as was done with the introduction of the e-People and the 110 Governmental Call Center, by sharing major policies and investigational techniques, and to sign additional MOUs with other leading educational and training institutes to learn their advanced investigation techniques and complaint handling methods.

The ACRC will further promote activities that will enhance national integrity. For example, the Commission will try to promote its major policies and projects such as the Act the Protection of Public Interest Whistleblowers and the e-People via the newsletters of major ombudsman or anti-corruption related organizations around the world, and will utilize its website and newspapers in English language, an

e-mail newsletter and publications of foreign economic organizations to spread word about its anti-corruption efforts and those of ombudsmen. Furthermore, the ACRC plans to produce promotional materials for non-English-speaking Asian countries. The ACRC will also hold briefing sessions on major policies for foreign entrepreneurs so that their difficulties can be heard and they can be made aware of the improvements made by anti-corruption activities in Korea as well as the willingness and effort to build a transparent society and a favorable environment for companies.

Lastly, the ACRC will follow up the recent discussions of international organizations and the new trends in system and policy in developed countries and utilize collected data when dealing with policies on complaint handling, anti-corruption and administrative appeals.

**Chapter 3**

**Public Relations**

In its fourth year since establishment, the ACRC engaged in a wide spectrum of promotional activities, including media publicity, in order to raise public awareness and credibility of the Commission.

Along with the increasing popularity of on-line services, the ACRC started to use four new SNS services, such as Twitter, Facebook, Metoday and Yozm, to further communication with the public. Such efforts helped to increase the number of visitors to the official blog of the Commission from 870,000 in 2009 to 3.58 million as of the end of December 2011.

**1. Raising Awareness via Media Activities**

Gaining recognition of the Commission amongst citizens is the task at hand of the ACRC as it was only in its fourth year since inception. Above all, raising awareness of the ACRC is a prerequisite to receiving and handling the complaints of the people and eliminating injustice in Korea.

Thus, the ACRC has used various methods, including media publicity, on-line promotion and direct promotional activities. First, the ACRC produced and distributed a total of 374 press releases in 2011 to inform people about the Commission’s various activities via the media.

The ACRC promoted over 90 joint campaigns or special articles with about 30 media including the Herald Business, the Nocut News, the City Daily, AM7 and the Munhwa Ilbo. The ACRC also airs a fixed program titled Off to the Spot, Into the People via an official news agency, KTV, to show the Onsite Outreach Program to deliver a sense of realism and the efforts of the personnel working in the complaint handling divisions of public organizations.



Consequently, activities of the Commission can gain more media exposure. The ACRC was searched for 6,923 times on the search portal of Naver, but the number increased to 7,453 in 2010 and to 8,476 in 2011, showing a constant rise year-on-year.

**< The Number of Media Exposures of the ACRC >**

Search Word	Times		
	2009	2010	2011
The Anti-Corruption and Civil Rights Commission	6,923	7,453	<b>8,487</b>

Search results for "The Anti-Corruption and Civil Rights Commission" on Naver

**2. Publishing a Newsletter and PR Materials including the ACRC Quarterly**

The ACRC has published its own newsletter, ACRC Quarterly, since its launch in 2008. Every two months, a total of 14,000 copies are printed for each issue and distributed to public places such as libraries, citizen centers and citizen complaint centers.

In addition, the English edition of the ACRC Quarterly has been produced since March 2008 to be distributed to foreign residents and foreign Embassies. From 2012, an application for smart devices will be revealed allowing subscriptions to be made to the newsletter.



### 3. Public Advertisement to Raise Awareness

The ACRC, in an attempt to enhance its image as a communication channel for the people and a leader in people-friendly policies, aired TV commercials and distributed print ads.

TV commercials depicting the 110 Governmental Call Center were aired 45 times on KBS2, MBC and SBS so that more people could be made aware of and use the service, and a promotional ad under the theme of I am on my way to meet you was aired 472 times on KBS 1 and 2, MBC, SBS, YTN, MBN and DMB (six channels). In addition, an English version of print ads appeared five times in English newspapers such as the Korean Herald and the Korea Times.



The ACRC aired free public campaign ads to gain a low-cost, high-efficiency effect and to increase recognition of the Commission.

At first, the public campaigns were placed on trains, subways and railway related facilities operated by KORAIL, but were expanded to subways in Seoul, Busan, Gwangju, Daejeon, Daegu and Incheon which are run by local governments. The ACRC promoted to air more free campaigns in 14 airports across the country, including Incheon International Airport and Gimpo International Airport, and expressway service areas.

A total of 320,000 ads went on the air for free every day, gaining the effect of having invested KRW 6 billion per year.

### 4. On-line Promotion by the Official Blog of the ACRC

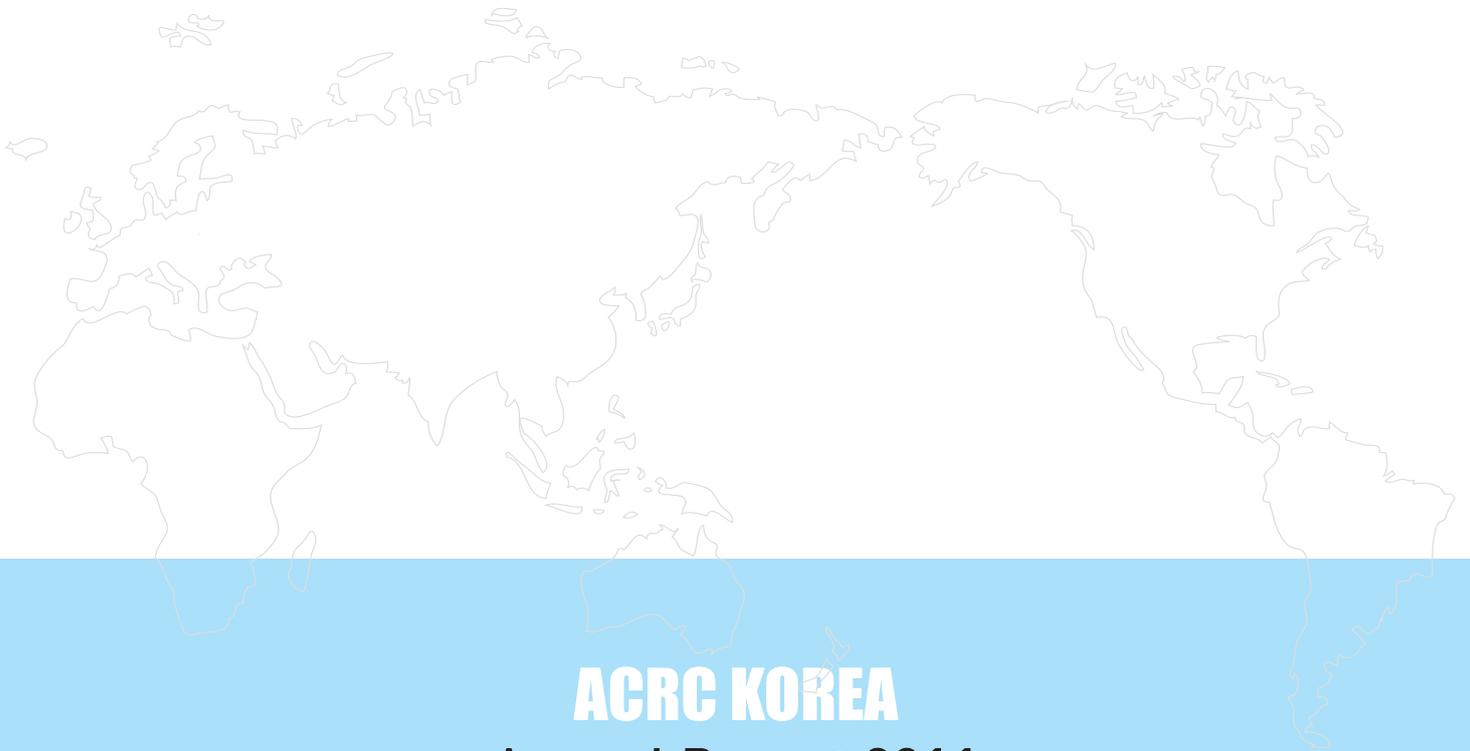
As the major media made a prompt shift from traditional channels such as newspaper and TV to new on-line media, on-line publicity has become one of focuses of the ACRC. The vitalization of on-line services brought about a dramatic change in the media, and consequently, the portion of on-line promotion of the Commission's policies has expanded.

Thus, the ACRC managed only a Daum blog in 2009, but opened new blogs on Naver and Yahoo to strengthen its mutual communication channel.

Furthermore, in line with the proliferation of the SNS service, the ACRC opened four communication channels via Twitter, Facebook, Metoday and Yozm. Thanks to such efforts, the number of visitors to the official blog of the ACRC was up from 870,000 in 2009 to 2.41 million in December 2011.

#### < The Number of Visitors to the Official Blog and SNSs of the ACRC >

Name of Service	Blog			SNS			
	Daum	Naver	Yahoo	Twitter	Yozm	Metoday	Facebook
Opened	May 22, 2009	July 22, 2010	Sep 1, 2010	July 4, 2009	Feb 16, 2010	Feb 16, 2010	Aug 14, 2010
Visitors (friends, followers)	2,933,278	106,173	539,388	7,563	8,004	15,208	57,105



**ACRC KOREA**  
**Annual Report 2011**

# Part 2

## Complaint Handling

- **Chapter 1** Overview of Complaint Handling in 2011
- **Chapter 2** Investigation of Complaints
- **Chapter 3** Integrated Handling of Complaints and Complaint Analysis



## Part 2 Complaint Handling

### Chapter 1

## Overview of Complaint Handling in 2011

### 1. Work Direction of Complaint Handling in 2011

2010 saw the highest increase in the number of complaints filed since the launch of the current government, and the number of filed cases was expected to increase further in 2011 because of people's improved awareness of their rights and diversified demands, and easier access to the complaint-submission window as a result of the development of the Internet. In addition, the necessity to strengthen preventative measures was suggested in order to eliminate the root cause of complaints.

Given the forgoing, the ACRC selected the following four priorities for 2011: prompt and sincere complaint handling; expansion of field-centered complaint handling; protection of the rights of the low-income class, the socially underprivileged and small and medium enterprises; and enhancement of the complaint prevention policy.

#### Prompt and Sincere Complaint Handling

The first priority of the ACRC for 2011 was to handle complaints that people filed with the ACRC both promptly and sincerely so that the satisfaction level of people along with the acceptance rate in favor of complainants could be improved. Below, the sub-objectives set out by the ACRC to successfully achieve this first goal will be described.

The first sub-objective is to upgrade the complaint handling process and strengthen the capability of investigators. To do so, investigators were requested to examine complaints from the perspective of the people and to improve their work process to shorten the handling time and to try many alternative ways to find solutions

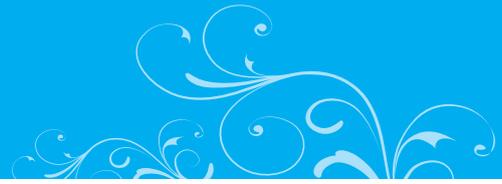
Another important issue is improving the complaint management process that was affected by a low acceptance rate. The efforts to persuade and improve the understanding of citizens who found it difficult to accept the handling of their complaints were emboldened so that the complainants would not lose faith in the government. Furthermore, educational programs for investigators to develop an active attitude towards complaint handling and to acquire knowledge and expertise that are needed to manage complaints were expanded.

The second sub-objective is to upgrade each step of complaint handling in order to enhance overall satisfaction. To meet this goal, it is important to grasp filed complaints and trends and monitor the media in order to early discover complaints that are raised frequently by society and to respond to them in a sincere manner. Moreover, the ACRC should monitor the acceptance and implementation of corrective recommendations and expressed opinions on a regular basis, visit and encourage by high-ranking public officials to relevant agencies for implementation, provide a consulting service relating to complaints and make official announcements via the media. All of the work will contribute to increasing the acceptance rate and the implementation rate.

The third sub-objective is to find reasonable responsive measures against chronic complaints that are filed by citizens who act irrationally and refuse to accept a fair result until their requirements are fully satisfied. The ACRC, to solve this problem, decided to form a special investigation team within the Complaints Investigation Planning Division under the Ombudsman Bureau in order to focus more on these kinds of chronic complaints.

#### Expansion of Field-centered Complaint Handling

An increased effort should be made to listen to and solve people's complaints on site in order to put field-centered complaint handling into action. The ACRC decided to



increase the number of the onsite outreach programs to 45 in 2011, and when required, operate a customized onsite outreach program for a small group of citizens. The Commission also took actions to conduct more field investigations in order to facilitate communication with citizens who filed complaints, and to strengthen field investigations not only for cases requiring investigation and deliberation, but also for complaints that involved multiple parties, social issues or corporations. As for collective complaints that had been pending for a long time, the ACRC decided to increase its efforts to do field mediation by using the Commission's independency and neutrality to best advantage and suggesting the optimal arbitration proposal.

#### **Protection of the Rights of the Low-income class, the Socially Underprivileged and Small and Medium Enterprises**

One significant task of the ACRC that should never be neglected is the protection of the socially and economically underprivileged people who have fallen through the cracks. For this objective, the ACRC decided to conduct comprehensive research into the actual situation of the socially and economically underprivileged people who are in need of particular assistance from the government, and to make suggestions to related divisions in 2011. In particular, research was done on the people living in the dwelling areas that were symbolically underprivileged, such as the so-called dross house town or vinyl greenhouse towns, in order to develop an improvement scheme.

Furthermore, the ACRC decided to select major issues to be addressed by each division or complex tasks involving multiple divisions, conduct investigations and provide measures for handling and preventing complaints.

#### **Enhancement of Complaint Prevention Policy**

The ACRC decided to provide more assistance for

administrative organizations to improve their complaint handling capability so that they can prevent those complaints which increase every year. To this end, the ACRC decided to increase the number of organizations receiving consulting services to 16. Upon a request of organizations which experience frequent complaints and have a low rate of acceptance and a low rate of implementation of corrective recommendations, the ACRC delivered its experience and techniques related to complaint handling. In addition, the ACRC planned to establish an assessment system to investigate and evaluate actual conditions of complaint handling in order to enhance the responsibility the administrative organizations have to handle complaints.

## **2. Major Accomplishments in 2011**

### **Handling of 32,000 Complaints**

The number of received complaints has constantly increased since the launch of the ACRC, because of the high expectations on behalf of the government, but the number decreased slightly for the first time in 2011. The ACRC received 32,351 complaints (including those carried forward) and handled 32,082 in 2011, which represent respectively a 0.7% and 7.0% year-on-year decrease.

#### **< Complaints Handled by the ACRC in the Past Three Years >**

Year	2009	2010	2011
Handled	28,163	34,510	32,082
Received	31,621	32,584	32,351

There are both political and economic factors behind the decrease in the numbers of handled and received complaints compared to the previous year, but a key role was also played by the efforts of the ACRC to improve policies, such as fixing unreasonable systems that cause complaints and preventing complaints through consulting.

Accordingly, even though the number of complaints decreased, the overall satisfaction with the handling process increased from 79.3% in 2010 to 85.8% in 2011, up 6.5%p, and the handling period was shortened from 21 days in 2010 to 17.0 days in 2011, down 4 days. The accumulative acceptance rate of corrective recommendations also rose from 92.7% in 2010 to 93.0% in 2011, up 0.38%p.

However, the acceptance rate in favor of complainants slightly dropped from 14.9% in 2010 to 14.2% in 2011.

### Promotion of Preventative Measures for Complaints

Most complaints filed with the ACRC are unsolved cases that had first been submitted to relevant administrative bodies like the local governments. In this sense, the ACRC has promoted preventive measures, thinking that enhancing the complaint handling capacity of the administrative bodies to preclude the raising of any complaint is the proper way to more actively protect people's rights. The reason for this approach is because, in light of the time consumption and the opportunity cost, preventing complaints before a violation of the people's rights has occurred is the best way to protect their rights.

Last year, the ACRC launched a consulting service for complaint handling for the administrative organizations and shared its know-how to help them autonomously develop their complaint handling capacity. The organizations which received consulting increased from 10 in 2010 to 16 in 2011. Amongst them, two organizations, the Korea Water Resources Corporation and Gangdong-gu of Seoul, installed their own Ombudsman committees (a local ombudsman). The revision of the Act on Anti-Corruption and the Establishment and Operation of the Anti-Corruption and Civil Rights Commission is under negotiation in order to mitigate the prerequisites for establishing local ombudsman and to allow more autonomy.

### Expansion of the Ombudsman Outreach Program

The ACRC has operated the Onsite Outreach Program to offer ombudsman services to people living in remote or marginalized areas who find it difficult to visit the Commission or file complaints. The program started in Chungju, Choongcheongbuk-do in October 2003. The aim of the Outreach Program is to be amongst people and listen to their opinions from their perspective in order to contribute to protecting people's rights and to incorporate them into the administrative process.

The Onsite Outreach Program is run in a package form that includes consulting, collecting opinions and on-site visitations. It functions as a mobile ACRC which listens, receives and investigates complaints; submits the corrective recommendations to related organizations and resolves complaints through correction or concurrence. Amongst 5,353 consulting cases carried out in 182 areas from 2003 to 2011, 1,227 cases were filed and handled and solutions in 874 cases were agreed upon and resolved in the field. In 2011, the Onsite Outreach Program visited a total of 46 cities and counties, consulted 1,134 complaints and succeeded in resolving 244 cases through on-site agreement.

When selecting the areas, cities or counties that were to be visited, those involved in the national or local urban development plans were included. Market days or cultural event days were considered when choosing the dates of a program in order to improve the convenience for residents. To activate the participation of residents, the staff worked to promote the Program using the assistance of the media; for example, information about the event was put up on the message boards in apartment complexes or advertised through the heads of villages or districts.

Furthermore, the Overseas Onsite Outreach Program was carried out in Central Asia (Uzbekistan, Kyrgyzstan and Kazakhstan) for the first time to partake of the difficulties of overseas residents, and such a program is set to be expanded.

**< Onsite Consulting Instances per Year >**

(Unit: cases)

		Total	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cities Visited		182	4	8	8	17	18	20	28	33	46
Consulting	Complaints Received	1,227	12	57	75	255	142	86	272	199	129
	On-site Agreements	874	-	-	-	-	-	96	244	290	244
	Consulting	4,252	65	98	112	385	342	381	1,004	1,000	865
	<b>Total</b>	<b>6,353</b>	<b>77</b>	<b>155</b>	<b>187</b>	<b>640</b>	<b>484</b>	<b>563</b>	<b>1,520</b>	<b>1,489</b>	<b>1,238</b>

**< The Onsite Outreach Program in 2011 >**

(Unit: cases)

	Total	Jan	Mar	Mar	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Total Consulting Cases	1,238	32	24	5	46	110	133	119	131	82	111	241	133	71
On-site Agreements	244		2		7	17	13	32	42	17	31	45	25	13
Complaints Received	129	5	5	1	7	14	19	16	20	5	19	9	1	8
Completed by Guidance	865	27	17	4	32	79	101	71	69	60	61	187	107	50

**Resolving Conflicts by On-site Agreement**

With the principle of field-centered complaint handling, the ACRC has tried to visit places concerned, heed stakeholders' opinions and find an appropriate solution from their point of view. To this end, the ACRC has actively used a mediation system to promptly and fairly resolve complaints that might cause significant ripple effects in society or be related to the interests of many people.

In 2011, the ACRC succeeded in handling 24 pending complaints through on-site agreement, including compensation for loss in the fishing industry (July 2011), the closing of a temporary base of helicopter operation (July 2011), and the elimination of a military barbed-wire fence (March 2011).

**Investigation and Institutional Improvement for the Underprivileged**

The ACRC conducts planned investigations into areas which are socially important or are related to the civil rights of many citizens in order to find comprehensive solutions such as institutional improvement. In 2011, the ACRC selected the tasks required by planned investigations, in particular, centering on the areas

that require the focused attention of the government to improve the rights of all people including the underprivileged. Based on an in-depth investigation, the ACRC delivered recommendations for institutional improvement and suggested policies to relevant authorities. Consequently, seven tasks including a measure to strengthen the rights of people living in so-called dross house towns or vinyl greenhouse, a measure to protect intoxicated people arrested by misdemeanor and a resolution for livelihood complaints of people living in the national land were promoted by offering recommendations for institutional improvement or policy revision, and great progress has been made in this area.

**Preparing a Response System for Chronic Complaints**

A Special Investigation Team in charge of dealing with chronic complaints was created for the first time in 2011. It is considered to be a turning point in the complaint handling process. When judging that some chronic complaints need special management, the Team categorizes these chronic complaints and tries to understand the key requirements, provide alternatives, lead in-depth discussions and arrange meetings with the heads of organizations so that such chronic complaints can be essentially resolved. Accordingly, the Special

Investigation Team addressed 10 chronic complaints, out of 19 cases, in just five months. Furthermore, a Symposium on Response Strategies for Chronic Complaint was held in December in an attempt to spread the bonds of sympathy throughout society and to find joint responsive measures.

### Enhancing Complaint Handling Capacity

Various measures were promoted this year to improve the quality of the complaint handling service by upgrading the complaint handling capacity of investigators. The training programs for new investigators were upgraded to help them become proficient in their new jobs, and their handling process and the major tasks of each division were listed and published in the form of a handbook of work per each sector to create work process standards.

The ACRC developed a standard manual for writing resolution paper which helps citizens understand it easily and held a presentation competition for investigators in which exemplary cases of complaint handling and investigation techniques were shared. The Commission also operated a training course to foster professionals in conflict resolution.

The future efforts of the ACRC to enhance complaint handling capacity will be continued to provide various educational programs and upgrading investigation techniques.

### 3. Future Path

In 2011, the ACRC strived to resolve more complaints with fewer personnel both promptly and sincerely. However, complaints are expected to continuously increase because of a series of changes in society and the people's heightened awareness of their rights. Various kinds of social conflict such as conflicts of ideology, value and interest are also expected to increase because of democratization and informatization. In addition, strong measures are needed to improve the acceptance rate to reflect the core value of complaint handling which continues to decrease or stall, and field-centered administrative tasks that allow the ACRC to visit people

and listen to and solve their complaints on-site should be further reinforced and expanded upon.

### Enhancing the Main Value of Complaint Handling

The key objective in handling complaints is to reach a desirable acceptance rate and improve overall satisfaction. Appreciating this fact, the ACRC is committed to putting more effort into further improving such values in 2012.

To this end, the ACRC plans to center on reinforcing the performance assessment on key values such as the acceptance rate in favor of complainants, improving the work process and adopting new systems such as a pre-examination system, the revision of a retrieval method for re-filed complaints and a standard service system. Moreover, a new educational program customized for the capability of investigators will be put into operation, and sufficient training will be given to new and dispatched investigators before they embark on their tasks. A system appreciating masters of complaint handling will also be introduced. All of these efforts will be helpful for investigators who are improving their capability as well as to manage their stress and further motivate them. Lastly, in order to form a favorable working environment for investigators in which they can focus on their most important tasks, subordinate jobs such as consulting or planned investigations will be reduced or efficiency in the working process will be enhanced.

### Advancing Field-centered Complaint Handling

The ACRC aims to reach more citizens, pay attention to their voices and solve their complaints on-site. The customized onsite outreach program will be expanded and the consulting ability will be upgraded which ultimately will improve the on-site resolution rate. Also, the plan of the ACRC for 2012 includes the operation of a governmental cooperation model for the onsite outreach program whose goal is to reach a comprehensive solution for complaints that involve multiple organizations or conflicts amongst related authorities.

To better communication with citizens and improve

their satisfaction vis-à-vis complaint handling, on-site investigations will be expanded. On-site investigations into complaints that involve many people will be mandatory, and on-site investigations into complaints of daily life filed by the socially and economically underprivileged, such as people in the low-income bracket and owners of small businesses, will be strengthened. Field mediation on collective complaints that have been pending for a long period time will also be vitalized. For these goals, the ACRC will systematically discover complaints that can be handled on-site not only through its e-People system, but also by analyzing trends in the filing of complaints, monitoring complaints related to social issues and long-term pending complaints of organizations of each levels.

#### **Acting as a Social Conflict Resolver**

The ACRC plans to play a more significant role in resolving social conflicts by making use of its extensive experience in field mediation. To achieve this goal, the Commission will strive further to discover any factor that might ignite social conflict and operate a Social Conflict Mediation Meeting so that different kinds of conflicts can be mediated with different measures and the efficiency of such a process can be enhanced. The ACRC will seek opportunities to cooperate with relevant authorities such as the Prime Minister's Office in order to complement legal limits within the ACRC's role as a conflict mediator. Exemplary cases will be shared which in turn will improve the image of the Commission.

#### **Strengthening Preventative Measures of Complaint Handling**

In 2012, the ACRC will increase its activities to prevent complaints from being raised as well as to address complaints filed at the Commission in a prompt and sincere manner. The Commission's policy will focus on three objectives.

First, new institutions that will prevent complaints in advance will be developed and implemented, such as an opinion expression system for a consulting service provided before complaint handling and a system of notifying-to-relevant-agencies at making new precedent.

Second, guidance on complaint handling will be offered to the administrative bodies so that they can open an exclusive window for complaint handling. In addition, the ACRC will further expand its assistance for the administrative organizations to improve their complaint handling capability by proposing a self-assessment model, offering educational programs for personnel working in the Complaint Handling Division and helping to put Ombudsman in place.

Third, policies should be improved so that personnel can expand on their responsibility. In 2012, an evaluation of the performance of the administrative organizations will be announced via the media in order to attract the attention of the organizations and their heads. A certification system for those organizations with an excellent complaint handling will also be adopted so that exemplary models can be shared between these and other organizations.

**Chapter 2**

**Investigation of Complaints**

One of the key roles of the ACRC is investigating and handling complaints. The basis of a complaint, including complaints of active-duty soldiers or young men under alternative obligation rather than military service, are rights infringements and grievances of the people caused by the illegal, unfair and passive practices of administrative agencies or the lack of appropriate systems and policies.

To put it concretely, the bases for a complaint can be classified into four categories: illegal or unfair practices (including factum) of the administrative organizations; passive administrative acts; the infringement of people’s rights because of unreasonable administrative systems, ordinances or policies; and other kinds of violations of people’s rights or unfair treatment experienced by people that are caused by the administration.

Despite the complaints being similar to those filed in the previous year, the ACRC actively addressed them and succeeded in increasing the level of satisfaction amongst the people, shortening the handling period, expanding field-centered handling and increasing the accumulative acceptance rate of corrective recommendations.

**1. Overview of Complaint Handling**

The ACRC received 32,351 complaints in 2011 (including those carried forward from the previous year), down 0.7% year-on-year, and addressed 32,082 cases, down 7.0% year-on-year.



**2. Achievements in Complaint Handling**

**Complaint Handling by Type**

A total of 20,762 out of 32,082 complaints were addressed. To be more specific, 349 were handled by corrective recommendation; 315 by opinion expression, 2,350 by mediation and agreement, 1,573 by dismissal or guidance

after deliberation, 50 by transfer or referral, 526 by rejection, and 5,577 by simple guidance. Other 11,320 out of 32,082 were handled as simple queries. Among handled cases, 3,014 (14.5%) were resolved in favor of complainants by corrective recommendation, opinion expression, mediation or agreement, down 0.4%p from 14.9% in the previous year.

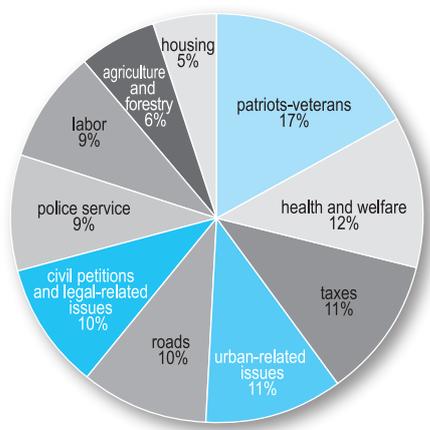
**< Complaint Handling by Type in 2011 >**

Year	Complaint								
	Total	Corrective Recommendation	Opinion Expression	Mediation, Agreement	Dismissal, Guidance after Deliberation	Transfer or referral	Rejection	Guidance	Simple Query
2011	20,762	349	315	2,350	1,578	50	526	15,594	11,320
2010	27,043	480	271	3,282	3,223	357	912	18,518	7,467
Change (rate of increase)	△6,286	△131	44	△932	△1,645	△307	△386	△2,924	3,853
	△23.2	△27.3	16.2	△28.4	△51.0	△86.0	△42.3	△15.8	51.6

### Complaint Handling by Sector

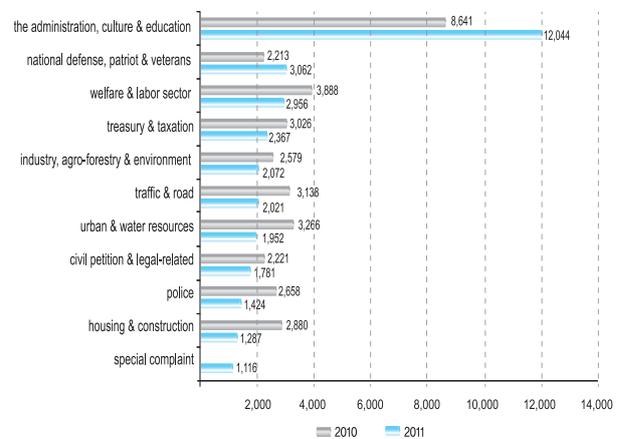
Amongst 32,082 complaints handled in 2011, 17% was raised from patriots-veterans, 12% for health and welfare; 11% for taxes, 11% for urban-related issues, 10% from roads, 10% from civil petitions and legal-related issues, 9% from the police service, 9% from labor, 6% from agriculture and forestry, and 5% from housing.

#### < The Onsite Outreach Program in 2011 >



Compared to 2010, the largest increase of 39.4% was seen for complaints from the administrative, cultural and educational sectors, whereas those from the patriots-veterans also rose by 38.4%. On the other hand, other sectors mostly saw a decrease in complaints. Special complaints, such as the ones that were filed repeatedly, accounted for 3.5%, which were analyzed for the first time in 2011.

#### < Variation in Complaints in 2011 >



## 3. Corrective Recommendations

### Overview of Corrective Recommendations

When any illegal or unfair practices of an administrative body are discovered during an investigation into a filed complaint, the ACRC can send corrective recommendations to certain organizations in accordance with the first clause of Article 46 in the Act on Anti-corruption and the Establishment and Operation of the Anti-corruption and Civil Rights Commission. In 2011, the ACRC issued corrective recommendations for 337 cases.

### Corrective Recommendations by Type of Organization

The central administrative organizations received 173 corrective recommendations (51.3%), the local autonomous entities received 101 such cases (30.0%)

and the public organizations and institutions 63 cases (18.7%). Amongst the 173 corrective recommendations given to the central organizations, the National Tax Service received 60 (34.7%) and the National Police Agency 49 (28.3%), accounting for 63.0% of the total. Amongst 101 corrective recommendations passed onto local entities, Gyeonggi-do received the highest number, 27 (26.7%), followed by the Seoul Metropolis 15 (14.9%) and Gangwon-do which received 13 (12.9%). The local governments located in the greater capital area received 42 cases, accounting for 41.6%. Amongst 63 corrective recommendations given to the public organizations and institutions, the Korea Land & Housing Corporation received 23 (36.55), the Korea Rail Network Authority 8 (12.7%) and the Korea Rural Community Corporation 7 (11.1%).

**< Corrective Recommendations by Type of Organization in 2011 >**

	Total	Central Administrative Organization					Local Autonomous Entity					Public Organization or Institution					Etc.
		Total	National Tax Service	National Police Agency	Ministry of Land, Transport and Maritime Affairs	Etc.	Total	Gyeonggi-do	Seoul Metropolis	Gangwon-do	Etc.	Total	Korea Land & Housing Corporation	Korea Rail Network Authority	Korea Rural Community Corporation	Etc.	
Corrective Recommendations	337	173	60	49	21	43	101	27	15	13	46	63	23	8	7	25	-
Percentage (%)	100	51.3	17.8	14.5	6.2	12.8	30.0	8.0	4.5	3.9	13.6	18.7	6.8	2.4	2.1	7.4	-

※ The number of recommendations for cities and provinces includes the numbers for district offices.

**Corrective Recommendations by Sector**

When classifying based on the sector, the treasury & taxation sector received the highest number of

recommendations at 67 (19.9%), followed by industry, agro-forestry and the environment which received 50 (14.8%), and the police which received 50 (14.8%), in sum accounting for over 50.1%.

**< Corrective Recommendations by Sector in 2011 >**

	Total	treasury & taxation	Industry, Agro-forestry & Environment	Police	Traffic & Road	Urban & Water Resources	National Defense, Patriot & Veterans	Welfare & Labor	Administration, Culture & Education	Housing & Construction
Corrective Recommendations	337	67	52	50	45	34	30	23	20	16
Percentage (%)	100	19.9	15.4	14.8	13.4	10.1	8.9	6.8	5.9	4.7

**Implementation of Corrective Recommendations**

Amongst 377 corrective recommendations made in 2011, 280 cases (83.1%) were implemented while 13 cases (3.5%) were not implemented, up 8.9%p and down 3.2%p respectively compared to the previous year (total cases: 480, accepted: 74.2%, not implemented: 6.7%).

The acceptance rates by type of organization were 84.2%

at the local autonomous entities, 83.2% at the central administrative organizations and 81% at the public organizations and institutions. The lower acceptance rate for the public organizations compared to other public and autonomous organizations shows that those organizations act in a passive way when accepting recommendations. The push for them to increase this rate should be reinforced by holding meetings with the heads of the organizations.

**< Implementation of Corrective Recommendations in 2011 >**

	Total	Accepted		Not Accepted		Undecided
		Subtotal	Acceptance Rate	Subtotal	Non-Acceptance Rate	
<b>Total</b>	<b>337</b>	<b>280</b>	<b>83.1%</b>	<b>13</b>	<b>3.9%</b>	<b>44</b>
Central Administrative Organization	173	144	83.2%	3	1.7%	26
Local Autonomous Entity	101	85	84.2%	5	5.0%	11
Public Organization and Group	63	51	81.0%	5	7.9%	7

※ The number of recommendations for cities and provinces includes the number of district offices.

By sector, the highest implementation rate was posted in the police (95.2%), followed by traffic & road (89.8%), national defense, patriots & veterans (88.9%), treasury

& taxation (87.0%), while the lowest implementation rate was recorded by the housing & construction sector (46.7%) and the welfare & labor sector (50.0%).

### < Implementation of Corrective Recommendations by Sector in 2011 >

	Total	Accepted		Not Accepted		Undecided
		Subtotal	Acceptance Rate	Subtotal	Non-Acceptance rate	
<b>Total</b>	<b>337</b>	<b>280</b>	<b>83.1%</b>	<b>13</b>	<b>3.9%</b>	<b>44</b>
Treasury & Taxation	67	48	71.6%	2	3.0%	17
Industry, Agro-Forestry & Environment	52	44	84.6%	2	3.8%	6
Police	50	47	94.0%		0.0%	3
Traffic & Road	45	37	82.2%	3	6.7%	5
Urban & Water Resources	34	29	85.3%	3	8.8%	2
National Defense, Patriots & Veterans	30	24	80.0%		0.0%	6
Welfare & Labor	23	20	87.0%	1	4.3%	2
Administration, Culture & Education	20	17	85.0%		0.0%	3
Housing & Construction	16	14	87.5%	2	12.5%	

### Efforts to Enhance the Implementation of Corrective Recommendations

To secure effectiveness in opinion expression as well as corrective recommendations, a comprehensive review and revision was made for post-handling management statistics and a customized strategy was developed. Implementation was encouraged by working-level (352 cases for 87 organizations) and by high-ranking public officials (2 times, 669 cases for 11 organizations). In addition, meetings amongst 17 complaint handling related organizations were held four times and disclosure via the media was a closely related factor, resulting in bringing the acceptance rate of 93.0%, or 11,736 out of 12,616 corrective recommendations that have been filed since 1994.

### Necessary Improvements and Complementation

Currently, Complaints Divisions are in charge of post-handling management within a year from corrective recommendations. The Complaints Investigation Planning Division is in charge of post-handling management after a year from corrective recommendations. Thus, the responses made to certain organizations were not fully effective, and management continued to be

done in an unchanged manner without any detailed consideration being given to changes in the environment, such as revisions having been made to related Acts on unimplemented and unaccepted complaints, which in turn contributed to hampering the timeliness of encouraging implementation.

The ACRC plans to unify the subject division of post-handling management of corrective recommendations in order to clarify the responsibilities within Ombudsman Bureau. The Commission also aims to improve the quality of post-handling management by applying a phased approach to post-handling management in order to enhance both timeliness and efficiency and facilitate cooperation with certain organizations that were the targets of complaints.

## 4. Agreement

### Overview of Agreement

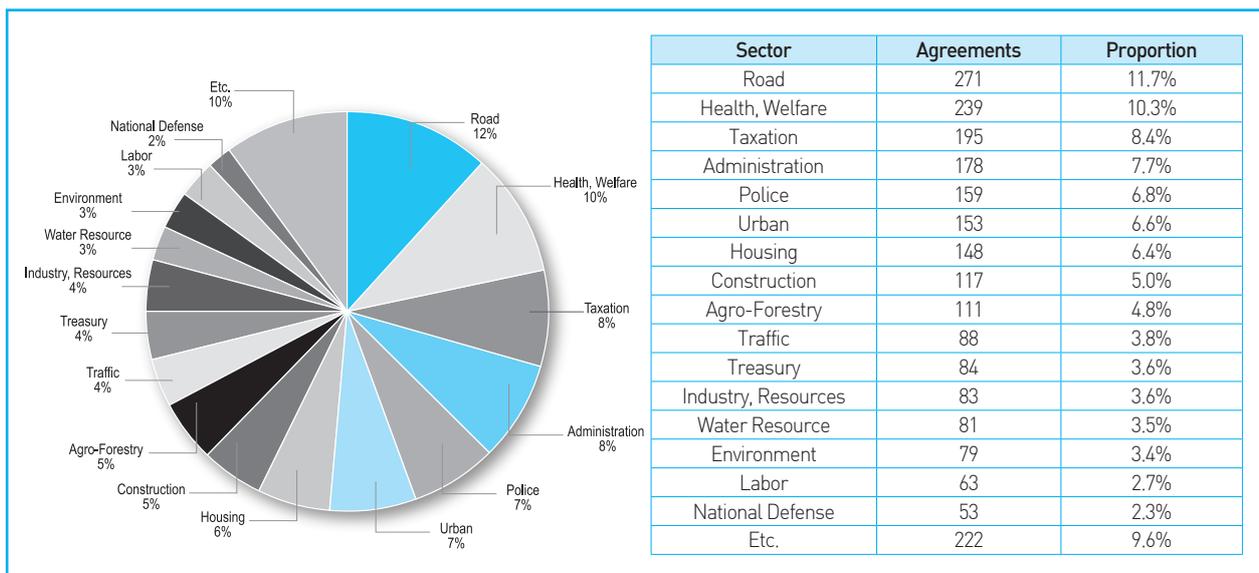
The ACRC strives to address complaints in a practical way in order to satisfy those who have filed complaints. However, if complaint handling is based on a related Act and merely by means of making a corrective recommendation or opinion expression and the

administrative agencies do not accept them, it would be difficult to address the complaints. As a result, dissatisfaction of the claimants would remain unsolved; the complaints will be touched upon, but not addressed. To overcome such a limitation, the ACRC actively encourages using 'settlement by agreement' to handle complaints. The method of reaching an agreement is likely to bring about a higher level of satisfaction compared to other methods, and is a win-win strategy that satisfies both applicants and respondents. This is particularly effective for handling a public conflict or a complaint involving multiple applicants.

### Variations of Agreement

Out of 20,762 complaints handled in 2011, 2,324 cases (11.3%) were addressed by agreement, which is down 1.9%p from 13.2% in 2010 (3,261 out of 27,043); however, complaints were handled in a more effective and greater variety of ways with the participation of the Chairperson and the Standing Commissioners of the ACRC when handling complaints related to social issues.

### < Agreements by Sector 2011 >



## Chapter 3

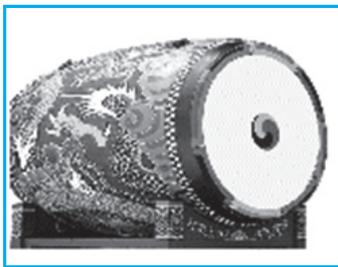
# Integrated Complaint Handling and Analysis of Complaint Information

## Section 1. Operation of the e-People System

### 1. Sinmungo Goes On-line after 600 Years

King Taejong, the third King of the Joseon Dynasty, hung a big drum called the Sinmungo outside the royal palace in 1401 in an attempt to resolve his people's complaints. The Sinmungo has served for a long time as a channel for the government to listen to and solve the complaints of the people.

Learning from their ancestors' wisdom, the ACRC opened the e-People system in the form of an on-line Sinmungo so that it could serve as a complete channel of communication between the government and the people. It was created by integrating complaint windows operated by separate administrative organizations that were used to handle complaints, proposals and policy discussions.



### 2. One-stop Service begins Nationwide

The ACRC began pilot operation of the e-People and integrated the complaint handling systems of seven central administrative organizations in August 2005. The systems of the remaining central organizations were integrated in July 2006. In February 2008, the e-People system connected the systems of local governments and major public organizations, laying the foundation for providing one-stop service to the people.

Furthermore, the complaint handling system of the Judicial Branch, 194 education offices of cities and provinces, the Korea Housing Guarantee Co., Ltd.,

the Korea Communications Standards Commission and the KORAIL were integrated into the e-People. Further integration of the complaint handling system of local autonomous entities is being carried out at present. Consequently, the number of complaints filed through the e-People is constantly increasing, rising from 402,442 in 2006, 556,532 in 2007, 623,434 in 2008, 696,715 in 2009, 798,570 in 2010, to 1,073,499 in 2011.

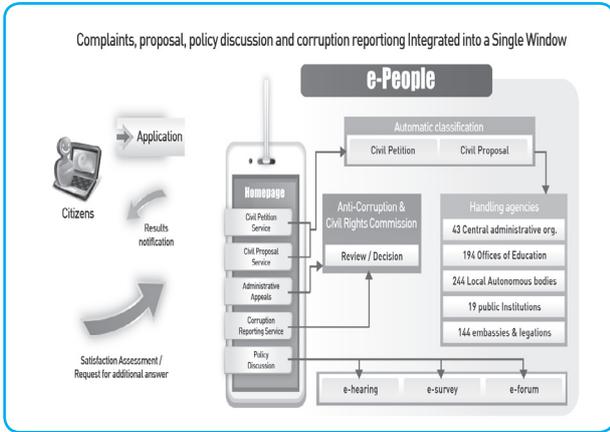
In 2011, over 300 Wasted Budget Report Centers being operated by different organizations were integrated into the e-People which made it possible to offer one-stop service to people who wished to report instances where the budget was being wasted. The ACRC now works as a control tower for financial management at the government level. Similar programs of the central organizations and other organizations in metropolitan cities will be integrated in January 2012, and those of local autonomous entities within the first half of 2012.

### 3. Fixing Chronic Diseases in Complaint Handling with the e-People

The establishment of e-People helped to eradicate the main problems with the complaint handling system that had not been solved for over 60 years.

First and foremost, citizens no longer need to visit the government organizations in person to file a complaint or make an inquiry. Even if one has no idea of which organization deals with a certain complaint, one can file a complaint with the e-People since its automatic classification system directs the complaint to the right organization. In the case of overlapping complaints filed with several organizations at the same time, the e-People identifies a recurring complaint thus preventing the waste of time and maintaining consistent answers to the same complaint. As a result, it has done a good job of carrying out its role of improving efficiency and the reliability of the government's administration.

< Operating Procedure Flowchart of the e-People >



Secondly, there was a problematic weakness in that the service of manually processing complaints was slow. The e-People addressed this problem by assessing feedback from all of the complaints it services so that delays have now become manageable and analyzable. Numerical evidences show that in 2005, it took 12 days on average to process a normal complaint and 36.1 days for a complex one. In 2011, the processing times for both types of complaint were respectively cut down to 5.7 days and 8.8 days.

Thirdly, citizens were unable to either make appeals or ask any further questions about the solutions provided by organizations. Furthermore, there was no specific way to make an appeal when a public official dealt with the matter in an insincere manner. The e-People, however, enables one to request additional answers and assesses the level of user satisfaction, thereby improving the service quality.

Lastly, a new system which prevents certain public officials from handling complaints against themselves was added to the e-People. Complaints accusing public officials were passed onto higher organizations or auditing departments so that people who filed such complaints could be protected from being disadvantaged as a result.

Other improvements were also made so that citizens can now check the state of a complaint being handled through the e-People and be informed via e-mail or SMS in real time. In addition, the e-People mobile service which used to only be available on smart phones expanded to

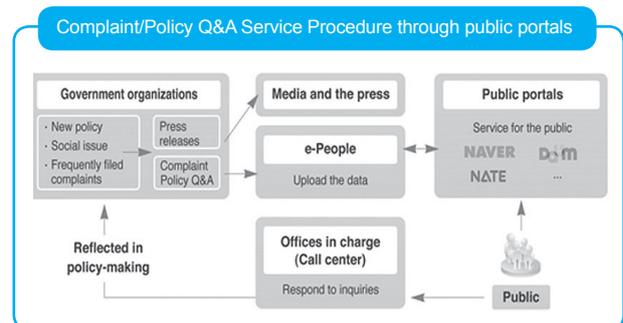
all kinds of mobile phones that can gain access to the Internet. Since the launch of the service in August 2011, 1,664 complaints and 43 suggestions have been filed to the mobile service. The satisfaction level was as low as 30% in 2005 but such innovative achievements in overall services led to a remarkable increase to 63.2% in 2011.

Furthermore, the on-line complaint window providing language services for foreign residents living in Korea was opened in series -- English, Chinese, Japanese in June 2008; Vietnamese in December 2009; Mongolian in June 2010; Indonesian in November 2010; Thai in February 2011; Uzbek in May 2011; Bengali in September 2011; Cambodian in November 2011. A total of 2,151 complaints were filed by foreign residents. By language, 1,861 cases were given from English-speaking residents, followed by 139 Chinese, 83 Japanese, 39 Mongolian, 23 Vietnamese, 2 Uzbek, 1 Indonesian and 1 Cambodian.

4. Strengthening Communication with People through the e-People

Other features of the e-People are the Complaint Q&A and the Policy Q&A, which help to prevent complaints and improve communication with the people.

The Complaint Q&A and the Policy Q&A both summarize data in a question and answer format regarding handled complaints. The data they handle is raised frequently as questions. The Complaint Q&A handles frequent cases of complaints classified for each governmental body and the Policy Q&A handles main governmental policies related cases. Each public organization offers the raw data which undergoes systematical supplementation and editing, and distributes it through the e-People and three popular portal services along with practical legal information.



Over 110,000 Q&As were distributed through the portal services in 2011, and 80,000 hits a day were recorded on average. Q&A information has been provided during the filing process since June 2009 so that citizens can get an idea about how their complaints will be handled, and consequently, unnecessary complaints can be prevented from being filed. It contributed to the cancellation of 19,785 complaints in 2011, bringing about a savings of approximately KRW 2.2 billion.

Moreover, the ACRC laid a groundwork to facilitate a policy-related discussion so that communication between the government and people could be further improved. As the voice of the nation has recently become a decisive element in making or breaking a policy, listening to the opinions of the people has become more important when deciding policy direction and implementing it. In 2011, a survey was conducted three times regarding the Meeting for the Promotion of Fair Society, and opinions on the major policies of the ACRC were collected twice. The ACRC is committed to increasing its efforts to promote policy-related discussions and to discover the appropriate agenda for the discussions.

## 5. The e-People Gaining World-wide Recognition

The ACRC's e-People is appraised by European countries as the best communication portal system in the world that provides one-stop service by integrating and linking inquiries, complaints, proposals and policy discussion channels of the central and the local governments as well as public organizations. It is also highly recognized for its integrated platform of the e-People to which citizens can suggest any complaint, inquiry and discussion on policies to the government. European countries, in particular, praised the e-People as a useful model for soliciting the on-line political participation of the youth who are not interested in politics.

One of indicators of the e-People's excellence is the number of prizes it has won. It was selected for the top 10 in the World's e-Gov Forum which took place in France in October 2006. The e-People also won a prize for being the best demonstration stand at e-Challenge 2008 (European e-Gov and IT Conference) run by the European

Commission in October 2008, where it was recognized as a best practice in public communication and conflict resolution.

In 2009, the ACRC was invited to exhibit the e-People at the CeBIT Australia 2009, promoting the excellence of the system to the world and raising the prestige of Korea's e-government.

In 2010, the ACRC participated in the Reinhard Mohn 2011 hosted by the Bertelsmann Foundation, making the splendid achievement of being selected amongst the top 20 out of 123 works from 36 countries. The e-People was also introduced at the I3E 2010 held in Argentina to IT experts and to the students and faculty of the United Nations University, contributing to disseminating knowledge about the high level of Korea's e-government and enhancing the national prestige.

In 2011, the American Society for Public Administration (ASPA) held a workshop under the theme of the e-People, and the e-People received one of the most prestigious awards around the world, the UN Public Service Awards. Taking the honor as an opportunity, the ACRC has negotiated with many countries for the export of the e-People.

Major Awards that e-People has won

- UN Public Service Awards in June 2011
- Best Demonstration Stand at the e-Challenge 2008 (European e-Gov and IT Conference) in October 2008
- Best Practice at the e-government's Five-year Performance Competition, the Prime Minister Award in September 2007
- "International Certified Brand" Prize at the Government Innovative Brand Competition in November 2006
- Asia's Best Practice by the IOI in October 2006
- Top 10 in "the World's e-Gov Forum" in France in October 2006

## Section 2. The 110 Government Call Center

### 1. Operation of the 110 Government Call Center

The 110 Government Call Center is an integrated government-operated call service hub that services all government-related inquiries. The phone number of “110” works everywhere across the country, improving accessibility to government services. It is not an automated voice system (ARS). Every call is received by an ACRC counselor, resulting in a minimum of inconvenience for the users of the service. General inquiries are directly dealt with by the ACRC, while complex ones are forwarded to their competent organizations.

A total of 317 organizations are equipped with staff dedicated to answering calls forwarded from the 110 Call Center, including 40 central administrative agencies, 16 metropolitan or provincial organizations, 230 local governments, 16 metropolitan or provincial offices of education and 15 public organizations.

The Call Center initiated its nationwide service on May 10, 2007, and now has 129 counselors and operates from 8 AM to 9 PM weekdays, 9 AM to 1 PM on Saturdays. On Sundays and holidays, incoming calls are transferred to voicemail (ARS) and dealt with in the morning of the next business day.

In addition to placing a direct call, another way to use the service is to send a text message because text message counseling is up and running. You can also access the website (www.110.go.kr) and make a reservation for call counseling. Moreover, the Call Center has been providing a “Smart 110 Service” for smart phone users since July 2010, creating a mobile website (m.110.go.kr) with text message counseling service, a reservation service, and information about government policies in a Q&A format.

It also has operated a video counseling system for the hearing-impaired. In order to improve the convenience particularly for those service users who have language or hearing disabilities and for internet and smart

phone users, the Call Center established a chat and video counseling system for PCs or smart phones so that people who are unable to use then voice-based counseling service can have easy access to the counseling service. In addition, a real time SNS counseling service is available on Twitter and Facebook.

### 2. Inquiries and complaints handled by the 110 Government Call Center

The average number of daily calls received by the 110 Call Center is continuously increasing, from 5,808 in 2007 to 5,824 in 2008, 6,251 in 2009, 7,592 in 2010, and 8,594 calls in 2011.

The call center received a total of 2,173,883 calls in 2011. Among these, the center responded to 1,985,676 calls, and handled 2,173,455 inquiries and complaints in total. The figures show that more than one inquiry or complaint is made per call.

A survey on the satisfaction with the 110 call service showed that the average rate of satisfaction reached about 89.6% in 2011, a 4.4% increase over the 85.2% of the previous year.

### 3. Improvement of the quality of the counseling service and user satisfaction

#### Service Level Agreement (SLA) signed to improve the outsourced operation

SLA was signed with the outsourced-operation partner to raise productivity and efficiency of the 110 Government Call Center. Specific criteria were laid down to check their performance, such as the monthly answering rate, service level, counseling quality assessment, user satisfaction level, and the counselor’s work-related knowledge.

#### Counselor training and management of counseling quality

In an effort to improve service quality, the ACRC provides regular training for counselors to improve their work-related knowledge and service attitude. To this end, it

regularly monitors and assesses the quality of phone counseling. The assessment and monitoring results are reflected in their performance evaluation, or counselors are provided with individual coaching to maintain a high quality of service.

### The 110 CS Academy

For those in charge of the call service in each of the 317 organizations, the ACRC provides training programs four times a year about responding to claims, developing customer service action plans based on DISC (Dominance, Influence, Steadiness, and Conscientiousness), building emotional communication, and phone-answering techniques.

### Happy-Call

The 110 Government Call Center is operating the so-called Happy-Call system on a monthly basis to raise its service quality. Under this system, a counselor places a follow-up call to a complainant to give the result of their complaints or inquiries, and listens to any further complaints.

## 4. Plans for the Future

The Government Call Center Advancement Scheme is going to be adhered to by the ACRC as it gradually integrates all government call centers except for the ones that require urgency and professional assistance.

Also, without the managing of a counseling DB, it will be impossible to provide up-to-date and accurate information. Furthermore, the "110 CS Academy" will vitalize training for public officials and serve as a permanent training facility for government call centers to make a close connection with the 317 organizations and to reduce complaints.

### Section 3. Counseling Service for Civil Complaints

The ACRC was established to approach social issues from the perspective of people and solve their problems and grievances for their benefit. Therefore, its main function is to listen to the problems of the people, the social vulnerable who do not have easy access to the government, and to provide a complaint counseling and information service that can stabilize people's livelihoods.

The ACRC provides information about administration (permission, licenses, petitions, approval, designations, recognition, recommendations, examinations, inspections, authorization) of government agencies, and provides counseling about how to respond to administrative measures. It also listens to the problems and grievances that people frequently encounter in their daily lives and provides information about the proper relief steps and procedures.

To perform its functions, the ACRC has operated local counseling service centers in major cities across the country. Those who do not have legal knowledge or are in the low-income bracket can visit a local counseling center at anytime without any burden where they can consult with professional counselors (e.g. lawyers, judicial scriveners, a labor attorney, etc.) or honorary counselors (retired public officials with abundant administration experience). The ACRC operates the Seoul Comprehensive Counseling Service Center for Civil Complaint and 9 other local counseling centers in major cities, such as Daejeon, Busan, Daegu, Gwangju, Jeju, Chuncheon, Jeonju, and Changwon.

The ACRC utilizes various channels to promote local counseling centers so that more local citizens can visit their local centers. To achieve this, the commission is closely working with local branches of the central government agencies, local governments, and major public service-related companies to promote counseling centers using various media, such as their electric bulletin boards, newsletters, websites, or neighborhood newsletters.

In order to make it more convenient for the visitor, the commission has accepted reservations for counseling since November 2008. Complainants can make a reservation for counseling in advance through the ACRC website and set up the date, the time, and the investigator. This reservation system helps investigators prepare for counseling in advance and prevents visitors from visiting the center in vain.

In addition, some local counseling centers in Busan, Gwangju, and Daejeon introduced a video-counseling system so that complainants can get counseling from investigators or the professional counselors of the ACRC at their local centers if needed. This system also helps remote local centers closely cooperate and have video conferences with each other.

### 1. The Counseling Service of ACRC investigators

Complainants who can receive consultation from the ACRC are either people who are not knowledgeable about the administration or have suffered under illegal or unfair measures or a system of administrative agencies, or those who have asked questions or filed their complaint with the ACRC via a phone call or a visit.

Handling civil petitions in person, the investigators have had abundant hands-on experience and are well aware of the relative rules and regulations so that they can provide information to and consult with complainants. The investigators inform complainants about various administrative tasks and procedures, listen to grievances, and offer solutions that are deemed appropriate from the perspective of the complainant. Counseling itself can help complainants solve their problems and if not, the issue can be filed and dealt with as a civil petition.

Furthermore, in order to enhance the professionalism of counseling, officials from the Korea Legal Aid Corporation, the Supreme Prosecutors' Office, and the National Police Agency are dispatched to the ACRC to counsel complaints. Officials dispatched from the Korea Legal Aid Corporation consult citizens who are lacking in legal knowledge about different types of legal aid, while officials from the Supreme Prosecutors' Office and the

National Police Agency give complainants information regarding specific procedures to raise objections about a criminal case.

In 2011, a total of 11,535 cases received consultation from counselors (investigators): 1,272 in treasury & taxation (11.0%), 1,220 in civil and criminal cases (10.6%), 933 in housing and construction (8.1%), and 904 in welfare & labor (7.8%).

### < Counseling by Area in 2011 >

(unit: case)

	Administration, Culture & Education	Welfare & Labor	Industry, Agro-Forestry & Environment	Treasury & Taxation	Traffic & Road
11,535	691 (6.0%)	904 (7.8%)	719 (6.2%)	1,272 (11.0%)	521 (4.5%)
	Housing & Construction	Urban & Water Resources	National Defense, Patriots & Veterans	Police	Civil and Criminal Cases
	933 (8.1%)	675 (5.9%)	641 (5.6%)	499 (4.3%)	1,220 (10.6%)

※ Counseling for repeated and trial civil petitions: 3,460 (30.0%)

### 2. The Counseling Service by professional counselors

The ACRC appoints various specialists such as lawyers, judicial scriveners, labor attorneys, or appraisers as professional counselors and has them provide counseling service in order to satisfy the increasingly diversified and specialized demands of people. For example, lawyers give information about civil cases such as real estate claims, housing lease protection, satisfaction of debts or a claim, and compensation for damages; criminal cases such as the investigation of prosecution or accusation, rectification of an unreasonable investigation; civil petitions related to household affairs such as divorce or inheritance, and other administrative litigations. In the meantime, judicial scriveners consult visitors about various legal processes regarding registering, the family register, auctions, disposition, and litigation. Labor attorneys provide complainants with information about compensation claims for industrial accidents, rating judgment or getting recuperation for accidental compensation, and other unreasonable labor cases such as a claim for payment

of overdue wages or being laid off. Appraisers, in the meanwhile, consult citizens about the appropriate price of real estate or gaining compensation for a loss. The table below shows the counseling service provided by specialists.

#### < Counseling service by professional counselors >

(unit: cases)

	2011	2010	2009
<b>Total</b>	<b>8,599</b>	<b>8,661</b>	<b>6,778</b>
Legal Counseling	7,379	7,270	5,713
Real estate Counseling	57	87	74
Labor Counseling	1,163	1,304	991

The ACRC also appoints retired public officials with lots of experience as honorary counselors to provide different types of information and counseling regarding civil petitions. They guide people through the process of filling out a civil petition form and filing their petitions as well as consult with them about their complaint and grievance.

The following table shows the statistics about the civil complaint counseling service of the Seoul Comprehensive Counseling Service Center For Civil Complaint and the other local counseling centers in Busan, Daegu, Gwangju, Daejeon, Jeju, Chuncheon, Jeonju, and Changwon run by the ACRC.

#### < Counseling Service Statistics by Center >

(unit: case)

	Total	Seoul	Daejeon	Busan	Daegu	Gwangju	Chuncheon	Jeju	Jeonju	Changwon
2011	29,646	20,041	1,930	2,309	1,873	2,011	499	553	280	150
Daily Average	119.1	80.5	7.8	9.3	7.5	8.1	2.0	2.2	4.4	3.8
Investigators	11,535	11,535	-	-	-	-	-	-	-	-
Lawyers	5,808	3,815	333	607	566	353	-	-	112	22
Judicial Scriveners	1,571	519	148	111	120	339	83	159	60	32
Appraisers	57	-	-	-	-	-	-	57	-	-
Labor Attorneys	1,163	442	269	54	88	162	116	-	21	11
Honorary counselors	9,512	3,730	1,180	1,537	1,099	1,157	300	337	87	85
2010	33,952	21,978	4,156	2,961	1,755	1,998	624	480	-	-
Daily Average	134.7	87.2	16.5	11.7	7.0	7.9	2.5	1.9	-	-

### Section 4. Systematic and Scientific Analysis of Complaints

As the social environment is rapidly changing, people are speaking out on various policies and systems. In light of this, it is more and more important for the government to collect people's opinions and demands and then incorporate them into the policies.

A role of the ACRC is to communicate with people, with e-People and with the 110 Governmental Call Center which is a window for the filing of civil petitions and suggestions or for receiving counseling through the counseling service. With this function, the Commission can gain a comprehensive understanding about social

issues and policy-related problems that it may not be easy for public agencies to recognize when the policies are being established and implemented. Because of this, the ACRC is accordingly strengthening its role of being an ombudsman for policy, preemptively suggesting the necessity to improve institutions and supplement policies.

In 2011, the ACRC made efforts to rapidly convey the voices of the people to public agencies. The Commission compiled together people's opinions that have been filed to e-People and 110 the Government Call Center and analyzed civil complaints on a regular basis, such as a daily or weekly basis, categorized repetitive complaints, carried out customized analysis for public agencies, and reported the results back to related government agencies

so that they could establish countermeasures and supplement their policies.

### 1. Policy Improvement through Complaint Analysis

#### “Voices of the People Weekly”

The ACRC compiles and systematically analyzes over 10,000 complaints per day filed to the #110 Government Call Center (about 7,000 complaints a day), e-People (about 3,000 a day) ,and Public Proposals (about 300 a day). The analysis results are published in Voices of the People Weekly, and provided to 39 government organizations, including the Prime Minister’s Office, the Ministry of Strategy and Finance, and the Ministry of Public Administration and Security.

The Commission analyzed unreasonable institutions and systems that form themselves in the blind spots of administration, and collected people’s ideas about how these affect their daily lives. Part of this effort has been offering support for a “low-income class friendly policy,” providing a vision for state affairs, as well as monitoring civil complaints filed to each public agency on a regular basis to improve their polices.

In 2011, the ACRC provided 209 cases of complaint analysis information to public agencies, of which 30 cases were utilized for policy improvement, and 15 cases were incorporated into and became part of institutional improvement.

#### Analysis of frequently filed inquiries and complaints

As people are burdened by difficulties and problems in their daily lives because of institutional problems, unreasonable policies, and for various other reasons, many people file civil complaints for the same or similar problem. In many cases, administrative agencies just close the case without fundamentally solving the problem based on similar complaints that were filed in the past.

In order to address this problem, the ACRC identifies frequently filed complaints that are closely related

to the daily lives of members of the public, such as health insurance fees, or service fees on credit cards, and requests administrative agencies to come up with countermeasures. In 2011 (Q1 ~Q3), the relevant government organizations took steps to deal with 25 frequently filed complaints and incorporated them into their policies.

#### < Countermeasures to solve frequently filed complaints in 2011 >

Period 2011	Total	Types of improvement plans		
		Policy/ Institution	Process/ Frame	Promotion/ Education
1Q	10 (100%)	3 (30.0 %)	4 (40.0 %)	3 (30.0 %)
2Q	8 (100%)	4 (50%)	3 (37.5%)	1 (12.5%)
3Q	7 (100%)	4 (57.1%)	1 (14.3%)	2 (28.6%)
Total	25 (100%)	11 (39.2 %)	8 (23.7 %)	6 (19.6 %)

#### Thematic analysis of complaints

The ACRC provides an analysis of complaints per the request of government bodies when their failure to accommodate a problem into their policy making has resulted in problems and social issues. Among those issues in 2011 were the Employment Success Package Project of the Ministry of Employment and Labor, permissions and licenses of the Korea Forest Service, and the Social Integration Program of the Ministry of Justice. After conducting an in-depth analysis on these issues, the ACRC provided the information to the organizations related to these so that they could improve their policies.

### 2. Enhancement of Complaints Information Analysis System (2nd stage)

In 2010, the ACRC established a Complaints Information Analysis System that was intended to improve the efficiency of information analysis and aid in the analysis of public complaints and suggestions filed to e-People and the 110 Government Call Center, in order to improve the pre-existing method of analysis which relied on manpower.

In the second stage in 2011, the ACRC made the

Complaints Information Analysis System more sophisticated by creating various analysis tools and upgrading its analysis and statistics techniques, as well as by establishing a joint utilization foundation of the system for government agencies.

### 3. Future plans

A goal of the ACRC is to “move forward the policies that protect people’s rights by analyzing civil complaints in a scientific way.” In 2012, the Commission will expand its role of predicting civil complaints in advance and strengthen policy analysis capacity for protection of the low-income class and Ecosystemic Development.

#### Preemptive prevention and prediction of civil complaints

In order to prevent social conflicts and solve people’s inconveniences in advance, the ACRC will preemptively predict and analyze those social issues that may draw huge attention from the public. To this end, it will detect the signs of social issues in the media or a surge of civil complaints in advance and warn the relevant government agencies.

#### Strengthening policy analysis for protection of low-income class and Ecosystemic Development

To support the vision of state affairs, which is “being low-income class friendly & Ecosystemic Development,” the ACRC will strengthen the analysis of relevant policies. It will analyze people’s perceptions and support the main policies closely related to the vision of state affairs as well as people’s understanding of the policies and potential problems and countermeasures, by utilizing policy discussions on e-People.

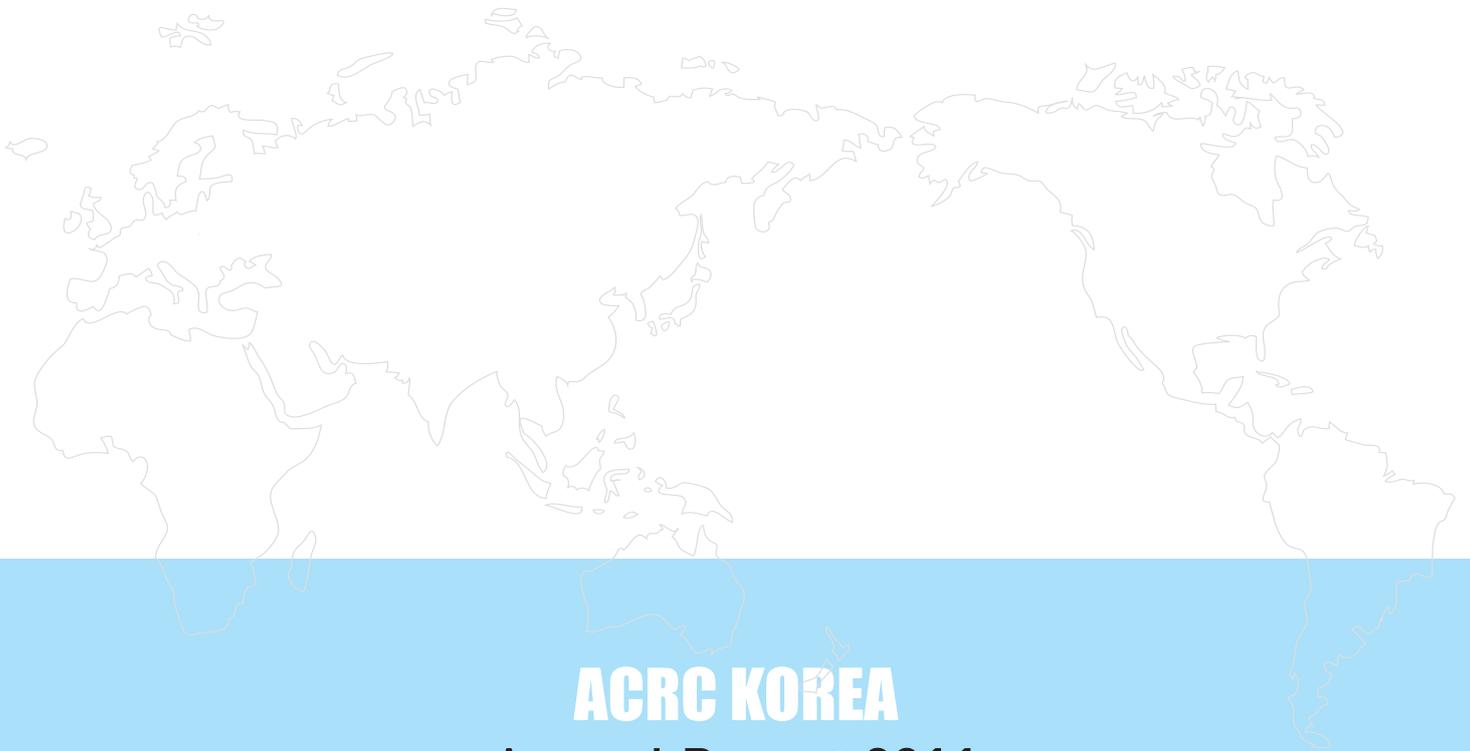
#### Expanding civil complaint analysis to communicate with the people

The ACRC will utilize information not only about civil complaints and counseling but also about policy discussions, research materials, and a variety of statistics. It will also expand the range of civil complaint analysis

from central government agencies to local administrative agencies which are closely related to the daily lives of people.

Particularly, the Commission will integrate the Wasted Budget Report Centers of each public agency with e-People and analyze budget waste cases so that it can contribute to financial soundness and increasing people’s confidence with respect to the budget execution of the government.

In addition, it will focus on building a connection system and a foundation for analyzing civil complaints in the third stage in 2012, in order to draw a wider variety of and more comprehensive results in its analyses.



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# Part 3

## Fighting Corruption

- **Chapter 1** Supporting Public Offices to Improve Integrity
- **Chapter 2** Monitoring Corruption and Violations of the Code of Conduct
- **Chapter 3** Integrity Education and Raising Public Awareness about Anti-Corruption Initiatives



# Part 3 Fighting Corruption

## Chapter 1

### Supporting Public Offices to Improve Integrity

#### Section 1. Establishment and Distribution of Anti-Corruption Policy Guidelines for 2011

At the beginning of the year, the ACRC established the Anti-Corruption & Integrity Policy Guidelines which were delivered to public organizations. On January 13, 2011, it held a meeting in which the guidelines were presented to more than 980 inspectors.

The purpose for which the Anti-Corruption & Integrity Policy Guidelines were established was to share the philosophy of the anti-corruption and integrity policies of the Korean government amongst all public agencies and to provide them with guidelines for establishing integrity and anti-corruption policies on their own, so that anti-corruption policies of the all government agencies could be effectively implemented in harmony.

The details of the anti-corruption and integrity policy guidelines in 2011 are as follows.

Above of all, the level of integrity in Korea was assessed by analyzing the trend of Corruption Perceptions Index (CPI) which is published by Transparent International (TI) every year and by comparing the level of integrity with that of OECD countries.

- \* CPI: 5.6 point (40<sup>th</sup>, 2008) → 5.5 point (39<sup>th</sup>, 2009) → 5.4 point (39<sup>th</sup>, 2010) → 5.4 point (43<sup>rd</sup>, 2011)
- The CPI of Korea is 1.52 points lower than the average of the OECD countries (6.92) in 2011 and ranks 27<sup>th</sup> among 34 countries.

Also, the guidelines introduced the levels of integrity of public agencies based on the results of a survey that surveyed public service users and the internal officials of public agencies. The External Integrity Index (public service users' evaluation) rose a little bit, compared to the previous year, while the Internal Integrity Index (internal

officials' evaluation) went down, lowering the average integrity level from 8.51 in 2009 to 8.44 in 2010.

- \* Level of External Integrity: 8.17 → 8.62, Internal Integrity Level: 8.26 → 7.96

Next, the guidelines analyzed the environment of anti-corruption and integrity policy in 2011 and put forth countermeasures based on the analysis.

First, as establishing a "fair society" was put at the top of the agenda of state affairs, the ACRC conducted a survey of the strategies required to realize a fair society. People answered that modifying laws and regulations (25.3%) and the leadership of society setting examples (24%) were the most important, which attests to the fact that high-ranking officials and the leadership class should take a lead in establishing a fair culture and practices so that the effect can spread to the working class.

Second, it claimed that fundamental anti-corruption measures were required, such as eradicating illegal and undue solicitations and mediations that Korean people consider the best examples of corrupt practices. Recently, there have been recent scandals in which the corruption of public officials raised concerns about lackluster social discipline or a shortfall in law and order, and the sponsors to public officials and corruption related to personnel affairs are increasing the criticism of the public officials.

Third, after enacting the Act on Public Sector Audits, the number of external appointments of a head of an audit division has increased, and preferential treatment to the leadership class or cases of inequity have frequently been revealed by the growing penetration of the Internet. In line with this trend, the guidelines recommended strengthening prevention and punishment as well as utilizing IT techniques to prevent corruption so that the administration can be made more transparent.

Fourth, the G20 leaders adopted the Anti-Corruption Action Plan at the Seoul summit in 2010 and other



anti-corruption rounds of the international community have accelerated. In addition, ISO 26000, a guideline for businesses and NGOs about social responsibility, was created in November 2010 as well. Accordingly, it is being required that public agencies implement the G20 Anti-Corruption Action Plan, create measures supporting the ethical management of businesses, and cooperate with civil society so that the private sector can voluntarily participate in the fight against corruption.

In order to realize such a policy direction, the guidelines suggested 3 main tasks and 9 basic tasks and required that public agencies actively incorporate those tasks into their policies and establish their own integrity initiatives.

The three main tasks of implementing these directions are:

- establishing the integrity leadership of high-ranking officials;
- implementing omnidirectional measures to eradicate undue solicitations; and
- eradicating conventional irregularities in the public sector.

The nine basic tasks are:

- carrying out a "campaign for a clean 8 provinces";
- evaluating the levels of integrity in the public sector and making improvements based on the evaluation results;
- supporting each public organization's voluntary anti-corruption efforts;
- disseminating a culture of integrity with anti-corruption training and campaigns;
- revising unfair aspects of laws and regulations by conducting the Corruption Impact Assessment;
- reinforcing public service ethics by implementing the Code of Conduct for Public Officials;
- encouraging the protections and the rewards for whistleblowers;
- improving laws and systems in corruption-prone areas; and
- strengthening public-private partnerships and international cooperation against corruption.

Furthermore, the ACRC held a meeting of inspectors on September 8<sup>th</sup>, 2011 to monitor and encourage public agencies to implement anti-corruption and integrity guidelines, under the theme of "Environmental changes and countermeasures of anti-corruption and integrity policies." The meeting dealt with pending issues of the second half of 2011, such as 1) the establishment of the Solicitation Declaration System 2) the eradication of corrupt practices between supervisory organizations and affiliated organizations 3) the management of a Red Zone. In addition, main tasks were set out in the meeting, including 1) improving the "integrity assessment" system for public agencies, 2) improving the "anti-corruption initiative assessment" system, 3) implementing a "public-interest whistleblower protection" system, 4) requiring integrity education for public officials according to the career cycle, 5) enhancing internal controls to eradicate corruption related to a "clean card," 6) spreading a sense of integrity among public agencies.

The ACRC will establish and implement more effective anti-corruption and integrity initiatives every year so that not only the public sector but also the whole of Korean society can become ever cleaner.

## 1. Integrity Consulting

All public agencies are every year putting forth their own effort to establish and implement anti-corruption and integrity policies. Nevertheless, the ACRC is being required to provide customized support for each public agency, taking its specific characteristics and environmental changes into consideration so that the anti-corruption and integrity policies become firmly embedded in the front lines of administrative tasks. To this end, the Commission has provided an integrity consulting service since 2006, and provided one to one consulting in order to detect and improve corruption causing factors present in public agencies. This integrity consulting is being highly appreciated for its role as an important policy tool to maximize the effectiveness of the government's anti-corruption and integrity policies.

The effect of integrity consulting has been apparent, as it has raised the integrity level of the consulted public agencies and inspired public officials to execute their duties. This is attested to by the increase in the number of agencies that requested integrity consulting which was 67 in 2011. Among them, the Korean Intellectual Property Office and 14 other public agencies were selected and received integrity consulting.

Particularly, the ACRC signed an MOU with the Community of Chest of Korea for the first time among private organizations and provided integrity consulting service. It suggested that the Community of Chest of Korea do the following: 1) make its fiscal management more fully open by e.g. the publishing in real-time of fundraising status, 2) recruit all employees by the head office, not by local offices, 3) fully disclose its operational status and mid-term evaluation as well as results regarding distribution, and 4) establish a hot-line for whistleblowing.

In order to create a clean education sector, the ACRC held an Integrity consulting policy meeting that was attended by the Jeollabukdo Office of Education on November 3, 2011. The Commission suggested that the Jeollabukdo Office of Education do the following: 1) establish an educational sector where clean and honest teachers are respected, 2) voluntarily establish an anti-corruption and integrity system in which laws and principles are abided by, 3) set up a strict punishment regime against corrupt teachers, and 4) form a climate of mutual respect and anti-corruption and an educational climate founded on integrity and mutual respect. The presentation of the ideas was followed by heated debates about effective ways to realize those suggestions.

In terms of the effect of integrity consulting, 12 out of 15 organizations that received the consulting in 2011 have seen an increase in their comprehensive integrity levels. According to a survey of public officials of the agencies that were consulted with, the rate of satisfaction with consulting rose from 81 points in 2010 to 88.1 points in 2011. All respondents said in the survey that integrity consulting was useful for helping them to establish their own anti-corruption initiatives and to increase their

integrity level. Integrity consulting is now becoming firmly entrenched as a useful policy tool to implement corruption assessments and integrity policies for all public agencies.

## 2. Establishment and Dissemination of a “Solicitation Declaration System”

The ACRC conducted a corruption perception survey in November 2010, and people answered that “undue solicitation” was the most frequent type of corruption in the public sector (34.6%). Accordingly, the Commission found a way to prevent public officials from receiving undue solicitations and remove corruption-causing influences that might distort the decision-making of policy makers. In September 2011, it created the Solicitation Declaration System and recommended that public offices adopt it. With this system, public officials declare any undue solicitation they received and register the record on the online system and their audit division monitors the records and takes administrative measures.

The Commission explained the system to auditors of public agencies and distributed the Solicitation Declaration System Guidelines on September 8, 2011. As of December 31, 2011, a total of 303 agencies, including 244 metropolitan and local governments, 12 central government agencies, 5 local offices of education, and 42 other public-service related agencies introduced and implemented the system. In addition, 59 public organizations are expected to adopt the system in the first half of 2012.

The system has so far been being recommended to public organizations as a voluntary option, but in order to enhance effectiveness of the system, the ACRC is planning to require that this system be mandatory in a new act tentative entitled “Act on banning undue solicitation and conflict of interest”. The commission is currently making efforts to enact this new law to carry it into force in 2012.

Also, it is planning to include the Solicitation Declaration System into the items to be looked at when carrying out an anti-corruption competitiveness assessment

(previously titled Corruption Initiatives Assessment) and identify best practices, for example, the protection of public officials who declared undue solicitations, so that public officials can actively utilize this system.

In addition, the Commission developed in January 2012 a manual that includes a checklist about how to differentiate undue solicitations from common requests and which details how to refuse undue solicitations for any public organization.

## **Section 2. Integrity Assessment and Anti-Corruption Initiatives Assessment**

### **1. Integrity Assessment**

#### **Overview**

Corruption is a social phenomenon that needs to be tackled, and in order for anti-corruption policies to be effectively implemented, accurate assessments of corruption-prone areas and of the level of corruption are needed.

Accordingly, the ACRC conducts an Integrity Assessment every year. Since July 2002, the number of public agencies that the Commission has assessed has increased from 71 agencies (348 tasks) in 2002 to 676 agencies in 2011, and regulatory agencies (October) were separated from the other agencies (December).

Furthermore, for a huge public agency which has lots of local offices or a central government agency that has highly distinctive divisions and bureaus, the Integrity Assessment was conducted on the local office, division or bureau. In addition, negative points were given for the detection of any corrupt public officials and was also reflected in the integrity level of the public agency that the corrupt official belonged to. Some deductions from the total number of points were also made for behaviors impeding confidence in the assessment, for example inducing favorable answers in survey.

## **Assessment Framework and Target Organizations**

### **Assessment framework**

The scope of the assessment of the level of integrity consists of external and internal integrity levels.

External integrity itself is composed of a corruption index, a transparency index and an accountability index. The "corruption index" of external integrity refers to the level of corruption experienced or perceived by citizens and public officials such as the acceptance of gratuities, entertainment or convenience. Meanwhile, the "transparency index" is the degree to which public officials comply with various standards and procedures in a transparent and fair manner while performing their official duties. The "accountability index" represents the level of effort put in by public officials to complete their duties according to public service ethics, without abusing their authority.

Internal integrity was divided into an integrity culture index and a work integrity index. The "integrity culture index" represents the prevalence of corrupt practices and the effectiveness of anti-corruption policies. The "work integrity index" refers to the level of transparency and fairness as public officials perform their duties related to personnel management, budget execution and work instructions without pursuing personal gain.

### **Target organizations**

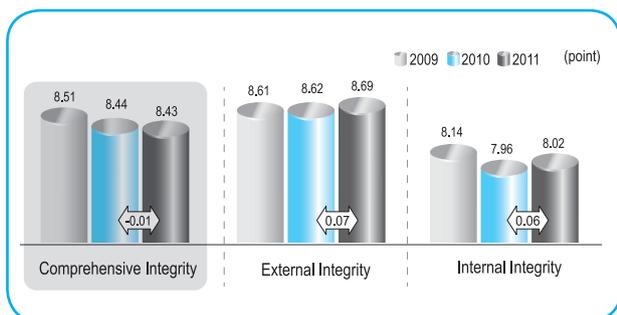
In 2011, the ACRC assessed the external integrity of 676 public organizations, and the internal integrity of 683 organizations. A comprehensive integrity index was then calculated for the 676 public organizations that had both their external and internal integrity assessed.

## **Results of the 2011 Integrity Assessment**

### **(1) Comprehensive Integrity**

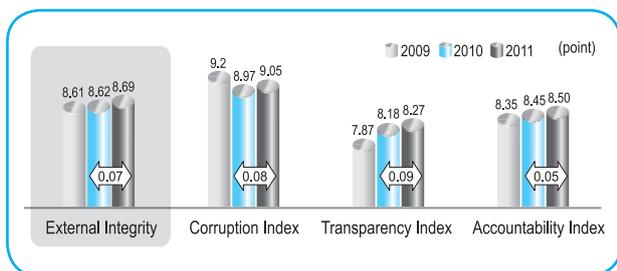
The average score of the comprehensive integrity, which is a combination of external and internal integrity, of 676 public organizations was 8.43 out of 10 points (0.01 points down from the 8.44 of 2010). While the average score

for the external integrity of the 676 organizations was 8.69 [0.07 points up from the previous year] the internal integrity score of 683 organizations was 8.02 (an increase of 0.06 points compared to 2010). Both external and internal integrity levels were on the rise in 2011, but the comprehensive integrity score fell due to newly adopted assessment items that detracted points.



### (2) External Integrity

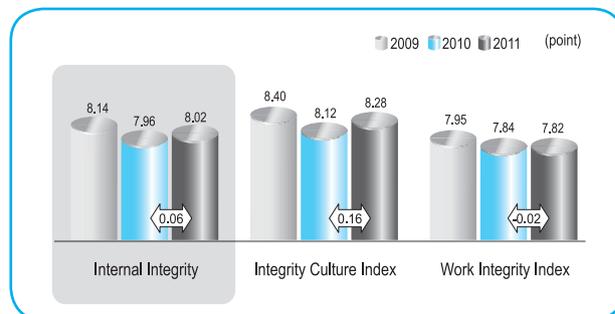
The average external integrity score of public organizations in 2011 was 8.69 (0.01 points up from the 8.62 points of the previous year, 2010). The corruption index was higher than other indexes, up by 0.08 points from the previous year, while the lowest score among the three external integrity indexes was the transparency index, which came in at 8.27. It did, however, show the highest improvement of 0.09 points from the previous year.



### (3) Internal Integrity

The internal integrity score was measured for 683 public organizations and its value was 8.02 points out of a possible 10 (0.06 points up from the previous year). The integrity culture index, which reflects organizational culture and anti-corruption systems, scored 8.28 (an increase of 0.16 compared to 2010). The work integrity index — which assesses personnel management, budget

execution and fair work instructions — also decreased by 0.02 points to 7.82.



### Utilization of assessment results and the future plan

The ACRC is going to help those public organizations having a low level of integrity as they establish their own improvement measures. In the meantime, the ACRC will actively support all public organizations by sharing best practices of integrity measures, and by providing consultancy on how to improve their integrity.

In addition, the Integrity Assessment is going to assess the policy-making processes of public agencies, and assign different criteria and weights depending on the characteristics and kinds of public agencies and their duties.

## 2. The Anti-Corruption Initiatives Assessment

### Overview

The purpose of the Anti-Corruption Initiatives Assessment (AIA) is to assess the appropriateness and effectiveness of the anti-corruption initiatives being implemented by each public organization. It can be thought of as a comprehensive assessment mechanism that covers various areas of anti-corruption and integrity initiatives. The fundamental objective of the AIA is to spread best practices across the public sector as part of the fight against corruption as well as to encourage each public organization to make an increased effort to enhance its integrity.

The ACRC improved the AIA in 2011 so that it would take

note of the voluntary efforts of public agencies and to feed back the results into the assessment in a practical way. Also, the AIA enhanced its assessment about the connection between plans and performance of each agency.

An assessment team consisting of the ACRC's staff evaluated the implementation of major anti-corruption measures created by the ACRC. As for areas requiring qualitative evaluation such as action plans, best practices and voluntary efforts, the assessment was conducted by an external research agency.

### Assessment criteria

In 2011, the AIA consisted of the three parts of common initiatives, voluntary initiatives, and performance results.

The common initiatives were divided according to the following six criteria, based on an analysis of the factors responsible for corruption in public organizations, including the nature of the duties and the characteristics of corruption. The six criteria are as follows:

- a. **Establishment and management of anti-corruption systems:** establishment of anti-corruption systems; promotion of public-private partnerships; and, introduction and dissemination of the best anti-corruption practices
- b. **Leaders' determination to fight corruption:** determination of the leaders; transparency of business promotion expenses; and the results of a survey of the internal staff
- c. **Comprehensive measures for institutional improvement:** implementation and effectiveness of the recommendations made by the ACRC; voluntary efforts for institutional improvement; and willingness to implement institutional improvement when corruption occurs
- d. **Corruption Impact Assessment:** the degree of cooperation given to conducting the Assessment; and the implementation of recommendations made by the ACRC

- e. **Compliance with the Code of Conduct for Public Organization Employees and the promotion of whistleblowing:** introduction and implementation of best practices of the Code of Conduct; of the rate voluntary detections of violations; and giving guidance and monitoring the implementation of the Code of Conduct
- f. **Anti-corruption training and promotional activities:** completion of anti-corruption training; best practices of anti-corruption training and promotion; and utilization of the educational and promotional contents.

Voluntary initiatives were divided using the assessment criteria of the appropriateness of action plans based on public agencies' own characteristics; the implementation of action plans; and best practices of their own anti-corruption measures. Also, the result of the Integrity Assessment of the year and the improvement compared to the previous year were incorporated into the measure of anti-corruption performance.

### Target organizations (208 public organizations)

- Central government agencies (39): 17 ministries, 18 services, 1 office and 3 commissions
- Metropolitan governments (16): 16 cities and provinces
- Local governments (20): 20 cities, counties and districts
- Municipal and Provincial Offices of Education (16): the offices of education in 16 cities and provinces
- Public service-related agencies (115): 27 public corporations, 88 other quasi-government agencies

### Results of the 2011 Assessment

The 2011 AIA categorized public organizations into the 5 categories of central government agencies, metropolitan and local governments, municipal and provincial offices of education, public corporations, and other public service-related agencies. The results of the AIA were also divided into the 5 ranks by type.

A total of 4 central agencies, 2 metropolitan and local governments, 2 offices of education, 4 public corporations and 5 other public service-related agencies posted a "BEST" ranking. Individual contributors and "BEST" organizations received commendations and prize money.

### Future directions

The ACRC sends a comprehensive report of the AIA, the assessment results by criteria, and an analysis of the best-performing organizations to each target organization. The Commission encourages them to make a voluntary effort to improve in the areas that the results revealed to be unsatisfactory and to benchmark the best practices of other organizations.

In 2012, the ACRC will change the title of the assessment to “Anti-Corruption Competitiveness Assessment” and revise it to cover not only anti-corruption efforts but also anti-corruption performance and best practices. Particularly, the number of target organizations will be reduced while separate assessment criteria will be developed to monitor corruption-prone sectors such as public agencies in the financial sector or local governments.

### 3. Integrity Assessment for High-ranking Officials

#### Development of a model to assess the integrity levels of high-ranking officials

The integrity and commitment of high-ranking officials in the fight against corruption are crucial factors that can improve the level of integrity in the public sector, and a higher level of integrity is expected from those officials. For these reasons, the ACRC designed a model to assess the integrity of high-ranking officials on an individual basis, on the sidelines of the integrity assessment for public offices (to assess the integrity of middle and low level officials who firsthand meet civil complainants).

#### Progress of the assessment

The ACRC commissioned a research institute to develop a model to assess integrity levels of high-ranking officials for three months in early 2010. It also collected various opinions from academia, civil experts, and the inspectors of public offices as well as held several rounds of consultative meetings. In addition, the Commission conducted two test assessments by public office type, including the ACRC itself, in order to check the appropriateness of the assessment model.

Moreover, the Commission held workshops and briefing sessions about the assessment model and explained about the details, purpose behind, and operation of the details of the Integrity Assessment for high-ranking officials. It also provided technical assistance to public agencies for the problems that they had implementing the assessment.

#### Assessment criteria

The assessment criteria were selected after reviewing existing research materials, relevant laws, and personnel appraisal items. The specific items were determined based on a comprehensive review of various factors including the necessity for the assessment, its relation to integrity, the availability of data collection and acceptability. In addition, other items were added to the criteria, including measurement indicators that calculate the scores for quantifiable objectives such as punishment records as well as self-assessment indicators that allow individuals to assess their own integrity level on their own so that they can compare their scores with the average of other public officials or the results of made by assessment other people.

#### Organization of the assessment team

The assessment team is comprised of superiors, colleagues, subordinates and external duty-related parties. A separate assessment panel (that assesses all the target officials) was also formed to compare assessment results so that public offices can choose assessment teams to suit their unique characteristics.

#### Questionnaire design

There is a natural tendency to give generous assessments to individuals. Therefore, the questionnaire was designed to ask questions about the highest level of integrity that high-ranking officials should maintain, for better compatibility. The items that were on the questionnaire consisted of items which are more specific than those used in the Likert Scale questionnaire. Also, the definition of each criterion, its scope, examples and guidelines are provided below each question to guarantee the accuracy of evaluation.

## The results of the assessment

The ACRC provided the assessment model to 534 public organizations (central government agencies, metropolitan and local governments, municipal and provincial offices of education, and public service-related agencies) and let the organizations voluntarily carry out the assessment. The results showed that a total of 156 public organizations (30%) conducted the assessment in 2011 and about 6400 high-ranking officials were assessed. Most of the organizations assessed were over the director general/assistant minister level officials, but about 20 organizations assessed even director-level officials.

## Future directions

The ACRC plans to develop diverse assessment criteria that can accommodate the different characteristics of individual organizations and provide various assessment options, including the organization of an assessment team that each organization can select and apply to meet their needs.

Also, in order to encourage public agencies, the implementation of the assessment will be part of their anti-corruption competitiveness assessment. The Commission also will conduct a direct survey of some corruption-prone areas so that the assessment can be more objective and easy to be used for comparison purposes.

## Section 3. Corruption Impact Assessment

### 1. Overview

The Corruption Impact Assessment is designed to remove corruption-causing factors from laws and regulations in a systematic and scientific way.

In 2011, the Corruption Impact Assessment placed its focus on supplementing assessment items to address new corruption types such as conflicts of interest and inappropriate execution of budgets and to remove loopholes in assessment.

The ACRC also improved the criteria of the Corruption Impact Assessment to effectively detect corruption-causing factors which have become more varied and complicated; and to cover an increasing number of laws and regulations to be assessed in terms of consignment and entrustment to suit the changes in the environment, such as the expansion of the private sector.

The Commission also required public service-related companies to lay open the standards and procedures that pertain to their company's rules for main projects that are closely related to people's daily lives so that confidence in the companies and predictability of their behavior could be increased.

The acceptance rate of relevant organizations regarding recommendations (corrective measures) increased from the previous year to 93.3% in October 2011. The reason for the improvement lies in the facts that evaluators strengthened their expertise related to assessment, the ACRC's recommendations were made after having conducted a thorough discussion with the organizations in the course of their assessment, which resulted in mutual trust being built between the ACRC and the organizations. The regular checking up on the implementation status of the recommendations also contributed to increasing the acceptance rate.

Thanks to the ACRC's efforts such as the development of assessment items, the introduction of a comparative assessment method and close cooperation with public organizations for improving the acceptance rate, central government agencies and local governments highly acclaim the Corruption Impact Assessment as an effective policy tool in the fight against corruption.

### 2. Major achievements

#### Corruption Impact Assessment of enacted or amend bills

Over 2011, the ACRC conducted the Corruption Impact Assessment on 1,670 newly enacted or amended bills and recommended improvements for 505 corruption-causing factors inherent in 264 laws and regulations to relevant organizations.

< Assessment of enacted or amended bills (2011) >

Total	Agreement to original bills	Recommendations for improvement
1,670 bills (100%)	1,406 bills (84.2%)	403 cases out of 264 bills (15.8%)

(1) Improvement recommendation by type

Out of 264 bills which were in need of being improved, 66 were laws with 136 Presidential decrees, and 62 were Prime Minister’s decrees and Ministerial ordinances. Compared to the number of target bills, the largest number of recommendations (percentage) were given to 66 laws out of 346 (19.1%), followed by enforcement decrees (136 out of 753, 18.1%) and Prime Minister’s decrees and Ministerial ordinances (62 out of 571, 10.9%).

(2) Improvement recommendation by sector

By sector, the recommendations were given in the order of industry and development (212 cases in 99 laws), environment and public health (48 cases in 106 laws), and general administration (47 cases in 73 laws).

(3) Improvement recommendation by duty

By type of duty, public services such as “imposition and refund” occupied 23.4% of all recommendations for amendment, followed by “objectivity in forming various commissions and transparency in their administration” (13.5%); and consignment and entrust (8.3%).

(4) Improvement recommendation by assessment criteria

In terms of assessment criteria, the ease of compliance, the appropriateness of discretion, and transparency of administrative procedures accounted for 72 cases, 155 cases, and 176 cases respectively out of the total of 505 recommendations.

(5) Improvement recommendation by ministry

By ministry, bills of the Ministry of Land, Transport, and Maritime Affairs were recommended for improvement the most (34), followed by the Ministry of Knowledge Economy (31), the Ministry of Education, Science and Technology (26), and the Ministry of Public Administration and Security (25).

Improvement of Corruption Impact Assessment criteria

After introducing the Corruption Impact Assessment in April 2006, there have been lots of changes in policy environments such as the expansion of the private sector. Accordingly, the ACRC has also improved and revised the criteria of the Corruption Impact Assessment to effectively detect corruption causing factors which have become more various and complicated; and to cover the increasing numbers of laws and regulations to be assessed regarding consignment and entrust.

As more and more central government agencies have commissioned and entrusted to local governments and the private sector, the possibility of corruption has also increased due to the lack of accountability of the private sector or because of local corrupt practices. Therefore, the “appropriateness of the standards of consignment and entrustment” was also included into the assessment criteria.

In addition, in order to effectively respond to the more varied and complicated types of corruption, the new criterion of the “possibility of a conflict of interest” was set up to prevent any possibility of the intervention of personal interest in advance. Also, the “clarity of financial support standards” was added to prevent any damage to the property of public agencies (ex: budget waste), since the amount of financial support from the government, such as government subsidies has increased every year. Furthermore, some similar criteria were integrated into the “concreteness and objectiveness of discretionary regulation.”

< Current criteria >

Assessment item	Assessment criteria
Ease of compliance	Appropriateness of the burdens of compliance
	Appropriateness of discretionary regulation
	Possibility of preferential treatment
Appropriateness of discretion	Clarity of discretionary regulation
	Appropriateness of discretionary range
	Concreteness and objectiveness of discretionary regulation
Transparency of administrative procedures	Accessibility and openness
	Predictability
	Corruption control tool

< Revised criteria >

Assessment item	Assessment criteria
Ease of compliance	Appropriateness of the burdens of compliance
	Appropriateness of discretionary regulation
	Possibility of preferential treatment
Appropriateness of execution standards	Concreteness and objectiveness of discretionary regulation
	Appropriateness of the standards of consignment and entrustment
	Clarity of financial support standards
	Clarity of financial support standards
Transparency of administrative procedures	Accessibility and openness
	Predictability
	Possibility of a conflict of interest



### Opening the internal regulations of public service-related agencies

Public service-related agencies (quasi-government agencies) were established to invest in social overhead capital (SOC) or to be entrusted with government projects. In order to carry out these functions, the agencies set up and have implemented their own internal regulations. As the public service-related agencies are starting to occupy more and more parts of the Korean economy, the internal regulations play larger roles that affect people's daily lives. But the details of the internal regulations, including standards or procedures of project operation, are not open to the public to the extent that would be desirable.

The ACRC drew up the "Guidelines on opening of internal regulations" in July 2011, and distributed them to 675 public service-related agencies to help them make their internal regulations transparent in a voluntary way so that their management would be ethical and transparent. The guidelines set forth the principle that some parts of regulations that are closely related to the people's lives were to be disclosed openly but that some provisions that are business-related rather than public-related would not be disclosed.

Most of the agencies agreed on the importance of the openness, accepted the ACRC's guidelines and promised to expand the extent to which they opened up in a consistent way.

Before distributing the guidelines, a total of 1,238 internal regulations were laid open to the public, but after the distribution, as many as 4,972 internal regulations, an increase of 3,689 (287.5%) have now been laid open.

### Corruption Impact Assessment for local governments

After launching the autonomous local government system, the importance of finance in the local government is significantly growing, since it covers all financial activities, including the management and disposition of assets and liabilities, or income/expense management. However, there have been some cases in which the financial burden of local governments have increased

or fairness has been impeded following the abuse of discretionary rules related to private contracts and unclear rules about financial support.

Accordingly, the ACRC conducted a Corruption Impact Assessment of the autonomous regulations of local governments, particularly regarding their finances, so that fairness and transparency in budget execution could be secured and any preferential treatment or pork barrel prevented in advance.

In 2011, the Assessment focused on three parts (removing factors that cause preferential treatment, enhancing fairness in making contracts, and preventing pork-barreling budget execution) and endeavored to secure transparency in the administration of local governments.

### Monitoring the implementation of ACRC's recommendations

The effect of the Corruption Impact Assessment is brought about when the agencies in question accept and incorporate the ACRC's recommendations. But the recommendations are not legally binding, so that the acceptance of the recommendations lies on the shoulders of the concerned agencies. It is therefore all the more important to monitor whether the agencies adopt the recommendations.

In order to increase the acceptance and implementation rates, the ACRC strengthens the quality of its assessments with the advice of experts and the training of officials in charge of the assessment; establishes a close network of cooperation with the concerned agencies by holding workshops and meetings; and regularly monitors the concerned agencies to see that their recommendations are incorporated into the revised or newly enacted laws and regulations.

## Chapter 2

# Monitoring Corruption and Violations of the Code of Conduct

## Section 1. Receiving and Handling Corruption Reports

### 1. The handling of Corruption reports

Alleged corruption reports filed through the Center for Corruption Reports are identified as corruption reports or general reports before being further processed. Allegations of corruption by government officials, including, but not limited to, violations of a code of conduct are assigned to the Corruption Inspection Division or the Code of Conduct Division for review and processing. Allegations, that do not claim corruption and are general grievances in nature or are duplicative, are handled directly by the Center for Corruption Reports.

Corruption reports that meet the criteria of corruptions prescribed by Article 2 Subparagraph 4 of the Act on Anti-Corruption and the Establishment and Operation of the Anti-Corruption and Civil Rights Commission are first investigated and verified by investigators before being reviewed by the members of the Commission who carry out the core review. Reports that meet the final approval of the Commission are then transferred to the Board of Audit and Inspection, criminal investigative agencies, or a supervisory agency of the accused agency (hereafter referred to as “an investigative agency”).

The investigative agencies that receive an alleged corruption report are required to complete an audit, criminal investigation, or inspection of the report within 60 days and report the results to the ACRC within 10 days of the completion of the investigation. Even if a report had been initially identified as a corruption report, it can be directly transferred to the concerned agency to be individually handled when an investigation fails to strongly substantiate the accusations.

### 2. Number of reports received and handled

Going back to the launch of the Korea Independent Commission Against Corruption (January 25, 2002), which has been integrated into the ACRC (February 29, 2008), a total of 22,102 reports have been filed as of December 2011.

#### < Corruption reports received by year >

(unit: number of reports)

Category	Total	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Reports received	22,102	2,572	1,679	1,763	1,974	1,745	2,544	1,504	2,693	3,099	2,529

Among 22,047 cases handled, the ACRC referred 822 cases to investigative agencies for further investigation or inspection (including 3 accusation cases), notified the accused agencies of 308 violations of a Code of Conduct, forwarded 8,954 cases to government agencies, and closed 11,963 cases.

#### < Corruption reports handled by the ACRC >

(unit: number)

Category	Total	Refer to investigative agencies	Notify violation of the Code of Conduct	Forward to agencies	Closed
Reports handled	22,047	822	308	8,954	11,963

\* Excluding 55 cases currently under review

### 3. Cases referred to investigative agencies

Over a ten year period, a total of 822 (including 3 accusation cases) of alleged corruption reports were referred to investigative agencies. Excluding 54 cases undergoing investigation as of the end of December 2011, notification of the results for 768 cases has been given. Among those cases, 70.4% of the reports were substantiated, that is, it was judged that there was a possibility of the reports leading to the detection of corruption.

### < Number of cases referred to investigative agencies by year >

(unit: number)

Total	referral to investigative agencies					Rate of detection (②/①)
	Notification of result			Under investigation		
	Subtotal①	Corruption detected②	Acquittal			
year	822	768	541	227	53	70.4
2002	74	74	47	27	-	63.5
2003	100	100	67	33	-	67.0
2004	66	66	48	18	-	72.7
2005	82	82	53	29	-	64.6
2006	83	83	63	20	-	75.9
2007	92	92	70	22	-	76.1
2008	65	65	44	21	-	67.7
2009	106	106	73	33	-	69.8
2010	81	73	54	19	8	74.0
2011	73	27	22	5	46	81.5

Looking at 541 cases in which allegations of corruption were substantiated by investigative agencies, 1,634 people were indicted, 1,050 people received disciplinary measures, 38 people were accused, dismissed or resigned, and 107 organizations received warnings. Other actions such as institutional improvements were made as a result of 38 cases, and the total amount of financial collection or redemption that was levied due to the detection of corrupt activities reached 180.3 billion KRW.

Breakdown of the main investigative agencies to which the 822 cases were referred is as follows: the police agency 277 (33.7%); the Supreme Prosecutor's Office 250 (30.4%); the Board of Audit and Inspection 115 (14.0%); central government agencies 102 (12.4%); local government agencies 65 (7.9%); and others 13 (1.6%).

Of 73 people who were accused of corruption in 2011, most (41) were members of the private sector agencies (56.1%), followed by 18 (24.7%) from local governments, and 7 (9.6%) from state-owned enterprises, central government agencies and their subordinate organizations, respectively.

In terms of the nature of corruption, the embezzlement of various subsidies, support funds and money from a construction bidding process was the most common offense at 38(52.1%), followed by public fund embezzlement and misappropriation (12, 16.4%), violation of budget/financial regulations (7, 9.5%), the offer and acceptance of a bribe (6, 8.2%), the abuse of authority or dereliction of duty (3,

4.1%), the inappropriate handling of business affairs (1, 1.4%), and document forgery and manipulation (1, 1.4%).

By investigative agency, 34 cases (46.6%) were referred to the National Police Agency, 34 (46.6%), to the Supreme Prosecutor's Office, 24 (32.9%) to central government ministries, 5 (6.8%) and to the Board of Audit and Inspection, 2 (2.7%).

## 4. Receiving and handling whistleblowing reports

Of the 822 corruption reports that were referred to investigative agencies during the period of January 2002 to December 2011, 366 (44.5%) reports were for whistleblowing cases. Excluding the 40 cases currently under investigation, 74.5% of the 326 reports were substantiated, and this rate is higher than 70.4% , the detection rate of the entirety of the corruption reports.

Upon the conclusion of investigations in 243 whistleblowing cases, 1,542 individuals were punished and indicted. An especially noteworthy fact is that the total amount of financial collection and redemptions due to the detection of corruption was almost 110.2 billion won, which was 61.1% of the entire amount subject to collection and redemption of 180.3 billion won, proving that whistleblowing is an effective tool for detecting corruption.

## Section 2. Employment Restrictions for Public Officials Dismissed for Corruption

### 1. The necessity of the restriction

The ACRC Act sets forth the restrictions governing the employment of government officials dismissed for corruption aiming to not only secure all government officials' commitment to ethics in executing their duties but also to prevent conflicts of interest following dismissal.

### 2. Operation of the restriction

#### Number of public officials dismissed for corruption

Based on the records submitted to the ACRC by public agencies, the number of officials dismissed for corruption

from 2006 until the first half of 2011 was 1,779. The most (645) were reported for the central government agencies, followed by 494 from local governments, 429 from public service-related companies, and 211 from local offices of education.

As for type of corruption, receiving bribes and entertainment was the most common corruption Committed by 1,145 officials, while 392 were charged with embezzlement and the misuse of public funds, 55 were charged with abuse of authority and dereliction of duty, 35 were charged with forgery and manipulation of documents, and 152 were charged with the other violations (including inappropriate handling of business affairs and violations of budget and financial regulations).

#### **Monitoring of employment status of public officials dismissed for corruption**

The ACRC asked the National Health Insurance Corporation (NHIC) to examine the employment status of officials dismissed for corruption based on the reports submitted by public agencies twice a year. And the ACRC discovered a former education officer who had found employment at a restricted state-owned enterprise and an employee of a state-owned enterprise who had found employment at a private sector company with which he had done business while he was a government official. The ACRC committee reached a resolution to report to relevant public agencies to dismiss and accuse them.

### **Section 3. Corruption Fact-finding Survey**

#### **1. Enhancing transparency of accounting at national universities**

##### **Background**

It was found that school fees for school support associations of national or public universities which account for over 80 % of tuition of those schools were not being used for the proper purpose. The school fees for school support associations were supposed to be used to expand educational facilities. However, only small part of the fees was used for their original purpose, and a significant amount of the fees were used for extra

salaries, welfare payments, or personal use for faculty members, creating a serious moral hazard.

Particularly, in 2008, the ACRC recommended national/public universities to modify those practices which had been implemented for decades since the Commission found that the fees has been a major cause of the increase in school tuitions. However, as a related law has been pending in the National Assembly, most of the universities have not followed the recommendation. Therefore, the ACRC analyzed the actual status of the accounting of school support associations and once again recommended that 54 national/public universities and the Ministry of Education, Science, and Technology immediately stop these illegal and undue practices as well as improve their systems.

##### **Current status and problems**

All public officials are provided salaries according to the standards governing the salary and benefits of public officials. But many universities have paid tens of millions KRW per person as research grants to faculty members who actually do not carry out research, such as technical officials.

Moreover, most universities have unconditionally paid various kinds of benefits resorting to expedients and health check-up fees as well as encouragement benefits for the long-term employed. Also, other benefits, which are not paid to common public officials, have been paid to faculty members in the name of welfare benefits.

##### **Improvement recommendations**

###### **(1) Reasonable payment of research expenses**

The ACRC recommended abolishing all benefits that are not permitted in the State Public Officials Act for regular/technical public officials and providing research expenses only to researchers based on their research achievements and performance.

###### **(2) Enhancing transparency in executing the budget of school tuition**

To prevent the illegal use of school fees for school support associations, the ACRC recommended public universities

to adopt budget planning and execute the standards of the government in lieu of their own standards. In cases where a special reason should accommodate a unique situation, it was recommended that they use a unified standard created by the Ministry of Education, Science, and Technology.

### (3) Abolishing university fees for school support associations and unifying school accounting

The fees for school support associations are forcibly imposed on university students without any legal basis therefor. The system of collecting school fees through school support associations began in 1960, to expand the educational facilities at universities. But it has been determined that this system is not needed any more due to increasing government budget for the education sector and expanded educational facilities. Therefore the Commission recommended universities that they should abolish school fees for school support associations.

### (4) Eradicating links between universities and supervisory agencies

In order to sever the ties between universities and supervisory agencies, the ACRC recommended that those who have worked in a division of a supervisory agency whose duty is directly related to a public/national university should not transferred to the university within a certain period, 2 years for example. Furthermore, the Commission recommended public officials working in supervisory agencies, such as Ministry of Education, Science and Technology should be prohibited from being employed in public/national universities while retaining their post as a public official.

### (5) Expected effects

Implementing this institutional improvement is expected to reduce school tuition by at least 10% per single student. In addition, in the case that the government budget execution guidelines are to be applied preferentially, illegal/undue execution of school budget such as undue welfare benefits or personal use of school budgets will be significantly reformed, lowering the school tuition without any additional investment from the government.

## 2. Enhancing internal regulations to eradicate corruption in using company credit cards

### Background

As has been pointed out, public agencies were using company credit cards illegally and wrongfully in many cases. In response, the ACRC inspected the current state of credit card use by public agencies, and made recommendations to the concerned government agencies and state-owned companies.

### Current status and problems

Some public agencies persistently used their company credit cards in golf courses, for karaoke, or at other entertainment places where company credit cards are not allowed to be used.

Also, some public officials have purchased personal golf things or expensive presents, and even spent hundreds of millions of won at midnight or on holidays without any specific supporting facts. It was also found that the use of company credit cards to buy gift certificates or gift cards was not being properly enforced.

### Improvement recommendations

#### (1) Establishing a monitoring system

In order to effectively prevent the illegal use of company credit cards, the ACRC recommends that public agencies establish an IT system to monitor execution of company credit cards in real time.

#### (2) Expanding restrictions on places and items

The ACRC expanded the categories that are not allowed to accept clean cards (company credit cards) such as golf courses, cocktail bars, or nail art shops. Also, it has banned using a clean card to purchase some items that might be personally used, such as golf items or jewelry.

#### (3) Preventing personal use of clean cards and making public the breakdowns of cards

The ACRC recommended restricting the use of company credit cards in places and at times which are not related

to any duty, such as at midnight, on holidays, or at places around a user's home. Also, it recommended that breakdowns of gift certificates or expensive presents purchased by company credit cards should be made public and be controlled.

In addition, the Commission recommended that the details of credit card use should be disclosed more often (monthly), and the scope of users who should disclose the details expanded to senior officials including the heads of office.

## **Section 4. Operation of Code of Conduct for Public Officials**

### **1. History and overview**

#### **Code of Conduct for Public Officials**

The Code of Conduct for Public Officials is applicable to national and local government officials and was enacted on February 18, 2003 as a presidential decree and entered into force on May 19, 2003. Based on the code of conduct, all central government agencies and local governments also created their own code of conduct and put them into effect on May 19, 2003. In September 2003, all judicial offices including the court, the National Election Committee, and the Constitutional Court with an exception of the National Assembly adopted their own versions of a code of conduct.

#### **Code of Conduct for Employees of State-owned Enterprises and Organizations**

Under the recommendations of the ACRC, 404 state-owned enterprises and corporations nationwide had created and implemented their own code of conduct since September 2004. With the amendment of Article 8 of the Anti-Corruption Act in July 2005, the code of conduct for public officials expanded to public organization employees. Following the demands of the ACRC in April 2006, all (a total of 704 as of Dec. 31, 2011) state-owned enterprises and organizations including state-funded agencies established and have implemented the Code of Conduct for Public Organization Employees as a form of official policy with approval from their board of directors

or from the head of organization as of June 1, 2006. To support organizations in the effort to successfully impose the code of conduct as well as secure legitimacy, Guidelines of the Code of Conduct for Public Officials that include the standards of the code of conduct for public organization employees were created and have been implemented.

#### **Code of Conduct for Local Council Members**

Following extensive study and discussions, the ACRC developed a proposed Code of Conduct for Local Council Members and collected feedback from 556 agencies including central government ministries and local assemblies for the 4 months from January to April 2010. Results were incorporated into the proposal in collaboration with major agencies including the Ministry of Public Administration and Security and the Ministry of Government Legislation. After undergoing review, a notice of legislation, approval by an all committee member meeting, review by the Ministry of Government Legislation, review in a vice ministers' meeting, and approval in a Cabinet Meeting, the Code of Conduct for Local Council Members was proclaimed as a presidential decree on November 2, 2010 and entered into force on February 3, 2011. The Code of Conduct for Local Council Members prescribes 15 ethical standards that local parliament members must abide by along with detailed descriptions of the system for implementing the code of conduct.

### **2. Operation of the Code of Conduct**

#### **Promotion of best practices**

By identifying exemplary practices in implementing the code of conduct at each agency and sharing the cases, the ACRC has endeavored to motivate agencies to voluntarily uphold the code of conduct and to enhance efficiency by benchmarking their expertise. Out of 286 practices received from 109 agencies, after being reviewed by compliance officers and anti-corruption experts, the Commission selected 5 best practices and recommended public agencies to adopt these practices.

The best practices (including the 23 best practices of

2010) were also published and distributed as the “2011 Best Practices of Code of Conduct for Public Officials,” and further efforts were made such as incorporating the results of the adoption of the best practices into an Anti-Corruption Initiatives Assessment and utilizing them as educational material.

### **Review of proposals for creating or amending the code of conduct**

In order to provide effective assistance to public agencies in creating and amending their code of conduct, the ACRC reviews the proposals for creating or amending codes of conduct submitted by each agency and recommends changes when necessary.

To facilitate effectiveness of the review process, the ACRC hosted a seminar on June 28, 2011 for officials in charge of the code of conduct from 34 newly established state-owned enterprises and organizations and collected their latest code of conduct. The codes of conduct of 31 out of 34 agencies were carefully reviewed by studying how effectively they adopted the Code of Conduct for Public Organization Employees and the Guidelines of the Code of Conduct for Public Officials and their detailed lists of standards and individual codes in terms of conflicting matters.

### **Providing advice and information on the implementation of the code of conduct**

The ACRC supports public agencies as they implement their code of conducts by providing assistance and by interpreting various questions about the Code of Conduct for Public Organization Employees and the Guidelines of the Code of Conduct for Public Officials. An average of 200 questions a month or 2,500 a year are received via telephone or official documents, and the eCLEAN System received almost 300 questions per year. Since the enactment of the Code of Conduct for Public Officials in 2003, the number of questions being handled has been steadily increasing from 37 in 2004 to 289 in 2011.

### **Providing education on the code of conduct**

The ACRC is also committed to providing education

and training about the code of conduct to government officials. To facilitate voluntary implementation of the Code and further its understanding by public officials, the Commission provides video education materials for every course of the integrity education curriculum of the ACRC. It also hosted seminars for officials in charge of the code of conduct in cases where information such as best practices and challenges were shared with them. At the request of the agencies, a total of 62 training sessions were provided on site in 2011.

### **Producing and distributing training materials on the code of conduct**

Various materials were produced and distributed to be used for training sessions and to raise awareness. Those codes that seemed complicated were presented in an easy-to-understand format using examples and illustrations in a booklet titled “Understanding the Code of Conduct for Public Officials”, and 3000 copies thereof were distributed in training sessions. Best practices submitted by agencies were collected and published in a booklet entitled “Code of Conduct for Public Officials in Practice” which was distributed to 965 agencies.

### **Seminar for Code of Conduct Officers**

To facilitate implementation of the code of conduct, a seminar was held on June 28, 2011 for officials in charge of the code of conduct for 34 newly-designated state-owned enterprises and organizations. Participants were able to reaffirm the meaning and purpose of the code of conduct thanks to the policies being interpreted in detail. They were also informed of key information necessary to implement and prescribe the code of conduct for their agencies. The seminar focused on helping the newly-designated agencies successfully implement the code of conduct with necessary tools and tips.

## **3. Investigation and monitoring of the code of conduct**

Any violation of the code of conduct by government officials can be reported to the ACRC or the Code of Conduct Officer of the concerned agency. When a charge

is substantiated by investigation in accordance with Article 10 of the ACRC Act, the result must be reported to the head of the violator's agency or the head of relevant supervisory organization, and the follow-up actions should be reported back to the ACRC.

In accordance with Article 9 of the ACRC Act (the Enactment and Implementation of Code of Conduct), the ACRC also investigates and monitors the implementation of the code of conduct by public organizations.

#### 4. Evaluation and future plans

The Code of Conduct for Public Officials has come to represent the standard of ethics and integrity in the public sector. To satisfy the ever-increasing demand of the public that government officials abide by ethical standards, the ACRC is working hard to ensure that the code of conduct is effectively and successfully instilled in every government official and public office. Such efforts include establishing and implementing the Code of Conduct for Local Council Members and carrying out follow-up tasks; enhancing training and promotion; expanding on-site consultations; identifying best practices; publishing and supplying training materials such as a case book of violations; reviewing individual codes of conduct and recommending corrective measures; and inspecting and monitoring implementations of codes of conduct.

In 2012, the ACRC will support local councils to successfully implement the codes of conduct. In the meantime, it will revise the Guidelines for the Code of Conduct for Public Officials to make it more effective, such as by revising the standard of disciplinary actions against receiving money or other valuables. The Commission will also support public offices in implementing their code of conduct, with more practical help, including education and training sessions, consulting, and evaluations. On-site support with training, promotion, investigations, and review will continue as well. The ACRC is committed to do its best to make sure that the code of conduct takes deeper root in the community of government officials in 2012.

## Section 5. Protections and Rewards for Whistleblowers

### 1. Protecting whistleblowers

#### Preventative and cooperative protection efforts

The ACRC assigns a Protection Officer is assigned to cases that require whistleblowers to be protected from the moment that allegations of corruption are reported. When a request for protection of a whistleblower is filed, a Notice of Protection and a Reward for Whistleblowers is sent to relevant agencies and officials to minimize any backlash attributable to the whistleblower and ensure that disadvantages stemming from the reporting do not become aggravated.

In order to facilitate cooperation amongst government agencies in handling cases requiring whistleblower protection, the ACRC conducted rounds of fact-finding investigations regarding whistleblower protection in local governments by means of written investigations or visitation from September to October 2011. In November 2011, the ACRC hosted a seminar with the National Police Agency which was about whistleblower protection. There were active exchanges of information and discussion among the ACRC divisions to improve the whistle blower system. Furthermore, in May and November 2011, the Commission carried out one-to-one in-depth interviews with whistleblowers and gave information about a protection and rewards system as well as medical and legal support.

The ACRC signed an MOU with the Korea Neuro-Psychiatric Association on April 21, 2010 for medical support in addition to establishing and implementing the Guidelines for Medical and Legal Assistance for Informants of Corruption, which allowed whistleblowers suffering psychiatric problems due to their corruption reports to seek free medical assistance. The Commission also provided legal services to whistleblowers using an MOU signed with the Korean Bar Association. For example, a whistleblower applied for medical support, insisting that he or she suffered severe stress and insomnia due to threatening text messages and bullying by the person he reported.

## Cases requiring informant protection by year

From 2002 to the end of 2011, a total of 127 cases (an average of 12 cases a year) required the protection of whistleblowers or their cooperators. 81% (103) of those cases occurred after July 2005 which was when the Anti-Corruption Act was amended. In 2011 alone, there were 11 protection requests (11 guarantees of personal status).

### < Request for protection of informants/cooperators by year >

(unit: cases)

Category	Total	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Total</b>	<b>124</b>	<b>7</b>	<b>2</b>	<b>6</b>	<b>22</b>	<b>15</b>	<b>17</b>	<b>20</b>	<b>14</b>	<b>13</b>	<b>11</b>
Guarantee of employment status	107	4	2	4	20	12	15	18	12	9	11
Protection of physical safety	16	3	-	2	1	2	1	2	2	3	-
Guarantee of confidentiality	4	-	-	-	1	1	1	-	-	1	-

Of the 107 requests for guarantee of employment status, 31% of them or 33 requests were approved, 17 were dismissed, 33 were withdrawn, 20 were closed, and 4 other are still under investigation. Of the 33 whistleblowers who requested for guarantee of employment status that were granted, 24 (73%) were able to reclaim jobs, 5 were transferred, 2 were provided with job placements, and 2 received exemptions from duty.

In terms of fines levied for violation of identity protection regulations, in the year 2002 there were recorded 2 cases, 4 cases for 2004, 1 case in 2006, 2 cases in 2007, 3 cases in 2009, and 1 case in 2010, and the total amount of fines reached 56.5 million won (an average of 4.35 million won per case). There have been a total of 13 requests for physical protection since 2002.

Looking at the number of preventive measures that were taken before a whistleblower suffered any disadvantageous actions, 2003 and 2004 posted 6 cases, respectively, 3 cases for 2005, 3 cases for 2006, 4 cases for 2007, 6 cases for 2008, 9 cases for 2009, 2 cases for 2010, and 4 cases for 2011, for a total number of 53 so far.

## 2. Rewards and award money for whistleblowers

### Award money by year

Those who reported cases resulting in promoting of the public interest, bringing substantial financial benefits to public organizations or preventing public organization from incurring financial losses received financial award for their services. The amount reached 346.5 million won for a total of 38 cases.

### < Award money paid by year >

(Unit: millions of won)

Year	Number of awards	Total award amount
<b>Total</b>	<b>38</b>	<b>346.5</b>
2006	3	35
2007	8	50
2008	6	100
2009	6	77.5
2010	10	59
2011	5	25

\* Award money paid for cases reported after July 21, 2005

### Reward money by year

A total of 3.87 billion won was paid out as monetary rewards for 143 cases from 2002 to the end of 2011. The government reclaimed almost 40.7 billion won as a result of corruption reports from 2002 to 2011, and ended up paying 3.877 billion won as reward averaging 27,110,000 won per request. The average rate of rewards compared to the total amount reclaimed stands at 12.5% and is increasing yearly.

### < Reward money paid by year >

(Unit: won)

Year	Approved Request	Reclaimed amount	Total reward amount	Average reward amount	Rate of reward amount compared to reward money payable
<b>Total</b>	<b>143</b>	<b>40,788,747,000</b>	<b>2,377,609,000</b>	<b>16,085,000</b>	<b>10.4</b>
2002	1	7,430,000	743,000	743,000	10.0
2003	2	1,114,962,340	73,744,000	36,872,000	6.6
2004	5	1,609,320,740	98,298,000	19,660,000	6.1
2005	17	3,669,619,859	268,868,000	15,816,000	7.3
2006	19	1,037,070,176	84,654,000	4,455,000	8.2
2007	26	2,049,584,101	277,340,000	10,667,000	13.5
2008	18	2,149,406,979	328,175,000	18,232,000	15.2
2009	20	5,811,771,029	642,146,000	32,103,000	11.0
2010	23	45,05,568,093	603,641,000	19,589,000	13.4
2011	12	18,834,014,000	1,499,401,000	2,711,000	12.5

### 3. Improvement measures for whistleblower protection and the reward policy

#### Strengthening the protection of irregular workers

Irregular workers who report corruption can make a request to the ACRC that it take actions to guarantee protection against discrimination when renewing an employment contract.

#### Reward for public sector employees

In accordance with the ACRC Act, a framework should be put in place for the establishment and implementation of regulations that would allow heads of government offices to reward corruption whistleblowers who qualify for the government reward or award money.

#### Clarifying the scope of investigations related to protection

Notwithstanding Paragraph 2 of Article 29 of the ACRC Act that limits fact-finding assessments by the ACRC, the Commission should be able to conduct an assessment of the cases related to whistleblower protection unless a judgment, settlement, mediation, arbitration has been made regarding the disadvantageous measures involved with those cases.

#### Strengthening protection for cooperators

Witness who collaborate with reporting, collaborating witnesses during the process of litigation, as well as collaborating witnesses during the process of investigation and execution of a protection request must all be subject to an equal scope of protection of guarantee of position, physical protection, exemptions of duty, and the assumption of a disadvantage just as are the whistleblowers.

#### Establishing additional corruption reporting centers and clearly defined application procedures for reporting

Reporters who report cases to other agencies should be subject to fiduciary duty and a reporting process. There The ACRC decided to operate for additional centers which

would allow for the transfer of reports or direct reporting to agencies where the corrupt act is being committed.

#### Implementing a reward repayment system

When corruption is reported and gains from corruption are reclaimed by local governments or state-owned enterprises and organizations, the ACRC awards the whistleblower a monetary reward that is proportional to the amount of the corruption, and requires convicted government offices to repay the amount of the reward within 3 months. Failure to do so without just cause should be defined as legal grounds for its forcible execution in accordance with a disposition for failure in tax payment procedure.

#### Defining time restrictions for reward claims

A five year time restriction has been additionally imposed on claiming a reward from the date of completion of litigation involving a reclaim of gains stemming from corruption.

#### Elevating and modifying legislation that defines a reward repayment policy

The ACRC and offices that have paid a reward per other regulations should reclaim the reward when “a whistleblower has received the reward using false or unlawful methods or claimed a duplicate reward for the same corruption”. Whistleblowers or public offices, ordered to repay or return the reward but who have failed to do so by the due date, are prescribed to be handled according to the disposition for failure in tax payment procedure.

## **Section 6. Introduction and Operation of the Public Interest Whistleblower Protection System**

### 1. Introduction

Violations of the public interest in the private sector are a threat to public health and safety, damaging the roots of the rule of law and fair society and costing society a tremendous amount of money. The efforts of public

institutions alone, however, can only inadequately bring to light violations of the public interest and control them, and no integrated program had yet been implemented to protect public interest whistleblowers. As such, the Commission introduced measures to protect whistleblowers who bring to light violations of the public interest that infringe on public health and safety or negatively impact the environment, consumer interest and fair competition in order to defend the public interest of society as a whole.

The Commission introduced the Act on the Protection of the Public Interest Whistleblowers, which was established on March 29 and has been effective from September 30 in 2011, securing a safe and reliable channel through which all people can report on violations of the public interest.

The Act will play a significant role as an institutional basis on which to promote ethical corporate management practices and fair competition among market participants, thereby helping the rule of law become deeply entrenched in society.

The Act will also provide a legal safety net to protect public interest whistleblowers, because it contains provisions ensuring confidentiality and the personal protection of whistleblowers acting for the public interest, and institutional measures preventing the derogation of their occupational and social status. The law also bans retaliation against the public interest whistleblower.

## 2. Details on the implementation and operation of the system

### Establishment of the Public Interest Whistleblower Protection Act and the department dedicated to relevant matters

#### (1) Establishment of the Act on the Protection of the Public Interest Whistleblower and Related Enforcement Decree

The Act on the Protection of the Public Interest Whistleblower was drafted through several meetings with related parties as well as public conferences and is based on research by external institutions. The Act was established and promulgated on March 29 in 2011 after the Commission consulted related government authorities

and the Ministry of Government Legislation reviewed the draft. The Enforcement Decree on the Act was established to prescribe matters delegated by the Act and to assign detailed processes for its implementation, and it became effective from September 30.

According to the Act and the Enforcement Decree, a public interest whistleblower is an individual who reports a violation of the public interest to the enterprises and organizations that are involved in the violation, to the ACRC, a National Assembly member, or public organizations such as public corporations and authorities that are established in accordance with relevant laws.

#### (2) The establishment of dedicated departments for the protection of the public interest whistleblower and other follow-up measures

In addition to the legislation of laws to protect public interest whistleblowers, the Commission has expanded the existing Corruption Report Center to the Corruption and Public Interest Violation Report Center on September 30, 2011. The newly established organization is dedicated to administration of the public interest whistleblower protection system by processing reports on violations of the public interest as well as protecting, compensating and providing relief for public interest whistleblowers.

Moreover, the Public Interest Whistleblowing Inspection & Policy Division and the Public Interest Whistleblower Protection Division were established on October 26, 2011 within the confines of the Commission. The former is tasked with overseeing public interest whistleblower protection policies and reviewing reports on the violation of the public interest, and the task set assigned to the latter is to execute duties to protect, compensate and provide relief to public interest whistleblowers.

#### Meetings with relevant experts

Two rounds of meetings were held between the Commission and invitees to the meetings, who included external experts from various professions such as legal professors, lawyers, journalists and civic organization activists. These meetings were held to review the activities and performance of the Commission in order to promote

the successful implementation of public whistleblower protection programs in line with the establishment of the Act as well as to discuss key tasks to be effectuated by the Commission as it promotes the widespread application of public whistleblower protection programs.

### Unofficial meetings with CEOs

The Commission held an unofficial meeting with CEOs from over 20 companies, including CJ Cheil Jedang, Korean Air, POSCO, Shinsegye and Jongkeundang, at Lotte Hotel, Sogong-dong, Seoul, on December 22, 2011. The meeting was held to raise the awareness in corporate circles about the public whistleblower protection initiatives and to build a consensus among the companies as they make efforts to prevent violations of the public interest as well as develop ways to ameliorate relevant corporate practices.

### Regional presentations on the public interest whistleblower system

The Commission held seminars to build a social consensus on the importance of protecting public interest whistleblowers and to put the system into practice as early as possible in 11 regions covering 16 cities and provinces. The road shows have covered Busan and Ulsan in South Gyeongsang Province, North Jeonbuk Province, Seoul, Jeju, Gangwon Province, and Daegu in North Gyeongsang Province between November 17 and December 20, 2012. The Commission will hold additional seminars in Daejeon in Chungnam Province until March 2012.

### The filing and processing of reports on violations of the public interest

#### (1) Filing of reports on Violations of the Public Interest

A total of 292 cases of public interest violations were filed during the three months from the day the Act entered into effect until the end of 2011, for a monthly average of 92 cases a month. By category, the largest share was for infringement of the public health such as violations of the Medical Service Act, for which there were 169 cases (57.9%) filed, followed by customer interest violations such as infringements on the Consumer Protection Act (15.8%).

### < Filing of Reports on violations of the public interest by category >

(Unit: case, %)

Category	Total	Health	Safety	Environment	Consumer interest	Fair competition	Others
Total	292	169	8	10	46	18	41
Percentage	100	57.9	2.7	3.4	15.8	6.2	14

#### (2) Results of Processing Public Interest Violation Cases

Out of the 292 reports, 68 cases are under review, 8 were referred to investigative agencies, and 140 were transferred to other public organizations, and the handling of 75 cases had reached a conclusion as of the end of 2011.

### < Results of Processing Filed Public Interest Violation Cases >

(Unit: case)

Total	Referred to investigative agencies	Transferred to other public organizations	Completed	
Filed cases	223	8	140	75

\* Not including 68 cases under review

## 3. Future plans

### Building a foundation for public interest whistleblower protection

#### (1) Recommendations for Public Organizations and the Publication of Manuals

The Commission has been engaged in establishing an institutional arrangement that would process reports on violations of the public interest and protect public interest whistleblowers. To this end, the Commission will recommend that individual public organizations come up with detailed policies, and publish a manual for public organization personnel to utilize when dealing with such reports. The manual will help make it easy for those who are in charge of protecting public interest whistleblowers to grasp related issues and the content will include case examples organized by type and by relevant category, procedures and methods to receive and process reports on violations of the public interest, and matters to consider that are applicable to the protection of public interest whistleblowers.

## (2) The distribution of Corporate Guidelines and the revision of Standard Rules of Employment

The Commission will publish guidelines specifically geared for raising awareness amongst corporate working-level personnel about public interest whistleblower protection at the enterprise level and to prevent potential violations of the public interest. The guidelines will provide benchmarks organized by category (health, safety, the environment, consumer interest and fair competition) that apply to the corporate environment.

Another plan for corporate citizens is to recommend that the Ministry of Employment and Labor revise its model Rules of Employment to incorporate provisions that would partially exempt public interest whistleblowers from being subject to the occupational duty of confidentiality as well as to mitigate disciplinary action against such whistleblowers.

### Building private-government cooperation system to promote private sector participation

The Commission plans to conclude MOUs with public organizations, enterprises with an outstanding ethical management track record, related academic societies and the media. This is expected to help raise public awareness about and create a social consensus regarding the public interest whistleblower protection system as well as to build private-public governance nexuses, thereby maximizing the effectiveness of the Commission's public relations efforts. The private-public cooperation will help the system take a deep root in the society by generating a synergistic effect.

### Improving the efficiency of the system for examining public interest violation reports and practices which protect and compensate public interest whistleblowers

#### (1) Raising the efficiency of public interest violation report examination

The Commission plans to build a system that will efficiently analyze how many reports on the public interest violation were received and how they were resolved. Moreover, the Commission will develop an integrated system to manage statistics about public interest violation

reports and will share the system with other organizations that have been given the task of receiving and processing such reports, maximizing the synergistic effect among those organizations.

#### (2) Improving the system which protects and compensates public interest whistleblowers

Another plan of the Commission calls for the establishment of a system that analyzes the payment of compensation and relief money for public interest whistleblowers. Such a system will help prevent the duplication of compensation, rewards and relief money paid by the central government authorities, local governments and other public organizations. In 2012, the aforementioned system will first be linked to central government authorities that deal with laws on which reports regarding violations of the public interest are based. In 2013, the system will be expanded to cover local governments and other public organizations.

## Chapter 3

### Integrity Education and Raising Public Awareness about Anti-Corruption Initiatives

#### Section 1. Education on Anti-Corruption and Integrity

##### 1. Integrity training for public officials

###### The Integrity Training Expert Course

###### (1) Overview

The Integrity Training Expert Course was first offered to inspectors and staff responsible for managing ethical practices in the public service at various public organizations in 2003. The program was designed to train the participants to become key figures who could promote integrity at various levels in their organizations. After years of progress, the course has become a main instrument in providing integrity education and spreading an anti-corruption and integrity-oriented culture.

The 2011 program consisted of 22 training sessions, which included sessions for central government agencies, local governments, education administration agencies, educational professionals (principal, vice-principal and teachers) and public service-related organizations, as well as special sessions customized for specific areas (construction, budget execution, contracts, the police, etc.). Other sessions included training sessions for lecturers, public employees who have been recently promoted or newly employed, life-long study-related staff, middle managers and civil organizations. These sessions were conducted in one-, three- or five-day courses.

Noteworthy for the 2011 training was the expansion of the program to cover civil organization personnel, identifying ways for civic groups to participate in the efforts to promote integrity and to spread an integrity-oriented mindset more broadly. The participants to the Participatory Integrity Training for Public Employees, one of the most important parts of the entire program, watched various video materials and listened to lectures on case studies from modules 1 through 8. Participants were encouraged to voluntarily take part in a role-playing exercise and group discussions, developing their sense of awareness about integrity. The training methods were well received by the trainees.

### (2) Performance

As of the end of 2011, 15,273 people have completed the Integrity Training Expert courses since the time the program was launched in 2003. The number of trainees began to soar in 2007 when the ACRC opened the Integrity Education Center. In 2011, 2,793 people participated in the program, and 2,620 of all trainees (or 93.8%) responded that they thought that the training sessions had worked. In response to questions about the relevance of the course themes and the appropriateness of support from the Commission, almost all of the respondents gave affirmative answers, supporting the conclusion that the 2011 training courses are meeting its initial performance targets.

### (3) Future plans

In 2012, the ACRC will expand the existing Public Employee Integrity course to cover those who first became a member of the Senior Executive Service,

thereby providing training curriculums customized for one's career-life cycle. Moreover, the Commission will apply the participatory method of integrity training to more training sessions to ensure that various quality participatory programs will be available for each area. It should also be mentioned that a new Integrity Education Center will be established in the city of Cheongju in North Chungcheong Province. The center will be constructed on an area of 16,928m<sup>2</sup> and completion of the construction project is set to take place in September 2012. The new Center will serve as a hub to promote the integrity-oriented mindset throughout society by expanding integrity education to cover the youth, the general public, private corporations and other members of our society.

## The Cyber Integrity Training Course

### (1) Overview

The ACRC has run the online integrity training course for all public officials at its Cyber Education Center (<http://acrc.coti.go.kr>) since 2006 to meet the growing demand for integrity education and to overcome barriers of time and space.

In 2011, the Commission overhauled the contents of the online training course for the first time in the last four years. The refurbishment was aimed at helping trainees gain a proper understanding of the ACRC's anti-corruption and integrity policies and to correct inaccurate information offered to the trainees. Additional subjects include the integrity assessment and evaluations of the anti-corruption programs of public organizations, key initiatives of the Commission. The Public Employee Value course developed by the Central Officials Training Center was also added to impart a proper mindset as a government employee to trainees, which gathered positive responses from the participants.

### (2) Performance

The annual number of trainees has continued to increase significantly, and in 2011 the course was completed by 311,832 public employees (1.84 times the 2010 figure). Government employees have showed great interest in the ACRC's program, as the application slots for all of the three online educational courses have been filled within five minutes from the start of their being accepted. To

meet such a great demand for education, the Commission began a pilot project for organizations to offer the online education programs for their own members in 2007. Four organizations took part in the project, and in 2011, the Commission provided 155 organizations who had applied for the project with access to the courses.

### (3) Future plans

In 2012, the ACRC plans to improve trainees' satisfaction with and participation in the courses by rearranging the Code of Conduct for Public Officials session to bring it in line with a recent amendment that occurred two years after its last revision. To diversify educational contents and expand training opportunities, another cyber course will be added (the Social Contribution of Government Employees course developed by the Local Government Officials Development Institute). Moreover, the Commission plans to continue to offer educational materials and technical support to other organizations that face a relatively high demand for education so that they can run the online courses on their own because the Commission's capacity alone cannot satiate all the demand.

## Integrity education for high-ranking officials

### (1) Overview

The ACRC has been running the existing Integrity Training Expert and Cyber Integrity Training courses for general public employees in public service-related organizations and the government employees of the 5th rank and lower, who represent working-level officials in various government agencies. On top of these courses, the Commission has also offered its Door-to-Door Integrity Education to high-ranking officials of various public agencies since 2009, because agency heads and others high-ranking officials share a stern resolve to fight corruption, given that no other factor is as important as corruption when it comes to raising the integrity of government agencies. In 2010, 5,996 high-ranking officials above the manager level took part in the road show training events that were held in nine locations which covered a great area of the country. However, it was problematic that the participants had to move collectively to the training locations despite their tight schedules. Moreover, the Commission recognized the need for

focused training opportunities customized to different organizations by reflecting their integrity evaluation performance and the diverse characteristics of their duties. In 2011, organizations submitted applications for individual on-site training sessions and the ACRC selected some of them after considering geographical locations, the results of the 2010 integrity evaluation, and their levels of determination to fight corruption. Of course, the road show training events were also held in nine locations covering greater areas of the country. The Chair and Vice Chair of the Commission themselves served as instructors to give the high-ranking officials lectures on how much Korea has advanced in fighting corruption and the basic directions by which to wage integrity promotion policies, to encourage the personnel of various government organizations to put further efforts for eliminating corruption.

### (2) Performance

From March to October 2011, a total of 7,615 high-ranking officials received integrity training in 23 events organized by the Commission. In January, the ACRC surveyed individual organizations to identify the demand for the Door-to-Door Integrity Education program and 48 public institutions applied for the training. The Commission selected 24 organizations after considering their 2010 Integrity Assessment and Anti-Corruption Initiatives Assessment results and location.

Under the Door-to-Door Integrity Education program of 2011, participants listened to a special lecture with the theme of "Toward a Society Free from Corruption," watched a documentary film titled "Integrity: a Promise for a Better Future" showing best practices in integrity, and received the book *Ways to Eliminate Undue Mediation and Requests for a Fair Society* introducing the most frequent corruption cases that high-ranking officials are prone to be involved in and measures to tackle them

In a survey offered to participants in the training, 82% of the respondents said "the education was constructive," and 74.5% agreed with the need for high-ranking officials to receive integrity education, showing the consensus on the need for continued integrity education.

### (3) Future plans

People are demanding that high-ranking officials abide by higher moral standards and exhibit exemplary behavior. Moreover, their role in fighting corruption cannot be overemphasized in that their determination is closely linked to the overall integrity level of the organizations and personnel they supervise. However, the 2011 integrity survey of public organizations revealed that the work instructions of high-ranking officials may yet be unfair. For this reason, the ACRC will continue to expand its integrity training for public agency heads and other high-ranking officials.

### Mandatory integrity education for high-ranking officials and officials working overseas

One of the most important outstanding accomplishments for integrity training in 2011 was to make it mandatory for high-ranking officials and officials working overseas to receive integrity education. The Commission came up with a proposal obliging high-ranking officials to complete integrity training within one year from the day he/she became a member of the Senior Executive Service because they are required to assume higher standards of integrity. The plan was reported to the State Council and was well received by other government organizations. Moreover, public employees who are about to work overseas are now required to participate in a certain number of hours of integrity training since they also need to be equipped with high standards of integrity.

The Commission instructed various public organizations that they must require each high-ranking official to participate in at least five hours of integrity education per year. The training participation results were factored in evaluating the organizations' anti-corruption initiative implementation performance. In 2012, the Commission will develop a dedicated integrity training course customized for high-ranking officials.

## 2. Integrity education for students

### Operation of Integrity Model Schools

Since 2008, the ACRC had designated "pilot integrity research" schools and supported their efforts to provide

students with opportunities to experience a variety of integrity education programs and develop healthy values and sound habits together with teachers and parents. In 2011, the Commission changed the title of the schools to "Integrity Education Research" schools in order to prioritize research on methods of integrity education. The 2011 program was carried out by 36 schools (20 elementary, 12 middle, and 4 high schools) with four low-performing schools replaced out of the 36 schools designated in 2010.

The 36 designated schools developed their own integrity education materials tailored to their students and operated a variety of experience-based programs. Notable examples include the integrity pact, integrity motto, UCC, a cartoon character contest and the integrity family motto. In addition, they helped all members recognize the importance of integrity and have the right values by offering integrity training and integrity-related contests to parents and teachers.

Key activities of the model schools include educating integrity-related values such as honesty, responsibility and fairness in the relevant regular classes. During the schools' discretionary classes, students studied historic figures of integrity, created integrity promotion posters and slogans, watched video materials and wrote articles about them, coined monthly integrity greetings and did community service.

The results of the model schools were first reported in individual briefing sessions held from October through December, and collected in the main conference organized by the Commission in December. The best practices were shared by all the 36 model schools and disseminated to other schools.

### University Student Integrity PR Group

The University Student Integrity Promotion Groups were established to improve their integrity values and spread integrity culture through their new and creative PR ideas since they are the future leaders leading the nation. Under the initiative, which began in 2009, 4-6 members form a team representing a region. They have made

considerable contribution to establishing integrity culture to the concerned region and spreading integrity values on campus by performing integrity campaigns, voluntary activities and club activities based on their own contents.

### < University Integrity PR Group activities of 2011 >



Integrity pinwheel

Integrity promotion posters

Play with an "integrity" theme

In 2011, 19 teams had a kick-off ceremony on May 27. They carried out various activities, including creating a play with an "integrity" theme, interviews with figures involved in integrity promotion, lectures on ethics and other integrity promotion materials. Other examples include raising campaigns in partnership with local civic and public organizations, running a blog about integrity, serving as "one-day teachers" for schools and doing community service.

The Commission held an event where they reported on their activities, and the outstanding performers were presented with awards at the ACRC Training Center on December 1. The 1st Place Award went to the "Blue Fly" team, representing the Incheon-Gyeonggi region. The experience of the group activities will help the 99 participants in the third-generation program practice integrity in their daily lives and carry out their public service messages about integrity.

## **Section 2. Spread of Integrity Culture among the General Public**

### **1. Programs to induce public participation**

#### **Writing Contest with the Theme of Integrity**

The ACRC organized the Integrity Writing Contest to help the youth recognize the importance of integrity by writing on the subject of integrity and to promote consensus on the significance of integrity among public employees

and the general public. This year's event consolidated the existing writing contests that were separately hosted by the ACRC for adults and youths into a bigger event to create a larger effect. Moreover, the Commission invited related government institutions and media companies as sponsors for the event to raise its stature.

There were three categories of participants to the contest, which were the general public, government employees and employees of public service organizations. The Commission accepted writing samples for the contest for 31 days and a total of 1,309 pieces were submitted, 635 more entries than in 2010. The writings were about impressive stories with the theme of integrity, which can inspire people to recognize the importance of integrity, contribute to enhancing an anti-corruption culture in society, and establishing an anti-corruption and integrity-conscious culture among public employees.

In 2012, the ACRC will strive to facilitate the participation of the people and raise the status of the writing contest by inviting media companies to be co-organizers, while maintaining the main structure of the contest. Moreover, the Commission plans to improve the operations of the contest and adjust the venue and date by collecting various opinions from teachers, parents and students.

#### **Field Trips to the Homes of Historical Figures of Integrity**

The field trip was designed to give the participants opportunities to experience the atmosphere of integrity, and raise and spread awareness about integrity by visiting homes and burial sites of familiar historical figures who are famous for leading a humble but honest life.

The field trip would help to highlight the lasting influence and philosophy of historical figures, who are famous for their integrity and being a great example to all civil servants and the people, raising public awareness. The Commission plans to diversify the program and expand it to include ordinary people as participants. Using historical sites and classical literature will help to revisit the true meaning of integrity.

### “New Media” Contest for Integrity Promotion

New technologies have enabled new channels of communications to emerge, with the number of smartphone users breaking the 20-million mark in Korea. In line with this trend, the Commission held the first New Media Content Contest for Integrity Promotion to gather and distribute creative new smartphone applications, user-generated content, web cartoons and other types of new media content. The Commission received 178 pieces of user-created content, 54 pieces of web cartoons and 6 smartphone and tablet PC applications. In each category, six pieces were selected as one 1st Place Award, two 2nd Place Awards and three 3rd Place Awards. This contest helped to identify what people think a fair and clean society looks like and new ideas collected through this event would be applied to anti-corruption and integrity-enhancing policies.

## 2. Public participation programs

### Online events supporting the integrity culture

Online events were held utilizing interactive online media, blogs and social network services as a part of the ACRC’s efforts to disseminate integrity consciousness among the youth. These online events were held four times in various forms in 2011, encouraging a wider circle of young generation to engage in the practices of integrity and building a consensus on the meaning of integrity in day-to-day activities.

### Integrity Training and PR Best Practices Contest

The ACRC held the 2011 Integrity Training Best Practices Contest in which all organizations being assessed by the anti-corruption initiative implementation assessment were able to take part. The contest was designed to identify best practices related to integrity education and PR efforts, offer selected organizations incentives and disseminate exemplary cases, which helped spread the integrity culture among public officials and the general public.

Some noticeable cases were extensive education and

promotion programs that allowed not only employees but also parents, suppliers and visitors to participate in the programs. These best practices significantly expanded the scope of integrity education and diversified the direction of integrity promotion activities.

## Section 3. Development and Distribution of Integrity Education & Promotional Materials

### 1. Educational materials for government employees

#### Standard presentation materials for public employee Integrity education

The Commission developed integrity training material that could be used as the standard and be applied after being properly adjusted to public organizations at all levels. The standard material consists of about 100 PowerPoint slides that can be modified to serve various education purposes and targets. About half of the slides are about common subjects such as international trends in anti-corruption movements, corruption perception indices and the ACRC’s anti-corruption initiatives. The issues touched upon by the remaining slides have different targets, including general government employees, employees working overseas and those in charge of managing corporate ethics. For example, issues of the second part include corruption cases in specific areas such as educational circle and the overseas environment, and foreign media coverage of the Korean society, ISO 26000 and punishments against corrupt companies.

#### Video materials for high-ranking government officials

No integrity-training video materials have been made that are exclusively designed for high-ranking government employees. Therefore, the Commission created a documentary film introducing domestic and foreign efforts in fighting corruption and integrity practices. The title of the 8-minute-length video clip is “Choice of Beauty” with exemplary cases of practicing noblesse oblige. The video offers viewers many opportunities to reflect on what values and justice mean to a government employee.

The first part of the video introduces cases of corruption of high-ranking officials and shows the general perception of these. In the second part, the government's firm stance against corruption is presented and exemplary noble cases are demonstrated, including those of UK's Prince Harry and former justice of the Supreme Court, Jo Mu-je. These materials will be used for various training occasions to remind high-ranking officials of the most important values for them to have.

## 2. Integrity education materials for government employees and the general public

### Video materials for government employees and the general public

To improve the spirit of integrity and the ethics of public officials, the ACRC produced an educational film entitled "Gift." This theme for this video material was borrowed from an essay that received the 2nd Place Award in the category of adults in the 2010 Writing Contest. This eight-minute video footage shows what it means to give and receive gifts and reminds us of the true value and meaning of gifts through a small episode of a newly appointed elementary school teacher, Suyeon, in her mid 20s and her friend Miran. The story is centered around a Teacher's Day gift.

### The "World of Integrity" smartphone application

The ACRC distributed a free application called "World of Integrity" for smartphone users and government employees. The application features historical integrity stories, anti-corruption news stories, self-checkup charts and corruption cases for government employees and ordinary people that are meant to be simple to read and easy to use.

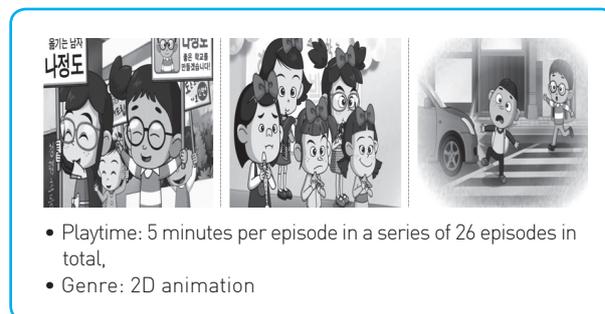
## 3. Integrity education materials for students

### Integrity education materials for elementary school students

The ACRC produced the third season of the "Careless Moogchi's Home" series following the positive outcomes

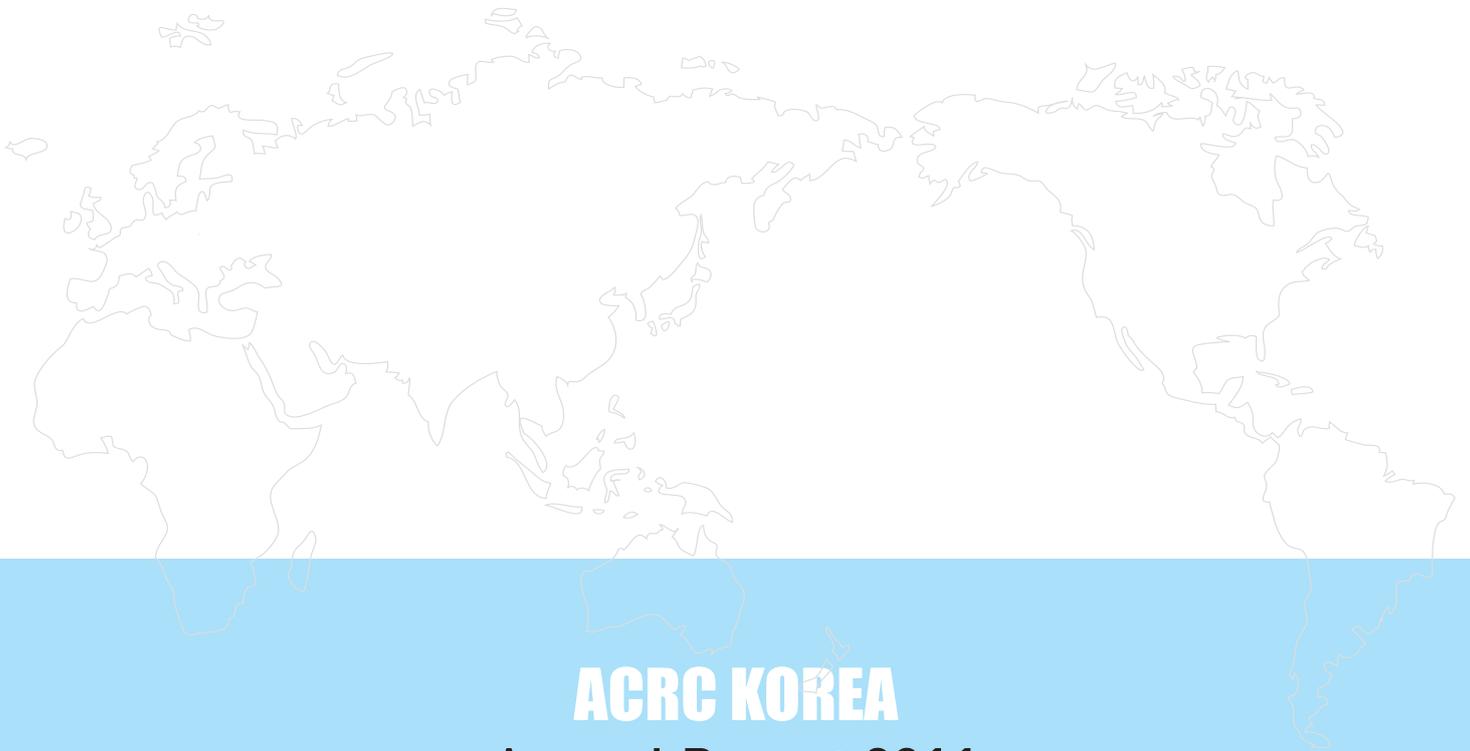
the series made in 2009 and 2010. The 26-episode TV animation series, each featuring about 5 minutes, was created to raise awareness among elementary school students about integrity by conveying messages in a way that young students can understand. The episodes of this year's series include stories about a student representative election, playing musical instruments in ensemble, and reporting a hit-and-run motorcycle rider. These episodes help children understand the unfamiliar and difficult concept of integrity and instill the values of fairness, harmony and the importance of reporting violations of the public interest. The new series was well received by the audience and the ACRC will strengthen its position as the No. 1 provider of material for integrity education. It will be aired in the first half of 2012 on EBS and CATV, expanding outreaching efforts with the audience

### < Careless Moogchi's Home >



### Integrity education materials for middle and high school students

The Commission developed integrity education materials for middle and high school students, who will grow as Korea's next-generation leaders. These materials will inform them of the importance of anti-corruption and integrity and help raise their integrity awareness. These materials were developed to be available in the mobile environment, such as tablet PCs and smart phones, so that the students can have easy access to them. Such educational content, customized for those in the secondary education courses, is expected to raise awareness about anti-corruption and integrity, contributing to spreading the integrity-oriented mind-set throughout society.



**ACRC KOREA**  
**Annual Report 2011**

# Part 4

## Improving Laws and Institutions in Better Compliant Handling and Corruption Prevention

- Chapter 1 Overview of the Institutional Improvement System
- Chapter 2 Major Institutional Improvements in 2011



# Part 4 Improving Laws and Institutions in Better Compliant Handling and Corruption Prevention

## Chapter 1

### Overview of the Institutional Improvement System

#### Section 1. General Information

##### 1. Overview

###### Key Functions and Organizations

The ACRC has been pushing for institutional improvements to prevent grievances faced by citizens and businesses as well as corrupt practices in accordance with Articles 27 and 47 of the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission. The goal of these improvements is to protect the rights of the Korean people and build a culture of integrity in government employee circles. The ACRC recommends reforms or expresses opinions to the heads of related public organizations when it is deemed necessary to revise and improve laws, regulations and policies that deal with addressing civil complaints. When preventing corruption demands it, the Commission also recommends heads of public organizations that they improve institutional practices.

Moreover, for efficient improvement of institutions, the ACRC has requested public organizations to present necessary documents, investigated their actual practices, and monitored the progress of their implementation of recommendations. Also, the ACRC has presented its institutional improvement agenda to the President and the National Assembly, as well as disclosed them to the public via the media in order to ensure the effectiveness of the institutional improvements.

#### Section 2. Procedures of Institutional Improvement

Just as the Korean government body coordinate and oversee institutional improvements to prevent grievances and corruption, the ACRC itself selects and carries out

high-priority reform tasks that have a great impact on issues that affect society and that need to be handled by numerous government organizations. Meanwhile, each public organization voluntarily engages in improving laws and institutions by reviewing relevant civil complaints, corruption cases, and citizen proposals collected through the e-People program and other channels. When corruption is found, these organizations are required to set up plans to redress the problem on their own.

#### 1. Priority Reform Tasks of the ACRC

##### Identification of Reform Tasks

Each ACRC investigator oversees one government department or office to ensure the continued monitoring of the assigned department and to find areas that need improvement. Also, the investigators identify prominent social issues that need to be addressed by continuously examining media reports, and analyzing audit reports of state administration inspections or those released by the Bureau of Audit and Inspection. It also participated in the e-People initiative to identify tasks for institutional improvements in people's daily lives.

The ACRC identified numerous possible institutional improvement projects through the day-to-day activities of its divisions and departments, including handling grievances, preventing corruptions and dealing with administrative judgment. It also utilized various sources of information to identify tasks for improvement, including "Voices of the People Weekly" and "Analysis of the Most Frequent Civil Complaints" provided by the Complaints Information Analysis Center, and counseling services offered for citizens at the "110 Government Call Center." These channels act as a foundation for discovering areas for bringing more benefit to the public and small- and medium-sized enterprises. Moreover, divisions and departments attended preliminary consultation council meetings regarding institutional improvements in order to prevent the duplication of projects among different organizations by sharing newly identified

tasks and the progress of projects managed by all divisions and departments. Other channels to identify potential institutional improvements include analyses of corruption risks in new or amended bills conducted by the Corruption Impact Assessment Division.

### Collection of Data and Research

Once a reform task is selected, the ACRC gathered detailed information related to the task, including media releases, policy reports, a variety of literature, and overseas cases. It also met with stakeholders such as complainants and relevant associations, and conducted on-site inspections to analyze how related laws and policies are actually managed and to identify real problems inherent in the system. These activities were aimed at devising effective action plans for making improvements.

### Establishment of Reform plans/Issuance of ACRC Resolutions and Recommendations

For all areas in which institutional improvements are likely to be made, in principle, the ACRC collects various opinions at public hearings or through unofficial meetings attended by related government departments, interested parties and experts, and mediates the conflicting opinions among them. It was also aggressively engages in PR efforts in order to build a public consensus on the proposed improvement plans. Even after the tentative improvement plans were set up, it collected opinions about the plans from the related public organizations, and applied the feedback to the final plans when they were deemed reasonable.

After a reform plan was established, it is reviewed by subcommittees (for grievances) or sectional committees (for corruption-related issues) before being passed to the plenary committee. Once the plan is passed at the plenary committee, it is sent to the related organizations per the ACRCs' official recommendations.

### Follow-up Measures

The ACRC formed a team dedicated to institutional improvements, which continuously monitors the progress of the implementation of improvement plans. To fulfill its assignment, the team significantly strengthened implementation management processes by changing the monitoring system from the examination of progress reports on a quarterly basis to one based on on-site inspections as well as performing document examination on a monthly basis. In 2011, it conducted on-site inspections in 23 organizations and documents examination for 64 organizations. The Commission selected four institutional improvement tasks in which progress had not been made because of changes in the situations to resume reform efforts.

In addition, the Commission reported on the progress of implementing key reform tasks and recommendations to the State Policy Coordination Council chaired by the Prime Minister and attended by the Ministers of related Ministries.

#### < The institutional improvement process >

Identification of tasks	Data collection & research	Establishment of reform plans	Follow-up measures
<ul style="list-style-type: none"> <li>- One investigator responsible for one department and media monitoring</li> <li>- Auditing results</li> <li>- Civil complaints and suggestions</li> </ul> <p>Notification of tasks identified by ACRC divisions and departments</p>	<p>Meetings with suppliers, complainants, experts and related government departments</p>	<ul style="list-style-type: none"> <li>- Key tasks: dealt by the Commission</li> <li>- Simple tasks: managed by individual organizations</li> <li>- Subcommittees, sectional committees and the plenary committee</li> </ul> <p><b>Recommendations</b></p>	<ul style="list-style-type: none"> <li>- Monthly on-site inspections and documentary examination</li> <li>- Evaluation of implementing recommendations</li> <li>- Report to cabinet meeting</li> <li>- Proposals to the National Assembly</li> <li>- Media coverage</li> </ul>
	<p><b>Opinion collection</b></p>	<p><b>Establishment or revision of laws and rules (related departments)</b></p>	
	<ul style="list-style-type: none"> <li>- Open forums</li> <li>- Unofficial meetings with experts</li> <li>- Inquiries into opinions of related departments</li> </ul>		

## 2. Voluntary Institutional Improvements by Lower-level Organizations

### Voluntary Policy Reform to Fix Corruption-prone Practices

Public organizations at all levels are required to uncover any grievances or corruption issues they are responsible for on a voluntary basis and to present plans to fix them. The ACRC reviewed each organization’s reform plans in terms of relevance, subsequent consequences, determination to solve the problems and creativity. Then, the Commission confirmed areas for improvements and notified each organization in charge of the confirmed reform tasks on a semi-annual basis. The Commission also monitored the progress of implementing the reform plans so that they take effect as soon as possible.

### Mandatory policy reform in cases of corruption

Public organizations assume the responsibility of establishing and carrying out action plans to redress corrupt acts or breaches of the code of conduct. Meanwhile, when the monitoring by the Commission uncovers corruption issues, it requests related organizations to resolve the problems.

### < Procedures to Improve Institutional Practices in Case Corruption is Discovered >



## Chapter 2

### Major Institutional Improvements in 2011

#### Section 1. Institutional Improvements by Sector

##### 1. Focused Tasks concerning Fair Society (31 recommendations)

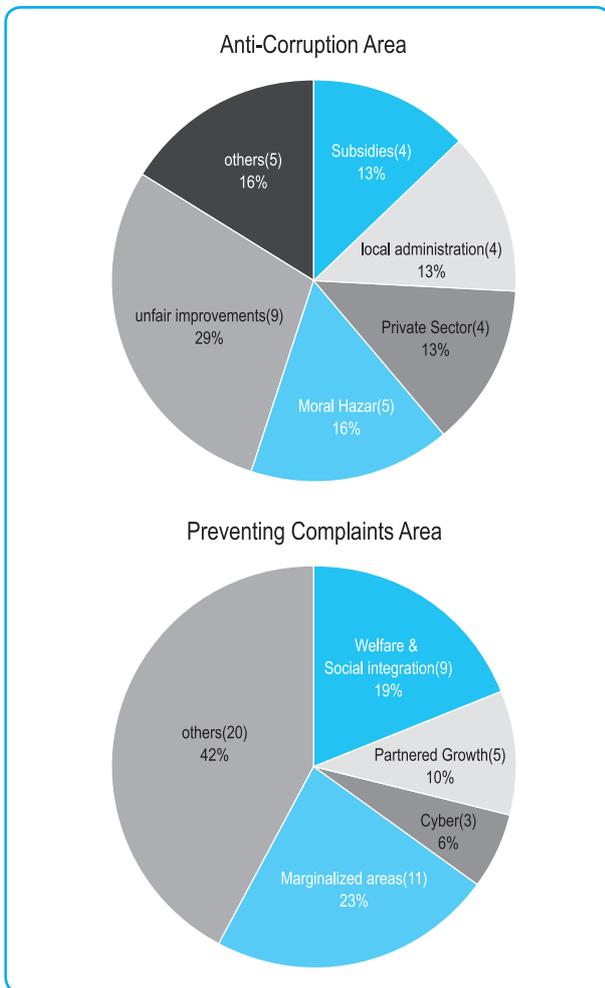
To improve affected institutions, the ACRC designated “Building a Fair Society” as one of its major tasks. The three sectors that were the most susceptible to corruption -- government subsidies, local administrations and the private sector – are being supervised negligently and were examined to find ways to enhance transparency in medical reimbursement and evaluations, to strengthen supervision over social welfare organizations and facilities, and to improve human resource affairs in local governments as well as the auction system of agricultural and fisheries wholesale markets.

The Commission reduced the moral hazard of public officials by reforming tax management of the labor welfare funds of government agencies and recollecting gratuities taken by public officials. The ACRC brought to light and improved on unfair institutions and practices, such as groundless tax benefits or exemption.

##### 2. Institutional Improvements for the Ordinary People Friendly Policies (48 recommendations)

The ACRC strengthened the liability the government has for improving the welfare for the poor and enhancing social integration by providing funds for multicultural families, people living on government support, and the disabled. The Committee also supplemented institutional deficiencies in policies which are of mutual benefit to both SMEs and the self-employed such as professional workforce support measures and employment promotion subsidies. Moreover, infringement on the people’s rights in cyberspace including online gambling, cyber prostitution and e-learning scams were unburied and tackled.

< Institutional Improvements by Sector >



**Section 2. Institutional Improvements in Preventing Complaints**

**1. Institutional improvements for the Stable Settlements of Multicultural Families**

The ACRC launched institutional improvements to serve the public better as civil complaints about misinformative international marriage brokers, the lack of Korean language education and support for multicultural families are consistently on the rise from 1,018 in 2009 to 1,493 in 2010.

Many marriage brokers do not comply with the terms and conditions. The Commission forced them to observe the terms and conditions of international marriage brokers and recommended that the information on marriage immigrants at the Ministry of Justice be

provided to multicultural family support agencies, such as the Ministry of Gender Equality and Family and local governments, in order to protect consumers by the right to informed consent.

The ACRC recommended that ties should be built among Korean language education agencies so that trainees can enjoy the same benefits from Korean classes for multicultural families in other agencies when they have completed the Social Integration Program offered by the Ministry of Justice.

Additionally, the ACRC also requested that measures be set up which would facilitate private organizations offering multicultural support in partnership with agricultural cooperatives, such as the Agri-fisheries organizations, in order to step up support for multicultural families. The ACRC also recommended setting up a program to provide family integration and family involvement. (July 2011, the Ministry of Gender Equality and Family, the Ministry of Justice)

**2. Complaint Handling for Illegal Loan Broker Commissions**

Loan sharks inflicting pain on ordinary working citizens were for the most part reformed and improved thanks to the Commission's institutional improvements made to preclude the hardship that follows illegal loan sharking. However, difficulties have consistently surfaced among the ordinary people because of loan sharks charging 5%~20% in illegal commissions. (a survey conducted by the Consumer Loan Insurance Association in late 2009 shows that 78% of borrowers from loan sharks had reported complaints.)

< Loan Broker Status >

	Number	Brokerages	Amount (100bn-won)	Commission (100bn-won)	Commission Rate (%)
Corporate	98	290,154	9,461	632	6.7
Individual	816	38,073	2,104	75	3.6

※ Information on brokers who submitted 2H10 sales reports

Loan brokers are punished according to the related laws governing cases of the receipt of a brokerage commission, while the commission taken by loan

solicitors who takes as much as 85.6% of the all loan brokers goes unpunished and under autonomous association regulations. The Commission ordered them to set up regulations where loan solicitors and loan brokers will be managed and registered under the same rules and conditions.

There were almost 10,000 cases related to “illegal loan commission” and they accounted for 62.4% of the total number of complaints for financial services for the ordinary people which were reported to the Financial Supervisory Service in 2010. In order to reduce such hardship, the ACRC forced the specification that charging a brokerage commission is illegitimate in loan agreements. Moreover, lenders should notify borrowers about the commission before they transfer funds to customers. Loan brokers have to show content describing illegal brokerage commissions in their ads and in the case of a violation, the severity of the fine or administrative handlings should be higher than they are now. (July 2011, the Financial Service Commission)

### 3. Institutional Improvements related to Expanded Services for Civil Certificates in a Foreign Language

Currently, most Korean civil certificates are issued by “Civil Services 24” or other online issuance systems. However, some English civil certificates cannot be issued online, so people need to travel to the related agency. Civil complaints asking for improvement have constantly been raised.

As English records for individuals are disposed right after the issuance of civil certificates, people need to visit the agency again for reissuance. Therefore the Commission recommended to have passport information (the English name and the resident registration number) be automatically incorporated into the certificates in a bid to relieve the inconvenience of issuing certificates. Moreover, related laws do not allow for the issuance of a “criminal investigation history” as required for visa issuance. The criminal investigation history is available for people in foreign countries, but the report can be issued only in Korean to domestic residents, raising a controversy over

fairness. Therefore, the ACRC recommended that the Justice Ministry set up legal grounds so that people can receive their criminal investigation history in English for their application for immigration, for study and for marriage. (June 2011, the Ministry of Justice)

### 4. Institutional improvements for Over the Counter Medicines Sales in Supermarkets

Under the current system, the public is inconvenienced since if they cannot purchase safety-proven over the counter drugs such as fever reducers or cold medicine at night or on weekends, they have to endure the pain or visit an emergency room. The average opening hours of most pharmacies is from 9 AM to 8~10 PM so that it is difficult for customers to buy medicine for a nighttime emergency.

The Korean Pharmaceutical Association operates several systems such as working in shifts, nighttime emergency service and 24/7 operation, but there is no legally binding power and most stores close before 10 PM.

For the sake of public convenience as revealed in public polls or overseas cases, safety-proven over-the-counter (OTC) medicines need to be sold in supermarkets and convenience stores, but of course that is not the only solution. A parallel system wherein pharmacies operate a shift system and the sale of OTC drug in supermarkets also deserve consideration.

On holidays, the public wants both accessibility to medicine and for the medicines to be safe ones. Therefore, OTC medicine sales in supermarket or convenience stores is not the optimal solution. The Commission recommended that a drug store shift system should be expanded in areas where the number of drug stores is sufficient and that selling safety-proven OTC medicines outside of pharmacies is required for rural areas where there are not enough drug stores. (May, 2011 the Ministry of Health and Welfare)

### **Section 3. Institutional Improvements in Fighting Corruption**

#### **1. Enhancing the Transparency of Welfare Organization and Facilities**

The operation of welfare organization/facilities are more closely related to the public livelihood and the rights of the people rather than to the profit concerns. Strict management is required for those organizations, but a closed management, a lack of internal controls and insufficient supervision has caused damage and needs to be addressed.

Institutional improvements have been made in order to prevent unfair practices in selection and subsidies execution, but there were not enough measures to counteract internal embezzlement and appropriation. The current control system could also not solve the problems of collusion and accounting fraudulence.

In order to tackle the damages that stem from lax internal control and supervision, the ACRC recommended the authorities to set up institutional improvement measures in a bid to strengthen internal monitoring including accounting disclosure, to secure transparency in the appointment of internal auditors, and to beef up efficiency of the external supervision system. (October 2011, the Ministry of Health and Welfare)

#### **2. Institutional Improvements to Build a Transparent Reservation Environment**

There have been many abuses of Railroad Premium Membership Service in the form of hoarding, advance holiday ticket reservation, waiting lists, and preferred seat booking because there are no limits to the number of tickets that members can buy in the holiday seasons. The ACRC recommended limiting the number of holiday tickets they can buy and the removal of the advance booking system given to premium members.

Some local governments use cancelled room reservations, extra lodging or facilities in recreational forests to ask for special favors. The ACRC recommended

that local governments install the same reservation system as is used by National Natural Forest Reservation System to keep a record of the usage status of lodges and forest management facilities.

Public officials and the leadership of our society have cut into reservation lines using their influence or acquaintances and ordinary citizens are requesting people for medical services by special doctors in hospitals. The ACRC recommended incorporating complaints over outpatient treatment, hospitalization, and surgery reservations into a Customer Satisfaction Survey and disclosing information about changes made to waiting lists for treatment and hospitalization.

As the number of people on waiting lists for national/public child care centers has increased, unqualified applicants have managed to receive a spot in the center using their influence. The ACRC recommended reporting on eligibility to people ranked high on the list, managing records, and auditing regularly the compliance of orders put on the waiting list.

The bereaved and funeral agencies, such as mutual aid societies and funeral homes, can preempt crematories from abusing an easy reservation and cancellation system in some areas, so the ACRC recommended expanding the "Waiting-after-Cancellation" reservation system to all crematories across the nation. (October 2011, the Ministry of Strategy and Finance, the Ministry of Health and Welfare, the Korea Forest Service, Local Governments, the Korea Railroad Corporation)

#### **3. Institutional Improvements to Prevent Military Dodging**

Korean men receive the physical examination for their conscription at 19 years of age and physical examination grades 1-3 are subject to active service, grade 4 to reservist duty, grade 5 to a second conscription, and grade 6 to a conscription exemption.

Some public officials including teachers and public servants find employment in the government agencies

after having been exempted from military service on the grounds of mental illness. Physical examinations for public positions are also conducted as a mere formality and fail to screen out severe mental patients. The ACRC recommended that the Military Manpower Administration strengthen the inspections of unqualified people in the public service and report their reasons for disqualification to employers when they land a job in public agencies.

Many have misused the military conscription policy whereby graduates from middle school are exempted from military service by entering unaccredited international schools or alternative schools and recouping their educational background after military dodging. The ACRC recommended extending the period of military exemption handling based on academic qualifications so that those people can be conscripted again when their availability changes. (Recommendations in January 2011, the Military Manpower Administration)

#### **4. Improvements of Customs Clearance for Marine Products Import**

The increasing number of FTA deals that Korea has signed is allowing Korea to grow into a hub for global free trade and increasing the national dependence on imported marine products due to the distribution structure of the domestic fisheries market. However, some public officers turned out to commit irregularities such as rebates, smuggling in bonded areas and tax dodging in the process of clearing customs including quarantine and inspections.

The ACRC recommended preparing standards for the dispatch of inspectors and adopting the use of one's real name during inspections. The Commission also asked to expand outsourcing to independent inspection agencies and to make oversight of quarantine and inspection mandatory.

The ACRC recommended the mandatory attendance of honorary customs officers when checking cargo. The Commission suggested raising the standard of

qualification examination for the examiners (appraiser, weigher). Also, the Commission asked that the examiner policy for training and checking boxes on a cargo confirmation sheet be reformed and that control and supervision be stepped up.

In addition, the Commission recommended increasing the liability of the warehouse proprietor by requesting a more detailed history which would include for example punitive measures for a performance evaluation by law enforcement in the bonded area, and strengthen administrative guidance on warehouse owners and bonded goods caretakers. (April, 2011 Ministry for Food, Agriculture, Forestry and Fisheries)

### **Section 4. Voluntary Efforts for Institutional Improvement by Public Offices**

#### **1. Addressing Corruption-Causing Factors**

In 2011, the ACRC pursued voluntary improvement in corruption-causing factors for 206 organizations including central administrative offices, local governments, and government agencies. The Commission received newly detected tasks twice a year: 1,981 tasks including "Mandatory Use of Joint Flight Mileage" was discovered in the first half of the year and 32% of them, 642 tasks were chosen. In the second half of 2011, 1,670 tasks were received including "Whistle blow and Crackdown on asking a special favor" and 23% (385 tasks) were selected.

As a result of institutional improvement in each organization, out of 1,027 selected tasks, 943 tasks were completed or in process of normalization.

**< Status of Efforts for Institutional Improvement by type of public offices >**

type	2011 1H		2011 2H		In Process of Normalization
	Detected cases	Selected tasks	Detected cases	Selected tasks	
39 Central Administrative Offices	210	100	121	43	127
36 Local governments	578	74	533	56	112
6 Offices of Education	326	86	239	50	124
115 Government Agencies	867	382	777	236	580

**2. Institutional Improvement for Corruptions**

When corruption is detected, each public office autonomously reviews causing factors and set up plan to address the problem. As a result, 56 improvement plan was established and under normalization process in 29 offices in 2011.

**< 2011 List for Institutional Improvement in Complaints Prevention (48 recommendations) >**

Category	Title
Welfare for socially underprivileged and Social Integration (9)	Improvement for a range of bereaved families of victims in overseas forced labor during the Japanese Occupation(January)
	Policy Improvement for extended interest payment plan for state scholarship(February)
	Improvement in range of extra pension payment for the disabled(April)
	Policy Improvement in Relief for applicants of basic living expense welfare program(June)
	Policy Improvement for stable settlement of multicultural families(July)

	Measure to pay medical expense on behalf of the socially underprivileged(December)
	Policy Improvement to resolve welfare gray area for people living on welfare program(December)
	Measure to expand a range of the families of men of national merit(December)
	Improvement of appraisal system for casualties in action (December)
Building an Environment for Mutual Development (5)	Relieving Inconvenience in Ceiling on Taxi fuel subsidies (February)
	Measure to enhance support for professional human resources project (June)
	Improvement of Notification for employment promotion fund applicants(July)
	Damage compensation for illegal loan broker commission(July)
Improvement for Infringement on Cyber rights (3)	Policy Improvement in card merchant fee for the self-employed(November)
	Policy Improvement in protecting rights of e-learning users(July)
	Improvement in report/control system for Cyber prostitution(August)
Resolving Gray Area of People's Rights (11)	Improvement in censorship/management system for online gambling(October)
	Measure to streamline college entrance qualification for General Equivalency Diploma holder(January)
	Policy Improvement to strengthen supervision/control over personal credit information(May)
	Policy Improvement for Over the Counter Medicines Sales in Supermarket(May)
	Policy Improvement to allow transfer of a lease for rental house(July)
	Policy Improvement for safety system for traffic volunteers (September)

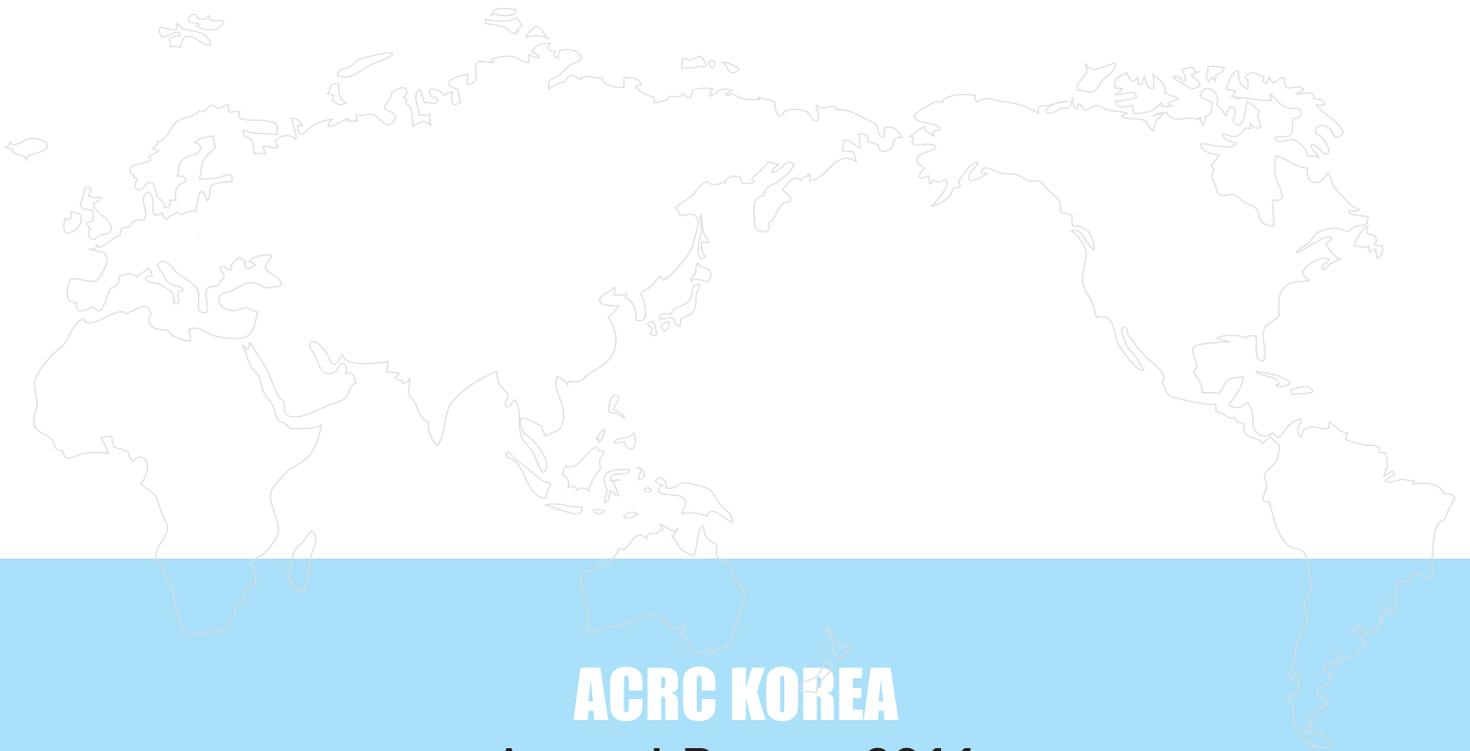
	Measure to effectively manage medical record in closed medical service providers(November)
	Policy Improvement for food safety in school district (November)
	Policy Improvement related to Scrapping cars under attachment(December)
	Measure to set up institutions for “Quick service” business (December)
	Measures to protect drunken people(December)
	Policy Improvement to handle collective complaints about traffic noise (December)
Miscellaneous And Improvement in Complaints Handling (20)	Policy Improvement for compensation for the damage on right to have natural light resulted from bridge construction (January)
	Measure to rationalize limitation of medical insurance(January)
	Policy Improvement in legal ground for uncompensated lot in road way (March)
	Improvement in issuance of certified copy of residents’ registration to protect personal information(March)
	Policy Improvement in Guidance on extra collection for local tax benefit (March)
	Policy Improvement to prevent traffic accidents related to central bus-exclusive lane(March)
	Policy Improvement to decrease damage from secondhand smoking and smoking rate (April)
	Improvement in farm land conversion for fishermen in fisheries harbor (May)
	Improvement in efficient management of car registration (June)
Policy Improvement for Issuance of civil certificates in foreign language (June)	

	Improvement in medical insurance premium for public service workers (July)
	Improvement in government guarantee in car accidents damage waiver (July)
	Improvement to rationalize car ownership category in fixing medical insurance premium (August)
	Improvement in standard for property not subject to seizure under national tax collection act (September)
	Improvement in acceptability standard for urban planning in development (October)
	Measure to resolve obstacles dampening fairness in structure compulsory performance (October)
	Policy Improvement to handle complaints over livelihood based on state-owned land (November)
	Protection of car accident victim by improving damage waiver policy and prevention of unreasonable insurance claim (December)
	Imposing indemnity for national property publicly used by local governments (December)
	Improvement in completion standard for vocational training (December)

**< 2011 Institutional Improvement Listing for Anti-Corruption (31 recommendations) >**

Category	Title
Government Subsidy Business (4)	Measure to increase efficiency in medical expense budget for war veterans (April)
	Measure to enhance transparency in medical claim and evaluation (May)
	Measure to improve Preference policy for IT fund support project (July)
	Policy Improvement to strengthen supervision on social welfare organization/facilities (October)
Local Administration (4)	Improvement in special employment policy of scholarship for public officers (January)
	Policy Improvement to strengthen oversight over local tax benefit and tax exemption(May)
	Measure to improve calculation method for bonus payment in local state-run companies (September)
	Measure to improve staffing policy for local public officers(December)
Private Sector under lax management (4)	Measure to improve License policy for small construction equipment operation(January)
	Measure to improve allocation of oriental medicine under control of demands and supplies(April)
	Measure to improve auction system in agri-fisheries wholesale market(September)
	Policy Improvement for management in accredited life-long education centers(November)
Reduction in Moral Hazard of public officers and societal leadership (5)	Measure to improve in-house labor welfare fund in government-run organizations(September)
	Strengthened effectiveness of property registration system to prevent corruption among public officers(September)

	Policy Improvement for recovery of gift or entertainment taken by public officers(September)
	Policy Improvement for transparent reservation culture(October)
	Measure to improve in selection/management process for scholarship in middle and high schools(November)
Improvement of Unfair practices across our society (9)	Policy Improvement to Prevent military dodging(January)
	Measure to improve permit process of cultural asset alteration(January)
	Measure to improve transparency in accounting for research program in National hospital (February)
	Measure to improve cafeteria operation in public office construction site(March)
	Improvement in customs and clearance of imported marine products (April)
	Measure to improve transparency in forest road development business(August)
	Measure to improve unfair practices in water works outsourcing system(November)
	Measure to improve transparency in landscape management (November)
	Measure to improve transparency in school development fund(December)
Miscellaneous Policy Improvement for Anti-Corruption (5)	Policy Improvement for management of public office procurement unit price (April)
	Measure to improve transparency in school facilities usage fee(May)
	Measure to improve acquisition and management of artworks in public agencies(June)
	Measure to improve various commissions in public offices(August)
	Measure to improve transparency in animal protection outsourcing business (November)



**ACRC KOREA**  
**Annual Report 2011**

# Part 5

## Adjudicating Administrative Appeals

- Chapter 1 Central Administrative Appeals Committee



# Part 5 Adjudicating Administrative Appeals

## Chapter 1

### Central Administrative Appeals Committee

#### Section 1. Status of the Complaints Received and Processed

##### 1. Received and Processed in 2011

In 2011, a total of 28,058 cases were received, out of which 28,923 were handled and including cases carried forward. By processing result, 4,840 cases were accepted (including those partially accepted), 23,084 were dismissed, and 999 were denied, indicating a 16.7% acceptance rate.

By complaint type, 3,164 were general cases, 1,913 were related to the reward for patriots or veterans, and 22,981 were driver’s license related, indicating that the driver’s license related cases account for 81.9% of the total cases received during 2011.

#### < Status of the complaints received and processed During the last 3 years >

(Unit : cases)

Year	Number of cases received	Number of cases reviewed and resolved				Acceptance Rate (%)	Withdrawn & transferred
		Total	Accepted	Dismissed	Denied		
2009	29,572	24,938	3,779	20,290	869	15.2	1,053
2010	31,019	30,472	4,990	24,320	1,162	16.4	1,001
2011	28,058	28,923	4,840	23,084	999	16.7	1,063

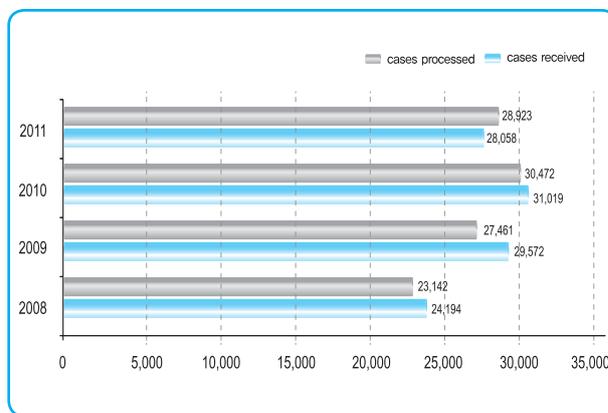
##### 2. Year-on-Year Status

The complaints filed with the Central Administrative Appeals Committee (CAAC) have increased since the committee was merged into the ACRC but decreased slightly in 2011. In terms of cases received, the cases rose from 24,194 in 2008, to 29,572 in 2009 and to 31,019 in 2010. However, in 2011, the number fell by 9.6% to 28,058.

Regarding to cases processed, the number was 23,142 in 2008, 27,461 in 2009, and 30,472 in 2010. However, due to inefficiency from relocation of professional workers sent the rate down by 5.1 per cent to 28,923 in 2011 compared to the previous year.

#### < Status of cases received and processed >

(Unit : cases)



##### 3. Growing number of appeals

As a result of amendment of administrative litigation act in 1998, administrative appeals changed from indispensable to arbitrary process, but the number of cases is on the consistent rise. The trend shows advantage of fast free of charge administrative appeals make people prefer appeals to litigation along with independence and professionalism of the CACC.

Since the CAAC has been under the ACRC from 2008, average annual number of administrative appeals reaches 28,210, 21% up from the previous year. The result proves that improved accessibility to administrative appeals was improved so that the public can conveniently use the service. Moreover the increase in cases seems on the ground that its name change to the CAAC make the public familiar to the agency to draw more attention.

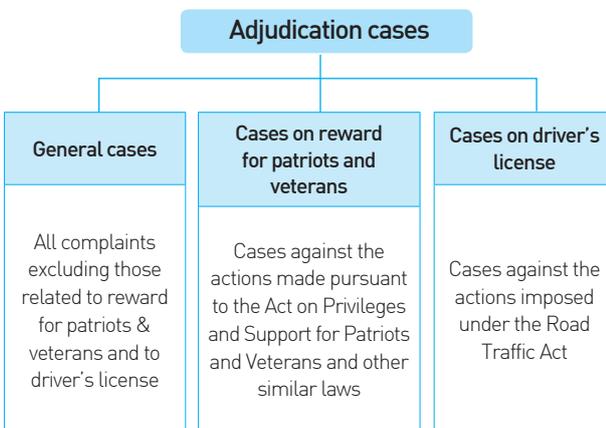
## Section 2. Analysis by Type

### 1. Overview

The CAAC reviews and decides upon the measures or nonfeasance by the following agencies: Heads of national administrative agencies or their subsidiary offices, Mayors of special and metropolitan cities, and provincial governors, Superintendents and councils of special and metropolitan cities and provinces.

Those complaints can be largely divided into three categories: one is related to the administrative actions on a driver's license made by the head of either local or national policy agency pursuant to the Road Traffic Act; the second group is related to the actions made by the local branch of the Patriots and Veterans Affairs Agency pursuant to the pertinent laws such as the Act on Privileges and Support for Patriots and Veterans; and lastly the general complaints that fall into neither of the above two categories are filed against the actions executed by the head of a national or metropolitan administrative agency.

#### < Types of complaints filed with the CAAC >



The complaints lodged with the CAAC in 2011 are composed of 22,981 driver's license related ones (81.9%), 1,913 cases on reward for patriots and veterans (6.8%), and 3,164 general complaints (11.3%).

Driver's license related complaints take the largest part of cases received, showing that traffic violation cases increase along with the number of drivers as income level improved.

Total number of people who have driver's license exceeds 26 million, the number of administrative measures related to driver's license reached 302,707 in 2010 already. The proportion of complaints on driver's license out of total administrative complaints is expected to increase consistently.

#### < Number of complaints received and processed by type >

category	General complaints		Complaints on reward for patriots and veterans		Complaints related to driver's license	
	Received	Ratio	Received	Ratio	Received	Ratio
2011	3,164	11.3	1,913	6.8	22,981	81.9

### 2. General Complaints

General cases are all complaints related to industrial accident insurance, national certificates and license excluding those related to reward for patriots & veterans and to driver's license. The number of cases received and processed was 3,164 and 2,975 cases, respectively.

**< Number of general complaints received and processed >**

(Unit : cases)

Category Year	Received	Number of cases reviewed and resolved			
		Total	Accepted	Dismissed	Denied
2009	2,550	1,885	230	1,182	464
2010	3,366	3,425	623	2,040	762
2011	3,164	2,975	469	1,889	617

General complaints are more difficult and resource-consuming to solve than those related to reward for patriots & veterans and to driver’s license.

An increase in general complaints leads to work congestion and longer resolution time tainting institutional purpose of administrative appeals. It is required to increase and nurture professional workforce.

Acceptance rate of general complaints in 2011 is 15.8%, down 2.4% from the previous year. However, the decrease is on the ground of emphasis on legitimacy of handlings by sharing decisions and providing training on contentious cases, not because of negligence over handlings.

Moreover, a range of general complaints are expansive depending on handling agencies including central administrative organization, local governments and their agencies. Acceptance rate of the general complaints also fluctuate without a certain pattern. For a last decade, average acceptance rate is 12.7% ranging from 10% to 16%.

**3. Cases on reward for patriots and veterans**

Cases on reward for patriots and veterans are related to man of merit, war veterans or their families under the Act on Privileges and Support for Patriots and Veterans. Most complaints are about dispute over rejection of military welfare nomination by central or local Patriots & Veterans Affairs agencies.

Complaints on reward for patriots and veterans are relatively simpler compared to others, but the incident

happened long time ago so, it is difficult to find fact relevance and Judicial and medical decisions are required to unveil interconnection with public services.

For this reason, the CAAC runs the special committee and actively ask for advice from independent professionals in order to handle the complaints more in a professional way.

The total number of complaints related to reward for patriots and veterans in 2011 is 1,913, down by 741 from 2,654 in the previous year thanks to improved legitimacy of complaints handlings.

**< Number of complaints on reward for patriots and veterans received and processed >**

(Unit : cases)

Category Year	Received	Number of cases reviewed and resolved			
		Total	Accepted	Dismissed	Denied
2009	2,412	2,473	87	2,324	62
2010	2,654	2,495	86	2,334	75
2011	1,913	2,036	79	1,887	70

**4. Appeals on driver’s license**

Cases on driver’s license are consisting of complaints against cancel or suspended driver license imposed under the Road Traffic Act. Around 300,000 cases of administrative measures are taken every year.

Cases on driver’s license are neither drawing big public attention nor related to public interest, but usually cases are directly connected to the livelihood of claimants. The number of cases is higher than other cases but those are very clear and simple without any legalistic controversy. In order to immediately handle cases on driver’s license, administrative adjudication act revised and enforced in July 2010 stipulated the operation of “The review and resolution subcommittee exclusive to cases on driver’s license.”

### < Number of complaints on driver's license received and processed >

(Unit : cases)

category year	Received	Number of cases reviewed and resolved			
		Total	Accepted	Dismissed	Denied
2009	21,979	20,580	3,453	16,784	343
2010	24,999	24,552	4,281	19,946	325
2011	22,981	23,912	4,292	19,308	312

Cases on driver's license received in 2011 is 22,981, down 2,018 from the previous year, cases handled decreased by 640 to 23,912 YOY. However, the decrease seems temporary and considering closeness of driver license to public livelihood, complaints on them are expected to grow consistently.

Acceptance rate of the complaints continuously stays at above 17% almost every year, except 2008 and 2009 since most cases are caused by cancel or suspension of driver's license due to drunk driving and decision standard or the concerned precedents are already accumulated.

## Section 3. Resolution Time

### 1. Overview

The Administrative Adjudication Act, Article 45 stipulates that an administrative adjudication case should be resolved within 60 days from the date when the complaint was received by either the adjudication agency or the responsible administration agency, or within 90 days if inevitable, subject to the adjudication committee chairman's decision.

Resolution time is important since the purpose of administrative appeals itself is to immediately remedy violation of private right before it goes to the court and also resolution time in administrative appeal act work as a standard for appeal process in other acts.

The CAAC had difficulties in meeting the deadline due to consistent increase in number of cases, shortage in manpower and frequent relocation of human resources.

Particularly, general complaints or cases on reward for patriots and veterans which are complicated delayed for more than 10 days from the beginning stage of forwarding refutation.

In order to shorten the resolution time, the CAAC has been committed to improving internal process, to sharpen capability of working-level staff, and to request concerned agencies to observe submission deadline.

Thanks to its effort, average resolution time shortened by 3.9 days (4.9%) from 79.3 days in 2010 to 75.4 days in 2011. Still improvement of capability and productivity has its limit, so working-level staff needs to be increased to handle the complaints more quickly.

Out of the 28,923 cases handled in 2011, 18,689 cases (64.6%) were resolved within 60 days while 5,685 cases (19.7%) were closed between 61 days and 90 days, suggesting that 84.3% of the total cases were processed within the statutory time limit. The rest 4,549 cases (15.7%) were resolved after 90 days and they are divided into 'general cases' and 'patriot reward cases.'

### < Status of resolution time >

Year	Total number of cases handled	Average resolution time (Day)	Number of cases handled		Number of cases handled past time limit
			Within 60 days	Number of cases handled past time limit	Past 90 days
2010	30,472	79.3	18,175 (59.6%)	6,392 (21.0%)	5,905 (19.4%)
2011	28,923	75.4	18,689 (64.6%)	5,685 (19.7%)	4,549 (15.7%)
change	△1,549	△3.9	514	△707	△1,356

## 2. Case handling time by complaints type

As explained in the above, resolution time for complaints vary depending on complaints and its contentious issue. Cases on driver’s license have the largest number but cases are simple, which can be handled in times.

Meanwhile, general complaints have long incident history, complicated fact/legal relevance and many judicial controversies. Compared to the number of cases, the resolution time takes much longer.

According to resolution time by case type in 2011, resolution time for cases on driver’s license increases by 1.79 days to 60.83 in 2011 from 59.04 in 2010. The resolution time taken for cases on veteran reward extends by 10.64 from to 116.90 in the previous year 127.54 in 2011. Meanwhile, the resolution time for general complaints reduces by 39.77 from 197.45 in 2010 to 157.68 in 2011 thanks to the committee’s effort to improve internal work process to shorten resolution time by rushing claimants’ refutation or establish exclusive team for driver license cases. However, there is lingering need for increasing working-level personnel.

### < Case handling time by complaints type >

(Unit : days)

year	Total number of cases handled	Average resolution time	Driver’s License	Reward of Veterans	General
2010	30,472	79.3	59.0	116.9	197.4
2011	28,923	75.4	60.8	127.5	157.6

### Section 4. Suspension of Execution

The Administrative Appeals Act adopted the principle of non-suspension of execution, so effectiveness, execution or process of handlings in the appeal continues despite adjudication request.

Non-suspension of execution was based on authentication or self executor power in the past, but nowadays suspension of execution is interpreted as the

matter of legislative institutions.

The Administrative Appeals Act adopted non-suspension of execution to prevent overuse of adjudication request and unfair delay of administrative operation, but on the other hand it also allows suspension of execution upon the request of the concerned party or by exercising authority to ward off massive damage on claimants or infringement on individuals’ rights and interest when occasion urgently demands.

For example, business suspension cannot be restored even acceptance was made again once handling is completed, making adjudication useless and failing in remedy for violation on rights.

Once the adjudication committee decides upon suspension of execution over an administrative measure against which a complaint was lodged, the execution or continuation of the measure should be suspended until the committee makes a conclusion on its review, after which the suspension of execution decision loses its effectiveness.

Suspension of execution, an exceptional institution in the principle of non-suspension of execution, needs certain requirements. Suspension of execution is allowed when it may affect significantly public welfare and the committee can cancel its decision on suspension of execution when the suspension dampens public interests or reasons for suspension disappear upon the request of the concerned party or by exercising authority.

The number of applications for suspension of execution received during 2011 declined by 249 from 1,615 in 2010 to 1,366, but the acceptance rate for the applications increased by 2.8 percentage points from 81 (5.3%) to 108 (8.2%).

In addition, the number of suspension of execution cases that were determined solely by the committee for the interest of the complaint who did not ask for such suspension also rose from 14 in 2010 to 37 in 2011.

An increase in numbers is grounded that urgent cases to

prevent massive damage were more recognized and the committee actively considered financial situation of the claimants.

#### < Status of suspension of execution >

Year	Received Cases	Reviewed and Decided				Suspension of Execution
		Acceptance Rate	dismissed	Overruled	Dropped. Transferred	
2010	1,615	81(5.3%)	1,437	22	71	14
2011	1,366	108(8.2%)	1,175	41	53	37

### Section 5. Online Administrative Adjudication

Since the CAAC adopted the online administrative adjudication system in order to ease accessibility to adjudication through Internet in July 2006, all the process of paper-based adjudication including receipt, refutation submission, deliberation, review and decision forwarding have been handled online.

The utilization rate of the online administrative adjudication system is relatively low still due to poor awareness on the system, but the procession rate between the adjudication committee and the responsible administration agencies exceeds 90%, contributing greatly to shortening the resolution time and enhancing procedural transparency.

Meanwhile, the online administrative adjudication system had no legal ground, so it was handled under the E-government Act. However, the ACRC has made effort to establish its legal ground for the ordinance in the Administrative Appeals Act.

As a result, new regulation on the online administrative adjudication was enacted in the revised Administrative Appeals Act in July 2010, under which, problems in online contestation process which could not be dealt with e-government act so far were finally solved.

The online administrative adjudication system recorded the highest utilization rate in 2011 since

its establishment as 12.7% of total complaints was submitted online and 95.1% of them were responded to online. By complaint type, 9.7% of driver's license related complaints were filed online, and 100% of them were responded online, indicating that all administration agencies related to driver's license are using this system. 25.7% of "patriot reward cases" were submitted online with 99.6% of them responded online, while 26.1% of "general cases" were filed online with 56.8% online response rate. As for the driver's license related cases, which account for the biggest portion of the total complaints, all the interactions between the adjudication committee and the responsible administration agencies are done online, which are viewed as contributing greatly to shortening the resolution time and enhancing procedural transparency.

Meanwhile, the ACRC is committed to raise satisfaction by maximizing accessibility and reflecting public opinions through regular projects to improve the online administrative adjudication system

#### < Online adjudication system utilization status >

(Unit : cases)

Type of complaint	Number of cases filed	Cases filed online		Online response	
		Count	Proportion (%)	Count	Proportion (%)
Driver's license	22,981	2,235	9.7	22,981	100
Patriot reward	1,913	491	25.7	1,906	99.6
General	3,164	826	26.1	1,798	56.8
Sum	28,058	3,552	12.7	26,685	95.1

### Section 6. Operation of Committee

#### 1. Overview

For the sake of quick resolution and efficient operation, the CAAC has meetings of the central committee, a sub-committee consisting of four members that is aimed to review and decide upon the administrative measures imposed over driver's license issues pursuant to the Road

Traffic Act, and an expert committee with less than five members that pre-reviews the cases designated by the chairperson.

The meetings of the CAAC shall have a total of nine members including the chairperson, standing commissioners, and non-standing commissioners who are designated by the chairperson for each meeting. The meetings are held 45 times a year, almost every week except summer vacations and national holidays.

The sub-committee reviewed measure in advance to the general session in the past, but under the Administrative Appeals Act revised and enacted in July 2010, it reviews and decides upon the administrative measures imposed over driver’s license issues. The sub-committee reviewed and decided 23,912 cases in 46 meetings in 2011.

The sub-committee consisting of four members is aimed to deal with administrative measures imposed over driver’s license issues in easy and fast manner in order to relieve the workload in the general session and enhance efficiency of the committee operation.

The expert committee consists of less than five members, pre-reviews cases designated by the chairperson and reports the result to the general session.

Currently, two expert committees of information disclosure and veterans medical are under operation. The expert committee for information disclosure held 12 times to deal with 261 cases, the expert committee for veteran/medical handled 914 cases in its 12 meetings.

**< Status of Committee Meetings in 2011 >**

- Central Administrative Appeals Committee: 46
- The Sub-committee : 46
- The Expert Committee for Information Disclosure: 12
- The Expert Committee Veteran/medical: 12
- Total : 116

**2. Central Administrative Appeals Committee (General Meeting)**

The meetings of the CAAC shall have a total of nine members including the chairperson, two standing commissioners, and six non-standing civilian commissioners who are designated by the chairperson for each meeting. The CAAC makes a decision through majority votes cast by the members present that should be at least a majority of the whole members.

The general meeting was held 46 times in 2011 to review 5,011 cases, accept 374 cases, accept partially 174 cases, dismissed 3,776, and denied 687 cases.

The decrease in handling cases is grounded that the sub-committee becomes to deal with complaints on driver’s license under the Road Traffic Act from July 2010

**< The General Meeting by Year >**

(Unit : cases)

Year	Held	Number of cases handled	Reviewed and decided				Acceptance Rate
			accepted	Partially accepted	Dismissed	Denied	
2011	46 times	5,011	374	174	3,776	687	10.9%
2010	46 times	19,283	448	2,613	15,214	1,008	15.9%
2009	42 times	24,938	302	3,477	20,290	869	15.2%

**3. The Sub-committee**

The sub-committee was held prior to the general session in the past in order to preview the cases for the general meeting, but under the Administrative Appeals Act revised and enacted in July 2010, it reviews and decides upon the administrative measures imposed over driver’s license issues. The sub-committee reviewed and decided 23,912 cases in 46 meetings in 2011. 34 cases were accepted, 4,258 partially accepted, 19,308 dismissed and 312 cases were denied.

**< The Sub-committee meeting by year >**

(Unit : cases)

Year	Held	Reviewed and decided				
		Number of cases handled	accepted	Partially accepted	Dismissed	Denied
2011	46times	23,912	34	4,258	19,308	312
2010	46times	11,189	25	1,904	9,106	154
2009	42times	491	42	292	157	0

**4. The Expert Committee Veteran/Medical**

The Expert Committee Veteran/Medical consists of two standing members and three non-standing members to have in-depth reviews over cases related to veteran/medical which were designated by the chairman. The expert committee does not decide on the matter. Experts in the field closely review the cases prior to the general meeting.

The Expert Committee Veteran/Medical reviewed 821 cases in its 12 meetings in 2011 including handlings related to registration for men of merit and their families, wounds or injuries in action, the grade of wounds and medical payment.

**< The Expert Committee Veteran/Medical Meetings >**

(Unit : cases)

Year	Held	Number of cases handled	Result		
			Full/partial acceptance	dismiss	deny
2011	12 times	821	45	757	19
2010	12 times	914	54	846	14
2009	11 times	1,338	104	1,197	34

**5. The Expert Committee for Information Disclosure**

The Expert Committee for Information Disclosure consists of two standing members and one non-standing member to have an in-depth review over cases related to information disclosure. The expert committee does not decide on the matter. Experts in the field closely review the cases prior to the general meeting.

The Expert Committee for Information Disclosure reviewed 287 cases in its 12 meetings in 2011 including

handlings related to information leakage, management information, non-disclosure information under the Information Disclosure Act(information which may harm national interests), and others.

Year	Held	Number of cases handled	Result		
			Full/partial acceptance	Full/partial acceptance	Full/partial acceptance
2011	12 times	287	122	115	50
2010	12 times	261	83	129	49
2009	11 times	101	32	50	19

**Section 7. Initiatives for Prompt and Fair Resolution****1. Strengthened Support Service for Adjudication Request**

The ACRC strengthened supports for adjudication request so that the public can easily and conveniently request the service and proceed their adjudication.

As the first step, the ACRC published adjudication request guidance booklet for the public who have no professional knowledge on the institutions and distributed to municipal administrative appeal committees across the nation and the related public agencies.

The booklet explained the process of administrative adjudication and how to prepare documents for claimants in order to help the public seeking remedy for violation of their rights.

**2. Publishing Manual for Easy-to-understand Written Decision**

The conventional written decision is difficult for laymen to understand due to adoption of Chinese characters and legal jargons with lengthy sentences. In order to address the problem, the ACRC wrote the decision in a plain term so that people to easily understand the decision and become familiar to administrative adjudication.

In a bid to fully reflect user's opinions in the manual, the ACRC surveyed 100 people including claimants, ordinary

citizens and Korean linguists about their understanding, reasons of misunderstanding if any, and suggestion for improvement.

**< Survey Result >**

Is the decision easy to understand?	
Understand fully	15.38%
Understand somewhat	73.08%
Cannot understand	3.85%
If you cannot understand, why?	
Too difficult terms	42.30%
not enough knowledge on related laws	73.08%
written in literally style	34.62%
Any suggestions for better understanding on the decision?	
Write in a plain term	60.26%
Giving a specific explanation	41.03%
Write in a terse sentence	39.74%

**3. Circuit Administrative Adjudication Oral accounts**

The review of administrative adjudication can be made through two ways: oral account and submission of written account. It is desirable to have an oral account in order to satisfy the claimants and the Central Administrative Appeals Committee in Seoul.

In order to guarantee chances for claimants in the local area, the chairman and standing members made the rounds in the cities and provinces categorized into 9 areas in 2011 to listen to individual situations and won their hearts.

**4. Promotion of the Online adjudication system through strong web accessibility**

So far the people with visual and hearing impairment and foreigners could not access to the online system. The ACRC added the audio and Braille system to the website of the Central Administrative Appeals Committee as a part of projects to improve the administrative adjudication

system. Foreigners can file for adjudication online if they receive alien registration numbers from the Ministry of Public Administration and Security.

**5. Process Improvement -Task Force for Complaints on Driver’s License**

Since the launch of the ACRC the number of cases soared but it took longer than average handling time due to understaffing problem. In 2011 the ACRC established Task Force for complaints on driver’s license consisting of its own employees without increasing extra personnel in order to shorten handling times through work process improvement of the Central Administrative Appeals Committee.

Seven members in Driver License Task Force shortened handling times by 4 days from 79 days to 75 days YOY and the handling time for general complaints decreased by 38 days from 197 days to 159 days.

**6. Enhanced Professionalism of Employees**

In order to sharpen capability of working-level employees in the Central Administrative Appeals Committee, the committee established the administrative adjudication course in the ACRC Academy, training course in the ACRC, in 2011 and made it required subject to promote employees to complete the course. Moreover, job manual for four sector including general, driver license, veteran, and labor were updated to reflect a revised work processes.

**7. Seminar for Future Development of Administrative Adjudication**

A Seminar on future direction of Korean Administrative Adjudication organized by Korean Administrative Law Association and sponsored by the ACRC was held in November 2011.

The seminar served as an opportunity to find a way for “practical and effective” adjudication for the people’s rights, moving away from passive administrative litigation.

To make it more detail, ways to streamline process for remedy, relationship of public complaints with administrative adjudication, and organization after integration into the ACRC were discuss in the seminar. Additionally, issues related to binding power of the decision, direct handling, recently adopted temporary handlings and appeals were on the table in "Strengthened Effectiveness of Decision" part. Meanwhile, participants promised further discussion of poor cooperation among agencies, acceptance variance by regions, complicated process and indiscriminate establishment of special administrative adjudication agencies.





