

# **ACRC Will Improve Institutions to Tackle Structural Corruption and Injustice**

*- To Push Forward with Institutional Improvement to Prevent Public Budget Waste in Various Subsidy Programs and Increase Fairness in Hiring Process, among others -*

8 February 2021

Anti-Corruption and Civil Rights Commission

The Republic of Korea

The Anti-Corruption and Civil Rights Commission (Chairperson Jeon Hyun-Heui, ACRC) has prioritized implementation tasks to address structural corruption, such as granting and receiving privileges, forming collusive ties, and wasting public budget, that has continued even under the pandemic, and to help overcome the crisis, and will initiate efforts toward institutional improvement in full gear.

One of the mandates of the Commission is to carry out "institutional improvement" where it advises all the public institutions that are involved in corruption and inconvenience that the people feel to improve on unreasonable institutions, and follows up on their implementation progress.

In particular, ACRC's requests for institutional improvement has high acceptance rates\* thanks to its bottom-up approach where the voices of the people and in the field are reflected based on the review of different reports, complaints and examinations. Meanwhile, the Commission's institutional improvement efforts complement the areas that have been

remained unaddressed as a result of the top-down approach in the implementation of the legacy policies.

\* The ACRC has made a total of 916 requests for institutional improvement since its inception in 2008 and until 2020, and the rate of acceptance by concerned public agencies during the same period is 95.3%.

Moreover, the Commission prevents and relieves social conflicts and negative impacts with the collaboration system where opinions of the public agency in charge of the issue, experts and stakeholders are reflected; and joint investigation of the issue between relevant government institutions is conducted before finalizing on an improvement plan.

For example, as broker commissions in real estate trade are rising along with the hikes in housing prices, there have been 3,370 civil complaints and suggestions posted on e-People and 531 petitions on the Cheong Wa Dae website regarding the brokerage fee in the last two years, demonstrating high interest and many requests on the issue from the public. Given this, the ACRC is firsthand carrying out efforts to improve the institution.

The Commission this year will focus on improving institutions to strengthen the social safety net regarding livelihoods and medicine, among others, to overcome the crisis posed by COVID-19, and push ahead with addressing the corruption areas that have been left behind in an effort to restore the public's confidence by enhancing transparency in the administration and public finance. The following is the ACRC's priority tasks to implement in 2021 that include enhancing transparency in subsidizing eco-friendly vehicles and addressing waste of the public budgets.

< Priority tasks to implement in 2021 to address corruption and injustice  
and strengthen the social safety net >

Area	Task & implementation direction
Corruption & injustice	① Enhancing transparency in subsidizing eco-friendly vehicles in the transition period - To improve the operation of different subsidies designed to expand low-emissions and eco-friendly cars, and the post-management of various allowances
	② Strengthening fairness in the employment process of university instructors - To realign relevant regulations to make the hiring process fair
	③ Increasing transparency of special allocations of metropolitan revenue for local governments - To better manage special allocations of metropolitan revenue by toughening prior verification of projects, conducting post-management, etc.
	④ Improving practices of public budget waste involving public officials who retire after a long service period at local governments - To improve practices of granting money and gifts to retired officials by banning improper use of the budget, realigning the budget examination standard, etc.
Social safety net	⑤ Reducing the burden of late fees for public utility bills - To cut the burden of citizens regarding overdue fines for public utility bills, such as excessive late payment interest rates, etc.
	⑥ Addressing repetitive complaints about default on the national health insurance premiums by the economically vulnerable individuals - To fundamentally tackle the root cause of frequent complaints involving default on the insurance premium by expanding the exclusion criteria for foreclosure, etc.
	⑦ Enhancing fairness of rental service contracts - To toughen management and supervision of rental services by addressing exaggerated penalties, obligating service providers for maintenance and management, etc.
	⑧ Operating organ donation system in a reasonable manner - To improve post-management of the donors by treating them with more respect, etc.

The ACRC Chairperson Jeon Hyun-Heui stated that "structural corruption, such as violations, privileges, and waste of public budget, that still exist in our society will ultimately erode public's trust in the government and degrade values in communities. We will continue to raise the CPI rating by improving on the structural corruption from the people's perspective."

# ACRC Asked for Completion of Reform against Corruption and for Justice to Advance Korea to Be Among Top 20 in CPI Next Year

*- ACRC Chairperson hosted a Conference to Deliver the Implementation Guidance for Anti-Corruption and Integrity Policies on Feb 2 -*

2 February, 2021

Anti-Corruption and Civil Rights Commission

The Republic of Korea

The ACRC Chairperson Jeon Hyun-Heui asked inspectors of central administrative agencies at all levels to accomplish the reform against corruption by tightening the discipline in the public service and behavioral standards to the level of what the people might expect, and by proactively responding to all corruption issues.



On the second of this month, the Anti-Corruption and Civil Rights Commission (Chairperson Jeon Hyun-Heui, ACRC) convened inspectors from 44 central administrative bodies to deliver the Implementation Guidance for

Anti-Corruption and Integrity Policies. The purpose of the conference was to strengthen the agencies' voluntary efforts toward reform against corruption and for justice as the policy environment is changing along with Korea's continued progress in the Corruption Perceptions Index (CPI), the emergence of COVID-19, among others.

The meeting was held virtually where participants joined from on-site conference rooms in Sejong, Seoul and Daejeon Government Complexes to comply with the government's COVID-19 infection prevention guidelines.

In 2020 CPI that was released on the 28th of the last month, South Korea earned a record high score of 61, which was 2 higher scores from the previous year and the first time the nation broke the 60s mark. Korea also ranked 33rd among countries, up 6 places from the year before.

The performances in the Integrity Assessment for public institutions that the ACRC conducts every year have been improving for the past four consecutive years while the percentage of citizens experiencing corruption related to money, gifts, entertainment or convenience lowering during the same period. The Commission developed 2021 Implementation Guidance for Anti-Corruption and Integrity Policies after reflecting these internal and external changes in the environment, and including plans for Korea to emerge as a leading nation in transparency by becoming one of the top 20 in the CPI by 2022.

Chairperson Jeon Hyun-Heui has been focusing on tightening behavioral standards and discipline in the public service to enable public officials to perform duties in a just manner; timely responding to corruption issues; and raising integrity awareness through sustained integrity education efforts since taking office in June last year.

To that end, the participants in the meeting presented and discussed a wide range of implementation tasks to produce outcomes that are visible to the people through four strategies, including ① to accomplish the reform for anti-corruption and justice, ② to timely respond to all corruption issues, ③ to focus capabilities on raising integrity awareness, and ④ to provide proactive, preemptive and strong whistleblower protection; and to advance Korea's national integrity level so that the country can lead the world as one of the top 20 in 2022 CPI.

First, the ACRC will strengthen the behavioral standards of public officials in order to meet the expectations of the people by completing anti-corruption institutions. The Commission plans to push hard forward with the legislation of a conflict of interest law for public officials within the year, which lays out eight behavioral standards designed to effectively manage conflicts of interest that all public officials might encounter while performing duties, and to control the pursuit of personal gains. It also aims at incorporating the reception of an academic degree and employment of a trainee into the list of activities subject to the Improper Solicitation and Graft Act in an effort to work on the areas that the existing anti-corruption institutions have failed to address.

Furthermore, the ACRC is going to substantially enhance the response system against the corruption issues that the public demonstrates keen interest. It plans to investigate violations of the Codes of Conduct and the Improper Solicitation and Graft Act to identify any cases of public officials inappropriately seeking personal interest and privileges enjoyed by public officials before developing improvement plans, and to solve the corruption issues together with the public agencies at all levels through the on-site integrity consulting program. The Commission also will not fail to check on corruption-prone areas by forming a government-wide investigative body to

conduct close investigation of vulnerabilities in false claims of public funds, and by carrying out an extensive review of employment in the public institutions in 2020 as well as their own regulations.

Integrity education is going to be considerably strengthened to raise the integrity awareness among public officials and future generations. The ACRC plans to push ahead with the revision of the ACRC Act in an effort to build the capacity to implement mandatory training of elected public office holders, such as members of the National Assembly, and senior officials.

Meanwhile, it will encourage all the educational institutions for the public sector (112 in total) to include integrity education in their curriculum in an effort to promote voluntary integrity training efforts. In order to foster the awareness among future generations, the Commission is going to develop plans to expand integrity education in the primary and secondary education courses, and discuss the plans with the concerned bodies of the government.

Last, the ACRC will promote corruption and public interest reporting and further enhance the protection of whistleblowers. The Commission plans to ease the requirement for suspending disadvantageous measures against corruption whistleblowers, and to work toward introducing institutions for public interest reporting while preparing for the basis to allow the ACRC to ask related articles to be removed if a whistleblower's identity is revealed and reported without the person's consent. When a tentative protection measure is required or urgent personal security measure is requested, active protection efforts, including the designation of an investigator who is specialized in preventive protection, will be available.

The ACRC Chairperson Jeon Hyun-Heui said that "now is the time for those

in the public office to demonstrate a promising future where we defeat COVID-19. It requires, more than anything else, to considerably increase the national integrity level and credit rating by completing the reform against corruption and for justice, and to realize a fair society and transparent nation that citizens dream of.

# ACRC Will Embark on Comprehensive Review of Regulations of 99 Quasi-Governmental Organizations

- Assessment to Be Made Mostly on Corruption-Causing Factors in Contracts -

11 February, 2021

Anti-Corruption and Civil Rights Commission

The Republic of Korea

The Anti-Corruption and Civil Rights Commission (Chairperson Jeon Hyun-Heui, ACRC) plans to examine all of the company regulations of 99 quasi-governmental organizations in 7 different fields this year.

The ACRC this year will review the company regulations of the 99 organizations, starting with those in the field of ▲ employment and welfare, next in ▲ science and information, ▲ education and culture, ▲ land and safety, ▲ agriculture, forestry and fishery, ▲ industry and trade, and lastly in ▲ finance and economy. The plan is to carry out the examinations mostly on contracts in terms of concreteness and objectivity of the institutions' discretionary regulations by referring to the results of last year's assessment.

< Schedule for 2021 Assessment of Company Regulations >

Field	Organization subject to assessment	Review schedule
① Employment & welfare	20 organizations, including Health Insurance Review and Assessment Service and Government Employees Pension Corporation	March
② Science & information	12 organizations, including National IT Industry Promotion Agency and National Research Foundation of Korea	April

Field	Organization subject to assessment	Review schedule
③ Education & culture	13 organizations, including Korea Tourism Organization and Korean Institute for Healthy Family	June
④ Land & safety	13 organizations, including Korea Rail Network Authority and Korea National Park Service	July
⑤ Agriculture, forestry & fishery	14 organizations, including Korea Institute for Animal Products Quality Evaluation and Korea Rural Community Corporation	September
⑥ Industry & trade	16 organizations, including Korea Trade Insurance Corporation and Korea International Cooperation Agency	October
⑦ Finance & economy	11 organizations, including Korea Credit Guarantee Fund and Korea Deposit Insurance Corporation	November

The Commission also is going to reflect the public's opinions and suggestions received via People's Idea Box in the review process while developing practical improvement plans by taking advantage of expert advices and discussions with public institutions so that the institutions can implement the plans in a voluntary manner.

< Organizations Subject to 3-Year Plan Review >

Review schedule	Organization subject to review	No. of organization	Total
2020	Market-based public corporations	16	187
	Quasi-market-based public corporations	20	
	Local government-invested public corporations & local government public corporations (urban development, tourism, transportation, etc.)	49	
	Local government-invested public corporations & local government public corporations (facility management)	102	
2021	Fund-management-based quasi-governmental institutions	13	99
	Commissioned-service-based quasi-governmental institutions	86	
2022	Other public institutions (economy, science and culture)	116	209
	Other public institutions (society, education, diplomacy and national defence)	93	

The ACRC developed a plan to conduct the review of all of the unfair and unreasonable company regulations of 495 public agencies in February last year, and delivered 316 improvement suggestions to 69 institutions in 5 fields (energy, air/sea ports, transportation, urban development and tourism/leisure).

The most suggestions for improvement made last year was about ▲ electronic revenue stamp and private contracts (97 cases, 30.7%), followed by ▲ employment and disciplinary actions (64 cases, 20.3%) and ▲ discretionary authority (52 cases, 16.5%).

Looking at a specific example, the Stamp Tax Act requires public institutions to share the burden of paying revenue stamps with subcontractors when entering into a contract. However, the ACRC found that 60 institutions (87.0%) out of 69 agencies had the subcontractor to pay the most or all of the stamp tax. The Commission therefore advised these institutions to take their fair share of the burden.

The ACRC Chairperson Jeon Hyun-Heui remarked that "we will make proactive efforts in shaping a fair and transparent society by identifying and improving on corruption causing factors in public institutions' own regulations."

# **ACRC, "More Than 80% of Organizations Related to Public Service Plans to Revise Regulations by April so Major Rule-breakers Can't Receive Incentives."**

*- More Than 85% of the Organizations Plan to Realign Early Retirement Allowance Scheme by April -*

17 February, 2021

Anti-Corruption and Civil Rights Commission

The Republic of Korea

More than 80% of organizations related to public service revealed their plans to revise regulations, by the end of April, regarding the incentive payment to major rule-breakers and the early retirement allowance payment to those who have received disciplinary actions and are not eligible for promotion.

In October last year, the Anti-Corruption and Civil Rights Commission (Chairperson Jeon Hyun-Heui, ACRC) checked on the implementation progress on its suggestions for institutional improvement to ban paying the annual incentive to the employees of organizations related to public service when they receive heavy sanctions or disciplinary actions due to sexual offenses and drunk driving; and to prohibit paying early retirement allowances to those who are not able to be promoted due to disciplinary measures, just as the same rule applies to public servants.

Of 619 organizations, 544 institutions run incentive schemes and 492 agencies operate early retirement programs. As for the incentive schemes,

542 organizations, except for 2 agencies, responded that they would act on the Commission's advice while 491 institutions, excluding 1 organization, said that they would implement the ACRC's suggestion as to early retirement allowance payment.

Concerning the timeline for revising incentive regulations, 186 organizations (34.3%), including Korean Educational Development Institute, revealed that they had completed the revision last year, or were in the final stage of the amendment; whereas 248 institutions (45.7%), such as Kangwon Land Casino, and 108 agencies (19.9%), including Korea South-East Power, commented that they planned to finish the revision by the end of April and after April, respectively.

Out of 491 organizations that responded that they would realign the allowance system for early retirement, 271 institutions (55.2%), such as Press Arbitration Commission, completed the amendment by the end of last year. 152 agencies (30.9%), including K-water, and 68 institutions (14%), such as Korea Electric Power Corporation, plan to have the regulation revised by April and after April, respectively. Some of the organizations that have completed the amendment had made the change before the ACRC delivering the advice.

A considerable number of organizations that claimed to realign the system after April stated that they were planning to make the change once the Ministry of Economy and Finance and the Ministry of the Interior and Safety realign their guidelines.

Given the Ministry of Economy and Finance and the Ministry of the Interior and Safety revealed their plans to accept its advice to revise the guidelines, the ACRC will encourage these Ministries to make the revision as early as possible so that other organizations related to public service can follow suit while engaging the organizations directly to push ahead with the amendment.

Last year, the ACRC reviewed the payment system of incentives and early retirement allowances in organizations related to public service to find out that incentives amounted to 10.1 billion won had been paid to 1,244 employees who had been subject to heavy sanctions in the last 5 years, and 4.2 billion worth of early retirement allowances had been given, during the same period, to 36 employees who had not been eligible for promotion due to disciplinary measures.

Upon learning it, the Commission advised organizations related to public service not to pay incentives to ▲ employees who are under heavy sanctions, ▲ rulebreakers who are subject to disciplinary measures effective for 5 years taken due to the receipt of money, gifts and entertainment, embezzlement, etc., ▲ offenders of sexual violence, sex trafficking and sexual harassment, and ▲ drunk drivers, just as the same rule applies to public servants. It also advised the organizations not to pay early retirement allowances when employees who are not eligible for promotion due to disciplinary actions retire.

Yang Jong-sam, Chief of the Institutional Improvement Bureau of the ACRC said that "as the agency that oversees the nation's anti-corruption efforts,

we are going to further encourage public institutions to take our suggestions into action. We plan to continue to proactively identify the areas that the people feel to be unfair, and make institutional improvement on them.

# **ACRC Opened an Exclusive Webpage to Receive Civil Complaints and Corruption and Public Interest Violation Reports Regarding COVID-19 Vaccination**

*- Citizens Can File a Civil Complaint on e-People and Report on a Public Interest Violation on Clean Portal Since Feb 26 -*

2 March, 2021

Anti-Corruption and Civil Rights Commission

The Republic of Korea

Anyone who has questions about who and when can be inoculated, complaints or improvement requests regarding COVID-19 vaccination can get help through e-People, which is a portal that the ACRC operates to allow citizens to engage.

On the 26th of the last month, the Anti-Corruption and Civil Rights Commission (Chairperson Jeon Hyun-Heui, ACRC) opened a webpage exclusively designed to receive civil complaints and public interest reporting related to COVID-19 vaccination on the e-People website ([www.epeople.go.kr](http://www.epeople.go.kr)). Citizens can also visit the Government Complaints Counseling Center (1st floor of the Annex of the Government Complex Seoul) in person or its website ([www.counseling.go.kr](http://www.counseling.go.kr)) to file a complaint and be counseled.

The ACRC is going to analyze civil complaints on COVID-19 vaccination received via e-People and the Government Complaints Counseling Center to identify issues that cause inconvenience to many people and receive many

improvement requests before taking action in collaboration with concerned agencies.

Meanwhile, the Commission will receive reports about violations of public interests and related improper solicitations that might disrupt safe COVID-19 vaccination through the Clean Portal website ([www.clean.go.kr](http://www.clean.go.kr)).

Reports can be made for any acts of violating public interests that include ▲ obstructing medical treatment, ▲ damaging medicine, ▲ issuing a false vaccination certificate, and ▲ circulating a video clip containing false information about vaccines, as well as ▲ improper solicitations to be prioritized for inoculation.

The ACRC is going to keep information about whistleblowers who report on corruption and public interest violations regarding the vaccination strictly confidential, and take proactive protection measures, such as personal security protection and exemption of responsibility, on them.

The ACRC Chairperson Jeon Hyun-Heui said that "as COVID-19 vaccination is directly related to people's life and safety, we will timely respond to civil complaints and public interest violations regarding the vaccination so that all the citizens feel reassured to get the vaccines."

# **ACRC Builds Comprehensive Corruption Information System to Enable Users to See Anti-corruption Related Data at a Glance**

*- On 2 March, 'Clean Portal - Corruption & Public Interest Infringement Report' started its operation for sharing and analysis of anti-corruption big data -*

2 March, 2021

Anti-Corruption and Civil Rights Commission

The Republic of Korea

Various anti-corruption information scattered around will be put together into a system to systemically diagnose vulnerable areas.

On March 2, the Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Jeon Hyun-Heui) completed the development of the third phase of Clean Portal, 'Clean Portal - Corruption and Public Interest Infringement Report' which is designed to help citizens have an easy access to the government's anti-corruption policies and systems online.

This will enable systemic diagnosis and analysis of corruption vulnerable areas reflecting social changes, and the results of which will be linked to policies of all government agencies to improve transparency in the public sector and thereby enhance national integrity level under the Corruption Perception Index (CPI), a measurement of integrity level of countries around the world.

The ACRC had conducted the three-phase 'Clean Portal - Corruption and Public Interest Infringement Report' which is a comprehensive anti-corruption information system designed to digitalize various anti-corruption information and analyze corruption cases, media reports, and contents of consultation.

**<Major works by each phase>**

▶ **Phase 1 (June, 2018~January, 2019)**

- Building a system to file a report to ACRC and to handle reporter protection and compensation.

▶ **Phase 2 (June, 2019~February, 2020)**

- Building and distributing a reporting system for public organizations.

▶ **Phase 3 (June, 2020~February, 2021)**

- Building a system for anti-corruption big data sharing and analysis.

The 3rd phase, which is the final stage, enables ordinary citizens to have an easy access to corruption – related information thanks to its intellectual information analysis system.

Citizens can use the portal to check ▲ current corruption issues, ▲ development by the type of reports, ▲ current status of reports by regions and ▲ anti-corruption trend among others.

Public organizations can use the portal to carry out anti-corruption policies based on various data provided by the portal such as ▲ competent authority reporting status, ▲ report on specific corruption issues, ▲ media report keywords, ▲ report-handling status and ▲ statistics of the disciplined.

Celebrating the opening of the completed Clean Portal, the ACRC has enhanced the portal's 'Report Guide' service to help citizens file a report on corruption and public interest infringement without any difficulty. 'Online Handling Status' information will be provided in detail so that citizens can file a report and consultation request and check the status of their compensation and protection underway.

The portal has improved its accuracy as well by reflecting newly added laws subject to Public Interest Reporter Protection Act as recently amended, and applying sophisticated techniques that automatically categorize report types, acts of violation, and applicable laws.

Enhanced version of Mobile 'Clean Portal - Corruption and Public Interest Infringement Report' will kick off on March 2 as well.

Director General Han Sam-suk for Anti-Corruption Bureau of the ACRC said, "The completion of the three-phase Clean Portal has enabled data-based scientific and systemic policy implementation. The Clean Portal is expected to serve as a stepping stone for Korea to become an advanced country in terms of integrity by moving up to the top 20s in CPI by 2022.