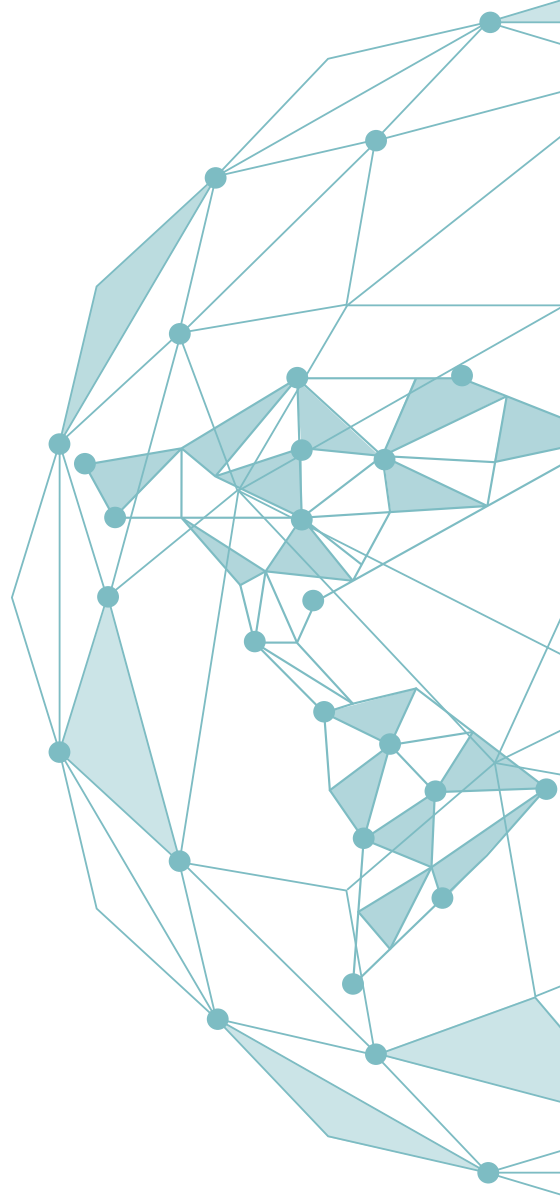


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ACRC KOREA Annual Report

20 18



Anti-Corruption &
Civil Rights Commission

ACRC KOREA Annual Report 2018



Anti-Corruption &
Civil Rights Commission

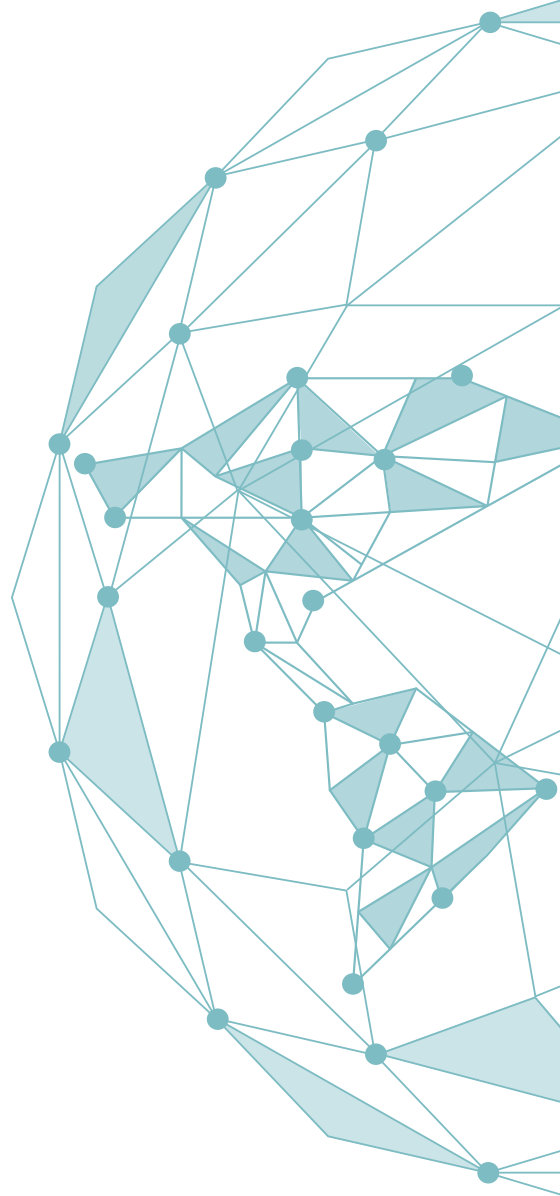


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Civil Rights Commission

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Greetings from the Chairperson



Since its establishment in 2008, the Anti-Corruption and Civil Rights Commission (ACRC) has been committed to creating a society free of corruption and rule-breaking and realizing a credible government by addressing illegal and unreasonable administrative actions causing inconveniences the public have to suffer.

The ACRC continued its efforts in 2018 to live up to the public aspirations for a more just country for the people. It led the government-wide reforms to fight corruption and reinforced the efforts to protect the interests and rights of people to improve the lives of the public.

First of all, the ACRC gathered public opinion to establish the Five-Year Comprehensive Anti-Corruption Plan – a government-wide anti-corruption road map – with an aim to elevate the country's integrity ranking to higher than 30th in the world. The Commission also created the foundation and driving force for comprehensive and systematic anti-corruption reforms by operating the Anti-Corruption Policy Consultation Council presided by the President and the Public-Private Consultative Council for Transparent Society participated by economic, professional and civic groups.

The ACRC also promptly responded to corruption issues of great social concern. The Commission's efforts to eradicate insidious corruption taking place in many parts of our society include the inspection on improper use of allowances provided for public institutions to support overseas business trips and the establishment of improvement measures, and the launch of the Council for Eradication of Improper Hiring Practices in Public Institutions, which conducted exhaustive investigations on improper hiring practices in public institutions.

The ACRC worked on protecting the interests and rights of the most vulnerable and facilitating communication with the people as well.

The Commission addressed nearly 4,000 grievances a year by actively addressing civil complaints received through the Commission, on-site meetings on corporate grievances and the On-Site Outreach Program, through which the ACRC visits every corner of the country where grievances arise. The ACRC introduced the state-appointed attorney system to administrative appeals

adjudication to provide the economically underprivileged with sufficient legal help.

e-People and People's Idea Box operated by the ACRC allowed the public to participate in the entire process of policy formulation, enforcement and assessment. The ACRC also helped many public institutions actively respond to the public by encouraging them to fundamentally improve systems that cause civil complaints based on the analysis of complaints-related big data shared by the Commission to relevant agencies.


The ACRC is committed to continuing its efforts in 2019 for anti-corruption reforms and progress in enhancing public interests and rights, so that the public can actually feel the improvement.

The Commission is determined to create a corruption-free environment for the public by eradicating everyday corruption, expanding the scope of protection for public interest whistle-blowers, and improving integrity in the private sector. The Commission is also planning to focus its capability on addressing grievances and improving systems in the areas of job creation, housing, welfare and small-loan financing for better lives of the people.

The ACRC will continue to work to create a government open to its people by disclosing the civil complaint big data to allow everyone to make use of it, and by establishing a civil complaint center jointly operated by the government to provide comprehensive consultations regardless of the type and jurisdiction of the complaints.

ACRC Annual Report 2018 is a faithful collection of the efforts pushed forward by the ACRC over the year. We hope that this publication can provide help for those interested in our Commission and be useful further for policy development and research.

May 2019



Pak Un Jong

Chairperson

Anti-Corruption and Civil Rights Commission





Part
01

Assessment and
Future Direction of the ACRC



Chapter 1. Major Achievements Since the Launch of the ACRC

The Anti-Corruption and Civil Rights Commission of Korea was established on February 29, 2008 by integrating three institutions, Ombudsman of Korea, Korea Independent Commission Against Corruption, and the Administrative Appeals Commission under the Prime Minister to integrate windows for protecting the rights and interests of the people and to provide them with speedy and reliable one-stop service. Before the launch of the ACRC, the function of protecting people's rights and interests had been scattered to diverse national institutions causing confusion and inconvenience for people.

Since its launch, the ACRC has striven to improve communication with the people through e-People, its online petition and communication portal, as well as its government call center. In addition, the ACRC has employed multi-dimensional remedies to protect the rights and interests of the people focusing on the socially vulnerable with field-centered approaches and established personnel and institutional policies designed to create an ecosystem of anti-corruption and integrity.

Promotion of Government-wide Anti-Corruption and Integrity Policy

First, the ACRC has established an institutional anti-corruption foundation.

In order to protect those who report violations of public interest which harm public health, safety, environment, etc., the ACRC enacted and enforced the Act on the Protection of Public Interest Whistleblowers (September 30, 2011). In May, 2018, the Act was revised to increase the areas subject to public interest whistleblowing from five before (health, safety,

environment, consumer interest, and fair competition), to include a new category of “other types of equivalent public interests.” In addition, the number of laws subject to public interest whistleblowing was raised from 279 to 284. A new system that allows for substitute reporting under an assumed name was introduced. The public interest reporter protection system of the ACRC was introduced as a best practice in UN Guide on Whistleblower Protection in 2015.

Government Welfare and Subsidy Fraud Report Center was established to prevent drain of the national coffer. Since its establishment until the end of 2018, 5,268 reports about false claim of government subsidies were received and handled. By such actions, restitution of approximately 70 billion won has been decided.

In order to eradicate the unhealthy culture of entertainment and solicitation, the ACRC has enacted and enforced the Improper Solicitation and Graft Act. The act bans provision of excessive entertainment and improper solicitations and the majority of the Korean people say that the act is exerting a positive influence to society. The ACRC has also surveyed facts about existing wrong practices and endeavored to improve systems for prevention of their recurrence.

Second, the ACRC has improved public officials' awareness of integrity.

The ACRC strove to expand integrity education programs for reinforced awareness of integrity. The Anti-Corruption Training Institute opened in October 2012 runs various integrity education programs in order to make a culture of integrity take root in the public service sector. Every year, about 20,000 public officials receive integrity education at the Institute, and around 160,000 public officials complete online integrity education utilizing the Institute's educational content annually.

The ACRC has also systematically enforced the Code of Conduct for Public Officials. In 2018, provisions to ban public officials' improper solicitation to private entities and to prevent



conflict of interest for fair performance of duties, as well as rules to prohibit abuse of power in the public sector were also introduced.

Third, the ACRC has spread a culture of integrity to public institutions.

With the Anti-Corruption Initiatives Assessment (AIA) and Integrity Assessment of public institutions, the ACRC supported public institutions at different levels to diagnose the level of their integrity and improve it. The achievement of the Integrity Assessment has received recognition across the world, winning the grand prize for Preventing and Combating Corruption in Public Service at the 2012 UN Public Service Awards.

The ACRC has also conducted the Corruption Impact Assessment, through which corruption-causing factors are systematically analyzed and assessed, and remedial recommendations are provided based on the result of assessment. Current laws closely related to people's lives are analyzed and reviewed, to propose direction for improvement.

Fourth, the ACRC has made a culture of integrity spread across society.

In 2018, the ACRC launched Public-Private Consultative Council for Transparent Society participated by representatives from various sectors of Korean society, including the public and civil society, financial circles, the media, and the academia. The Council discusses and suggests anti-corruption reform tasks for our society in a way that can be easily understood by people. The Council also signs Transparent Society Pacts with different sectors and local governments across Korea, for the purpose of spreading the anti-corruption and transparency movement throughout society.

Cultural events for the Anti-Corruption Week were hosted in celebration of International Anti-Corruption Day of 2018, for the purpose of spreading the culture of integrity. Rich and diverse programs such as theatre and puppet play, integrity conference and campaigns were offered to people from different parts of the Korean society, to help them share

commitment to fight corruption.

The ACRC offers business ethics education programs and also publishes and distributes a monthly web-magazine Business Ethics Briefs, to support settlement of integrity in the private sector. It also developed and distributed Ethical Business Management Model for Different Industries (2012), Guidance on Establishment of Ethical Business Management (2016), Guidebook for Anti-bribery Management System (ISO37001) and so on, to support enterprises in setting up their ethical management system that complies with the global standards.

Multi-Dimensional Remedies to Protect the Rights and Interests of People Focusing on the Socially Vulnerable with Field-Centered Approaches

First, the ACRC has focused on resolving difficulties affecting people's lives.

Between its launch in 2008 and the year 2018, the ACRC received 336,894 civil complaints, of which 39,600 cases were accepted. It has resolved 521 group complaints through on-site mediation, and has given consultations regarding 17,532 complaints from the socially vulnerable through 554 on-site outreach sessions.

The most notable case of resolving civil complaints in 2018 was the “demand to establish measures against damages from sea water at downstream of the Seomjingang River”. The complaint was about difficulties faced by fishermen of the Seomjingang River because of rapid decline in corbicula catch from the river following changes in the river environment. The ACRC implemented total 11 on-site surveys, working-level consultation with relevant public agencies, as well as consultative meetings with experts over a year, to draw the final agreement between relevant agencies on the plans to receive external service for environmental impact assessment, installation of salinity meters, and discharge of water. Such achievement contributed to the restoration of the habitat environment and ecosystem for corbicula of the lower Seomjingang River.



Second, the ACRC provided prompt and convenient administrative appeals service.

A total of 286,615 administrative appeals have been handled over the past 11 years since the launch of the ACRC, among which 45,027 cases have been accepted. In addition, the hub-system for Online Administrative Appeals was developed to allow people to go through the entire process of online administrative appeal from filing of an appeal to check on the result more conveniently.

New systems were introduced for further enhancement of the administrative appeal system. In April 2017, an indirect compulsory system was introduced for cases where decisions are not fulfilled. In October 2017, a new system of providing public defending service to claimants who cannot procure legal representative due to financial difficulties was established. In addition, a procedure of arbitration by the Administrative Appeal Committee for cases for which agreement between relevant parties is feasible was newly set up to lay the foundation for early resolution of conflicts.

Addressing Causes of Complaints and Corruption through Institutional Improvements

First, the ACRC has worked to improve laws and systems that cause structural and customary corruption.

Corruption report and budget waste cases were analyzed to find out unreasonable systems and practices that cause corruption. Improvement recommendations were issued for total 211 cases among them.

Major cases of improvement include the “resolution of structural collusive ties in the railway industry and improvement of bidding and procurement methods” (2016), “establishment of regulatory criteria for eradication of corruption in employment of short-term school teachers” (2017), and “strengthening of follow-up management through regular auditing of local councils’ budget implementation” (2018).

Second, the ACRC worked to repair unreasonable systems that cause complaints of and inconvenience to citizens.

After reviewing reports about unreasonable systems received on e-People as well as through media coverage, the ACRC recommended improvement for 596 cases. Some of the examples are the “enactment of regulations on disclosure and oversight of maintenance fees of large commercial condominium to protect small business owners”(2016) and “plan to mandate installation of fire extinguishers for five-seater or smaller vehicles”(2018).

Facilitation of Practical Communication with People and Their Participation

First, the ACRC worked to integrate and connect communication windows of all public institutions, to expand their communication functions and services

The ACRC’s government-wide petition and communication portal known as e-People (www.epeople.go.kr) was integrated with the petition and communication windows of 997 other public institutions. The 110 Government Call Center was also integrated or connected with the communication windows of 316 other public institutions, to provide more convenient one-stop service to citizens.

The achievements and excellence of e-People as an online petition and communication window has been recognized both at home and abroad. E-People won the 2011 UN Public Service Award in the category of Advancing Knowledge Management in Government and was also included in the Top 10 Best Public Service Programs selected by the citizens marking the 50th anniversary of e-Government in 2017.

Second, the ACRC incorporated the voices of people into policies, based on their participation.

The ACRC has analyzed complaints filed through e-People both on a weekly and monthly



basis since 2009 and the results of the analyses have been communicated to relevant public institutions. A total of 2,567 cases have been found to be caused by inadequate laws and regulations or irrational systems, of which 503 cases were forwarded to government agencies in charge to ensure systematic improvements and to remove the root causes of inconvenience and grievances for people's lives.

e-People's Civil Proposal has collected 1,039,512 ideas over the past 10 years and 35,971 of them have been selected and incorporated into policies, which include "remittance fee waiver between Post Office accounts", "improvement of the rules on city gas bill late payment fees", "self-service gas stations equipped to issue cash receipts", etc.

e-People Policy Discussion has collected 502,136 opinions over the past 10 years, which have been referenced by government agencies in making policies. In addition, People's Idea Box, a mobile platform for people's participation in policy, was created. A total of 6,854 ideas for policy improvements have been posted on the People's Idea Box over 33 months since its launch (from April, 2016 to December-end, 2018). The number of opinions posted regarding those improvement ideas was 244,624. Out of those ideas, policy tasks such as "improvement of fire-fighting security at places like room-escaping game cafes", "expanded application of anti-crime building specifications", and so on, and suggestions for improvement of related systems were forwarded to relevant government agencies.

The Way Forward

In 2019, the ACRC will continue to devote itself to realizing "a country of tolerance where everyone lives happy lives, a society of trust built based on integrity". To this end, the ACRC will remain strongly committed to building a country where everyone is given fair opportunities and where the rights and interests of the vulnerable are practically protected, to improve the quality of life for people. The ACRC will also facilitate people's participation in policy.





Chapter 2. Organization and Operation of the ACRC

1. Organization

The ACRC consists of 15 members, including a Chairperson, three Vice Chairpersons, and three standing commissioners. The Chairperson, Vice Chairpersons, and other commissioners are appointed or commissioned based on their ability to fairly and independently perform duties with respect to civil complaints and anti-corruption. Three Vice Chairpersons assist the Chairperson by taking charge of works on complaints and grievances, anti-corruption, and the Central Administrative Appeals Commission (CAAC).

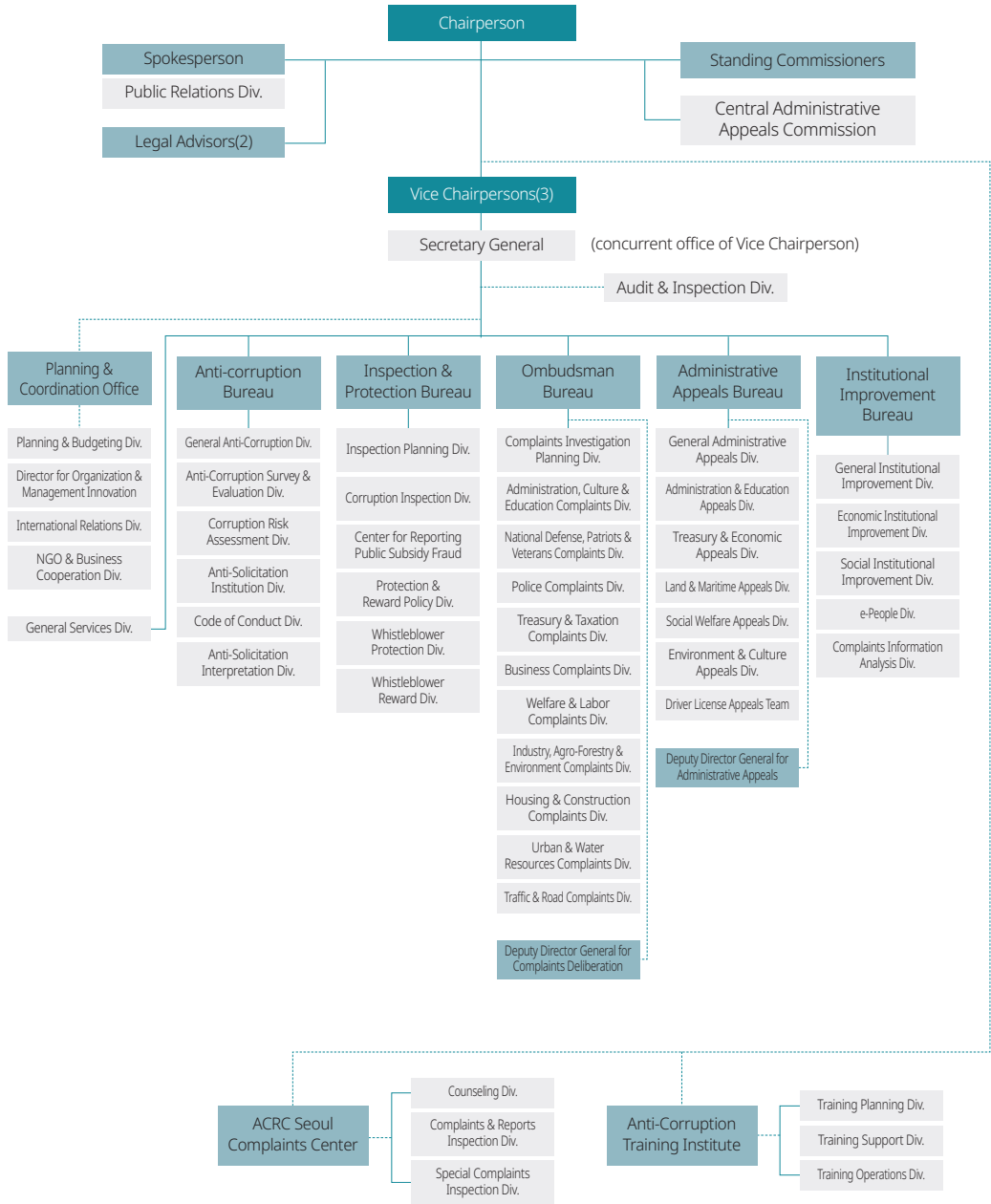
A secretariat has been established under the ACRC. The position of Secretary General is concurrently held by the Vice Chairperson designated by the Chairperson. The Secretary General receives orders from the Chairperson in order to take charge of work and direct and supervise employees.

The secretariat oversees a number of departments including the General Affairs Division, the Anti-Corruption Bureau, the Inspection & Protection Bureau, the Institutional Improvement Bureau, the Ombudsman Bureau and the Administrative Appeals Bureau. A spokesperson and legal advisors are available to assist the Chairperson while the Planning & Coordination Office and the Director for Audit and Inspection assist the Secretary General. The ACRC's headquarters consists of one Office, five Bureaus, two Deputy Director Generals' Offices, one spokesperson's office, and 40 divisions; in total, 468 employees work for the ACRC. There are also two affiliated organizations—the ACRC Seoul Complaints Center with 32 employees, and the Anti-Corruption Training Institute with 24 employees.

Number of Employees

Total	Political service	Extra ordinary civil service	Senior executive service	Senior executive service (term limit)	Grade 3 · 4	Grade 4	Grade 4 · 5	Grade 5	Grade 6 and under	Office with special experiences	Research service	Special service
524	4	1	10	6	14	31	41	188	218	7	1	3

Organization Chart



2. Budget

The ACRC's annual budget for 2018 was KRW 76.821 billion. This included KRW 38.983 billion for personnel expenses, KRW 7.496 billion for basic expenses, and KRW 30.342 billion for primary work expenses.

3. Committee Operation

In 2018, the plenary committee held 23 meetings to handle 569 items, the small committees held 221 meetings to handle 5,884 items, and the subcommittees held 48 meetings to handle 505 items. The plenary committee, consisting of the ACRC members, deliberates and decides upon major issues for the ACRC. Five small committees, each consisting of three members, deliberate and decide upon items regarding civil complaints, and two subcommittees deliberate and decide upon items regarding anti-corruption.



Committee Meetings in 2018

Committee		2018	
Plenary committee	Meeting	23	
	Resolution	161	
	Decision	329	
	Report	79	
	Total	569	
Small committee	1st small committee	Meeting	45
		Item	2,181
	2nd small committee	Meeting	44
		Item	1,451
	3rd small committee	Meeting	44
		Item	1,152
	4th small committee	Meeting	44
		Item	637
	5th small committee	Meeting	44
		Item	463
Total	Meeting	221	
	Item	5,884	
Subcommittee	First subcommittee	Meeting	24
		Item	343
	Second subcommittee	Meeting	24
		Item	162
	Total	Meeting	48
Item		505	



Chapter 3. Public-Private Partnership and Support for Ethical Business Management

Since its launch in 2008, the ACRC has expanded the scope of its communication and cooperation with civic groups in order to protect people's rights and interests and spread a culture of integrity. It has also enhanced government-level support for economic associations and businesses to improve ethical business management.

1. Promotion of Public-Private Governance

Establishment of Public-Private Consultative Council for Transparent Society

The Korean government adopted "Establishment of Public-Private Anti-Corruption Framework Which Invites Both the Government and Citizens" as a presidential agenda. The framework includes plans to establish a horizontal anti-corruption public-private consultative body in which diverse sectors of society and citizens directly participate.

To this end, the ACRC enacted the Regulation on Establishment and Operation of the Public-Private Consultative Council for Transparent Society (the Ordinance of the Prime Minister) (January 3, 2018), to lay the policy foundation for operation of the Council. Then, according to the regulation, the Public-Private Consultative Council for Transparent Society that is composed of 30 leaders from different sectors of Korean society including the economic and professional circles, the media and academia, as well as public service, was launched in March, 2018. The Council will discuss topics regarding suggestion of anti-corruption policies and Transparent Society Pacts and then implement them.

Sector	Participating Organization	Sector	Participating Organization
Economy	Korea Chamber of Commerce and Industry	Professional	Korean Bar Association
	Korea Federation of Small and Medium Business		The Institute of Internal Auditors
	Korea Employers Federation		The Korean Institute of Certified Public Accountants
	Korean Women Entrepreneurs Association		Korea National Council on Social Welfare
Civil Society	People's Solidarity for Participatory Democracy/ Joint Representative	Media · Academia	Public Enterprises' Consultative Council for Transparent Society
	Citizens' Coalition for Economic Justice		Korean Broadcasters Association
	Transparency International-Korea		Korean Association of Newspapers
	YMCA Korea		The Women's News
	HungSaDan Transparency Movement		Korean Institute of Criminology
	Korean Women's Association United		The Korea Institute of Public Administration
	Korean National Council of Women		The Korean Association for Corruption Studies
The National Council of Young Organizations in Korea	The Korean Academy of Business Ethics		
Public	The Anti-Corruption & Civil Rights Commission	Public Interest	Seoul National University Senate
	Governors Association of Korea		Communication Culture Academy
	National Association of Mayors		Korea Transparency Movement Headquarters

Public-Private Consultative Council for Transparent Society held total five meetings in 2018. In the first meeting held on March 6 in 2018, the Council discussed policy tasks to be reflected in the “Five-Year Comprehensive Anti-Corruption Plan” and in the fifth meeting, presentations were made about three policy suggestions including “improvement of the system of appointing external auditors for reinforced transparency in nonprofit foundations, etc.”, “improvement of policy/systems for compilation and execution of expenses for the government’s special activities”, and “eradication of the practice of granting privileges for one’s former post in the legal circles”.

Policy Suggestion by Public-Private Consultative Council for Transparent Society

- Improvement of the system of appointing external auditors for reinforced transparency in non-profit foundations, etc.

The Council suggested a plan to reinforce the objectiveness and fairness of auditing on nonprofit foundations that have 10 billion won or more total asset, educational foundations that own a private college, and apartment house complexes with 300 or more household unit, all of which are subject to mandatory audit, by introducing the “auditor appointment system” that mandates ① establishment of a pool of auditors with certain qualifications and ② appointment of external auditors in an objective manner such as random selection.

- Improvement of policy/system for compilation and execution of expenses for the government’s special activities

Regarding the compilation and execution of the government’s and National Assembly’s expenses for special activities, ① clear definition of the scope of using the special activity expenses, ② suspension or reduction of budget compilation for special activity expenses except for inevitable cases, ③ abolishment of the practice of regularly paying the expenses for special activities in advance, ④ submission of budget execution result report on the special activities to the National Assembly and disclosure of its major content, and ⑤ implementation of regular inspections on the cases of unfairly using the expenses for special activities, were proposed.

- Eradication of the practice of granting privileges for one’s former post in the legal circles

The practice of granting privileges for one’s previous post in the legal circles was defined as preferentialism and measures to resolve such practice were suggested, including ① restriction of registration as a lawyer for a certain period of time after retirement from the post of high-ranking public legal officers, ② extension of the period when lawyers who previously worked as legal public officers such as public prosecutor or judge cannot accept a case related with the public agency they served before (currently 1 year) and new enactment of sanctions against the violation of such time period, ③ introduction of senior legal judge system which allows retired legal officers to work on trial-related tasks by making use of their experiences, and ④ reinforcement of monitoring function on suspicious cases of special privileges given to one’s previous public legal officer post by disclosing documents about cases accepted by lawyers who previously served as public legal officers.

Support for Establishment of Local Public-Private Consultative Councils for Transparent Society

In line with the launch of the central Public-Private Consultative Council for Transparent Society, local Public-Private Consultative Council for Transparent Society was launched in 17 regional municipalities, in order to spread the culture of integrity in local communities and facilitate local people's participation in anti-corruption policies.

The ACRC has made consistent efforts such as distribution of template municipal ordinance, hosting of briefing sessions, and giving visiting consulting services to the 17 regional municipalities. As a result, 15 regional municipalities established and proclaimed municipal ordinances on the launch and operation of their own local Public-Private Consultative Council for Transparent Society and six municipalities out of them actually launched their own Public-Private Consultative Council for Transparent Society. As a result, the foundation for public-private cooperation for spread of the culture of integrity to local communities was laid.

Support for Conclusion of Transparent Society Pact by Region and Field

The ACRC has supported the launch of local Public-Private Consultative Councils for Transparent Society and conclusion of Transparent Society Pacts by regions and fields since the launch of local governments appointed by the seventh popular elections nationwide (July 1, 2018). As a result, Transparent Society Pact participated by local communities, public institutions, economic organizations, professional organizations, civic organizations, and businesses was concluded in nine regional municipalities.

In addition, 38 institutions and groups in the sector of small-and-medium-sized businesses and 35 institutions in the sector of public corporation have individually concluded Transparent Society Pact to promise to practice the culture of transparency and contribute to its spread.



Facilitation of Operation of Citizen Integrity Inspector System

The ACRC worked to enhance accountability and transparency of public administration through better utilization of a participatory corruption prevention system, the Citizen Integrity Inspector System, which public institutions of different levels already have in place.

To this end, the ACRC assesses performance and achievements of the Citizen Integrity Inspector System of public institutions at all levels through the Anti-Corruption Initiative Assessment (AIA). As of 2018, 243 out of 246 public institutions (98.8%) subject to the assessment are utilizing the system and the majority of them performed practical activities under the system, such as enactment/revision of relevant rules and implementation of audits in compliance with Citizen Inspectors' demand for correction, to show the fact that the system has well taken root.

Support for Local Communities' Activities to Spread Culture of Integrity

The ACRC is actively supporting activities carried out with the people of local communities to spread the culture of integrity, to raise people's awareness of this somewhat heavy topic more smoothly and to help it naturally settle down in people's everyday lives by arousing their interest in it.

The Integrity Cluster (public-private consultative body composed mostly of public institutions for spread of the culture of integrity) in 10 Innovation Cities nationwide in Korea has played a leading role in creating diverse programs for integrity culture, including screening of integrity movies, integrity talk concerts, integrity essay, slogan, and poster contest, integrity music festival and play festival, integrity golden bell quiz contest, etc., for not only staff in charge but also local people.

Implementation of People's Monitoring on Integrity Policies



The ACRC has formed and operated “People’s Integrity Policy Monitoring Group” consisting of 50 people who are interested in corruption eradication and integrity and who have great understanding in it, to receive feedback about the effectiveness of policy and thoughts about the direction and change in anti-corruption and integrity policies from ordinary people, the demander and beneficiary of those policies.

Ordinary Korean people who work in diverse fields have monitored detailed policy tasks of the “Five-Year Comprehensive Anti-Corruption Plan” that is the government-wide anti-corruption master plan. The ACRC strove to find out points that require improvements by having discussions and meetings with those people and materialized people’s opinions and voices in anti-corruption policies.

2. Support for Private Projects for Spread of Integrity Culture and Promotion of People’s Rights and Interests

The ACRC has publicly recruited and supported private projects since 2007 and offered subsidies for them with the goal of helping civic and social groups autonomously spread a culture of integrity and promote their own projects for improving people’s rights.

In 2018, eight projects were selected (6 in the field of creating transparent local communities, 1 in the field of promoting people’s rights, and 1 in the field of facilitating public-private anti-corruption cooperation), and total 169 million won of budget was provided for them.

With such support, drama company “Change-The Dream That Changes the World& Company99°C” wrote a play about irrationality that young people face in the process of getting employed and working, which they collected from the forum, and performed a play titled “RAFFLASIA” in Daehakro (an area in Seoul where many small drama theaters are located). Based on the first half of the story that had been planned in advance, 50 young men and women (ordinary citizens) wrote the latter half of the scenario after having



discussions at an open forum. Then, the play was completed with the scenario by professional actors and actresses of Company99°C, to be performed at Hyehwadang Theater in Daehakro from November 28 to December 9, 2018.

People who enjoyed the play showed positive responses, saying, “That’s just like my own life”, “The play well expressed how people feel when they get their first job”, “I cried with the main character”, and so on.

3. Support for Ethical Management

The International Organization for Standardization (ISO)’s Anti-Bribery Management System (ISO37001) was announced in October, 2016 and the International Accounting Standards Board (IASB)’s IFRS was introduced in 2011. Since such international standards, in effect, work as non-financial trade barriers, transparency and ethics are emerging as key elements for survival and competitiveness of businesses in global trade.

The ACRC has therefore supported a number of projects in order to cultivate a transparent and fair business environment and to instill a culture of ethical management in businesses in 2018.

Production and Distribution of the Monthly Web-Magazine Business Ethics Brief

Business Ethics Brief is a webzine published to support Korean companies with ethical management. The monthly webzine available via email or brochure provides businesses and academia with up-to-date information and trends in ethical management from both home and abroad.

In 2018, the content of 「ISO 37001 Study」 was newly created to help businesses establish ethical business management system that fulfills global standards. The new part includes stage-by-stage guide for ethical business management, as well as expert materials and the



latest reports from in and out of the country which individuals cannot easily obtain, as well as new business trends, to reinforce content for business employees to apply to their everyday work.

Education Course for Ethical Management

The ACRC has provided education courses since 2009 in order to build the capabilities of compliance officers and raise awareness of ethical management among corporate executives. Particularly in 2017, the education courses focused on areas most relevant to businesses such as the Improper Solicitation and Graft Act and ISO37001, which helped improve the level of trainee satisfaction.

The number of training increased from 15 (2,036 trainees) in 2017 to 19 (4,384) in 2018. The ACRC also set up e-Learning Center for ethical management to support in-house ethical management education and provided online content such as videos and animation so that the ACRC tried to overcome the physical limitation of not meeting the demand of on-site customized education from the businesses.





Chapter 4. International Cooperation

The ACRC has worked as the anti-corruption control tower of the Korean government, to sincerely implement international conventions such as the United Nations Convention Against Corruption (UNCAC) and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Anti-Bribery Convention), and has actively participated in the international anti-corruption initiatives of the G20, APEC, etc.

In 2018, the Chairperson of the ACRC was elected as a board member of the International Anti-Corruption Academy (IACA) (2019-2024). As Korea has been selected as the place for the International Anti-Corruption Conference (IACC), the world's biggest anti-corruption conference, in 2020, Korea is now able to share its anti-corruption experiences and know-how with the entire world.

The technical support project carried out with the UNDP was the Anti-Corruption Initiative Assessment in Vietnam in 2016-2017 and then transfer of Anti-Corruption Impact Assessment to Kosovo and Myanmar in 2018. Plus, anti-corruption cooperation MOU was signed with Tunisia, Myanmar, Iraq, and Qatar in 2018, adding to the existing three countries that have signed the MOU before.

The ACRC has signed bilateral MOUs with ombudsmen of four countries including Australia, thus securing a bridgehead for protecting the rights of Korean expatriates in those countries.

1. International Anti-Corruption Cooperation

The ACRC participates in multi-lateral anti-corruption rounds including implementation of two international anti-corruption conventions, exchanges and cooperates with international organizations and overseas anti-corruption organizations, and also provides various training programs and technical support to countries that wish to benchmark Korea's anti-corruption policies.

Implementation of International Anti-Corruption Conventions and Participation in Anti-Corruption Rounds

The Republic of Korea signed the UN Convention on Anti-Corruption (UNCAC) in 2003. The Act on Special Cases Concerning Confiscation and Recovery of Stolen Assets was passed by the National Assembly on February 29, 2008, resulting in the official ratification and implementation of the convention. A total of 186 countries, including Korea, were contracting parties as of June 2018.

The Ninth Session of the Open-ended Intergovernmental Working Group on Prevention was held in Vienna, Austria, from September 5 to 7 in 2018, with around 380 people in delegations from 102 signatory parties and international organizations. During the session, participants shared relevant systems of each other under the topic of ▲ prevention and control of conflict of interests and ▲ reporting of the assets and interests of public officials, according to the "Promotion of Anti-Corruption Measures" resolution adopted at the seventh conference of the state parties in July, 2017.

In the Second Resumed Ninth Session of the Implementation Review Group held from November 12 to 14, Chad was selected as the reviewer for Haiti's second-round implementation review and China was selected for Micronesia.

To ratify the OECD Anti-Bribery Convention, Korea enacted the Act on Combating Bribery of



Foreign Public Officials in International Business Transactions in December 1998, and the Act has been enforced since February 1999. As of 2018, 44 countries including 36 OECD members have ratified the Convention.

On July 2-4, 2018, inspection delegation composed of the OECD Secretariat, as well as Italy and Finland that are the head jury countries, visited Korea for inspection of Korea's fourth-round implementation review. Then, in December 2018, the report about the implementation review on Korea was finally adopted at the meeting held in the OECD headquarters in Paris. Major recommendations include ▲ strengthening of regulations on corporations, ▲ reinforcement of cooperation between the prosecution and police, including information sharing, ▲ active investigation into accounting fraud designed for overseas bribery, and ▲ enhancement of government institutions and private organizations' abilities to detect overseas bribery. The report evaluated as the best practice that provides a good model for OECD member countries, Korea's Protection of Public Interest Reporters Act, in that the Act has established a comprehensive system to protect whistleblowers and enabled punishment of the act of giving bribes to a third party, which became possible after the revision of the Act on Combating Bribery of Foreign Public Officials.

The ACRC has successfully wrapped up a survey on the policies to promote G20 member countries and their public institutions to implement anti-corruption policies, which was proposed as part of the G20 2017-2018 Anti-Corruption Action Plan. At the G20 Anti-Corruption Working Group Meeting for 2018, a report about the outcome of the survey was submitted and such content was included in the 2018 G20 Anti-Corruption Working Group Meeting Implementation Report.

The ACRC also attends the APEC Anti-Corruption and Transparency Working Group Meetings and workshops every year, where it shares the Korean government's anti-corruption commitment and efforts, helping other member countries build their anti-corruption capabilities. In the 26th meeting held in February 2018, the ACRC shared Korea's Improper Solicitation and Graft Act, public interest reporting system, and anti-corruption

commitment of Korea's new administration. Then, in the 27th meeting held in August in 2018, Korea's efforts to reinforce anti-corruption laws and systems including the establishment of the Five-Year Comprehensive Anti-Corruption Plan and the system of preventing conflict of interests of public officials were introduced.

The ADB/OECD Anti-Corruption Initiative held the second public integrity network meeting and workshop on prevention of public procurement corruption in Astana, Kazakhstan, on November 8-9 in 2018. The Korean delegation introduced Korea's public procurement policies including the operation of Korea Online E-Procurement System and shared information about its policies for prevention of corruption, including computerized public procurement system and integrity/transparency education for public procurement officials.

Anti-Corruption Cooperation with International Organizations

The ACRC has involved in active exchanges with the International Anti-Corruption Academy (IACA), an international organization in charge of anti-corruption education and training, since the two organizations signed an MOU in March 2012. The ACRC Chairperson Pak Un Jong was elected as a new member of the Board of Governors of the IACA (2019-2024) at the seventh session of the Assembly of Parties of the International Anti-Corruption Academy held in September, 2018. At the session, delegations reached consensus that the budget condition of the IACA has reached a serious status and member countries need to make additional financial contributions.

The ACRC cooperates with the UNDP to share Korea's anti-corruption experiences and pass on its excellent anti-corruption systems to developing countries. As the first such cooperative project between the two, a pilot project was launched in 2016, to pass on Korea's Anti-Corruption Initiative Assessment (AIA) to public institutions of Vietnam.

In 2018, technical support for the launch of the AIA in Myanmar and Kosovo was decided and examples of relevant legislation and cases of the application of the system were



provided through video-conference seminar and training sessions, so that the AIA can well settle into the two countries. In 2019, technical support will be offered to Uzbekistan and Malaysia, for the spread of the AIA to them.

Bilateral Cooperation

The ACRC, based on its MOUs on anti-corruption cooperation signed with Indonesia, Vietnam, and Mongolia, has promoted cooperation in order to pass on its anti-corruption policies and aid its partners in strengthening internal anti-corruption capabilities. In 2018, the Commission newly signed the anti-corruption cooperation MOU with Tunisia, Myanmar, Iraq, and Qatar.

On July 4, 2018 in Jakarta, Indonesia, Vice Chairperson and Secretary General Lee Geonlee of the ACRC and Chairman Agus Raharjo of the Indonesian Corruption Eradication Commission signed an agreement on the three-year extension of the MOU. Along with signing of the agreement, Korea-Indonesia joint anti-corruption policy seminar was held to share major anti-corruption policies of Korea including its Improper Solicitation and Graft Act, integrity education, corporate anti-corruption guide, criminal proceeds recovery system, and so on.

The ACRC visited Hanoi, Vietnam, on July 6, 2018, to review the implementation of anti-corruption cooperation activities with the Central Commission for Internal Affairs (CCIA) of Vietnam and to share progress of the implementation of major anti-corruption policies. At the meeting, the ACRC introduced the system of recovering criminal proceeds in Korea and Vietnam introduced major anti-corruption policies of the country. On October 29, 2018, the two organizations met in the city of Sejong in Korea to agree upon two-year extension of the anti-corruption cooperation between the two, with attendance of the Vice Chairperson and Secretary General of the ACRC and the Vice Chairman of the CCIA.

2. International Cooperation for Ombudsman

The ACRC actively participates in the International Ombudsman Institute (IOI) and Asian Ombudsman Association (AOA) activities, and signs MOUs with Ombudsmen of other countries to engage in policy exchanges and protect the rights of Korean residents in those countries.

Multilateral Cooperation

Since the launch of the ACRC in 2008, its Chairpersons have actively worked at the IOI's Board of Directors and at conferences as board members representing Asia and incorporating Asia's opinions into the IOI's policies. Pak Un Jong who became the Chairperson in June, 2017 was elected as Regional Director on December 4, 2017, taking over the role of her predecessor. Chairperson Pak Un Jong attended the IOI Board Meeting held in Toronto on May 2 and 3, 2018, as the representative of the Asian region, to discuss IOI membership qualification deliberation and revision of rules.

Bilateral Cooperation

Since signing of an MOU with Indonesian Ombudsman to protect the rights and interests of Korean expatriates in Indonesia and to share best policies in 2010, the ACRC has expanded its efforts to build bilateral cooperation with foreign Ombudsmen by signing additional MOUs with the Ombudsman of Thailand, Vietnam, and Australia.

The ACRC signed an MOU with Commonwealth Ombudsman of Australia, which lasted three years from June 2015 to June 2018, to collaborate for handling of grievances and protection of the rights of the people of both countries. In 2018, the need for MOU with state Ombudsmen which can give more direct help to resolution of grievances of Korean expatriates in Australia was raised, so the ACRC signed an MOU with the Ombudsman of state of New South Wales where the largest number of Korean expatriates live (three-year-long MOU, December 4).



Since the signing of their MOU in December 2011, the ACRC and the Ombudsman of Thailand have cooperated actively by opening exclusive consultation windows for each other and conducting joint discussions on civil complaints from the people of both countries. The ACRC had a meeting with the Thai Ombudsman in Canada on May 2, 2018 when they attended the IOI Board of Directors meeting, to sign for the extension of the MOU with the Thai Ombudsman. In November, the ACRC visited Thailand to host a meeting with Korean businessmen to listen to their grievances (November 19) and an Ombudsman implementation cooperation meeting (November 20-21).

The ACRC and the Indonesian Ombudsman have held regular bilateral meetings since the signing of their MOU in December 2010. The two organizations have maintained close cooperation for resolution of grievances for each country's expatriates living in the other and continued to keep favorable ties such as mutual support at multilateral organizations including the IOI and AOA. In December 2018, the ACRC visited Indonesia to have a meeting with the Korean embassy in Indonesia and visited the Jakarta office of KOTRA, to listen to grievances of Korean expatriates and businessmen in the country and hosted a MOU implementation cooperation meeting with the Indonesian Ombudsman.

Following the ACRC's proposal for signing an MOU in May 2012, the ACRC and the Government Inspectorate of Vietnam (GIV) signed an MOU on March 27, 2013. Delegation of the ACRC (led by Vice Chairperson and Secretary General Lee Geonlee) visited Vietnam on July 6, 2018, to have a meeting with the Inspector General of the GIV and a policy consultative meeting with the Vice Chairman. Then, the two organizations hosted a follow-up policy consultative meeting in Sejong in Korea in September, 2018.



3. Policy Cooperation and International Promotion

Anti-Corruption Technical Support Project

The ACRC opened the ACRC Training Course for International Anti-Corruption Practitioners in 2013 in order to contribute to the improvement of the anti-corruption capabilities of public officials throughout the world. In 2018, the course was provided for two weeks beginning May 7, in Sejong, Cheongju (at the Anti-Corruption Training Institute), and Seoul with the aim to share practical knowledge and techniques for systematic and effective response to corruption. A total of 16 public officials selected from 15 countries including Singapore, Kuwait, and Columbia attended the course.

As more countries around the world want to accept Korea's excellent anti-corruption policies such as the Anti-Corruption Initiative Assessment and Corruption Impact Assessment, more training sessions were given to foreign public officials for strengthening of their anti-corruption capabilities in the year 2018 than in the previous year. Those training sessions given in 2018 include Corruption Impact Assessment training given to officials of Kosovo Anti-Corruption Agency invited to Korea (April 25-27), training on handling of civil complaints, administrative appeal, and institutional improvement for the Anti-Corruption Commission of Bhutan (April 26-27), Corruption Impact Assessment training for the Anti-Corruption Commission of Myanmar invited to Korea (May 30-June 1), Anti-Corruption Initiative Assessment training for the Commission of Integrity of Iraq (August 28-30), anti-corruption policy training for the Government Inspectorate of Vietnam the Commission for Internal Affairs of the Party Central Committee (October 29-30), and training for the Administrative Control and Transparency Authority of Qatar (October 31-November 2).

International Promotion

Since the launch of the ACRC in 2008, it has held annual policy briefings for foreign CEOs in Korea in order to hear their difficulties in business and explain the Korean government's



efforts toward improving national integrity. Nine executives of foreign Chambers of Commerce located in Korea, including the executive director of the American Chamber of Commerce, director of the Australian Chamber of Commerce in Korea, director of the European Chamber of Commerce in Korea, and the director of the Seoul Japan Club attended the policy briefing held on April 18, 2018. Those executives requested hosting of a briefing session for more specific and detailed answers regarding the interpretation of the Improper Solicitation and Graft Act. They also asked for improvement of a fair welfare benefits for foreigners living in Korea.

To enhance awareness of the ACRC and promote the Korean government's activities for improving people's rights, the ACRC also produces yearly promotional brochures, newsletters, and white papers for distribution to foreign governments, international organizations, international assessment organizations, foreign economic organizations in Korea, and foreign reporters. It also provides access to press releases, key policy documents and English publications via its English website (www.acrc.go.kr/en).

Each year, employees of many foreign anti-corruption authorities and public officials of relevant organizations visit the ACRC in order to benchmark its anti-corruption and ombudsman policies and operating experiences. A total of 2,651 such visitors have been recorded since the 2008 launch of the ACRC including Director General of the European Anti-Fraud Office, Integrity Vice President of the World Bank, and Chairman of the Indonesian Corruption Eradication Commission. In 2018, 379 people from 31 countries—primarily in Asia, the Middle East, and Africa—visited the ACRC on 30 occasions.



Chapter 5. Public Relations

The ACRC has conducted total-directional publicity activities in order to form social consensus and spread the culture of integrity throughout the country, to improve its image as the government-wide anti-corruption control tower of Korea's anti-corruption policies.

The basic direction for the ACRC's public relations In 2018 was people-centered, field-centered, and cooperation-centered promotion to allow people to more closely feel the effect of anti-corruption policies. To this end, the ACRC newly created Digital Communication Team to better adapt to the rapidly-changing mobile ecosystem (July), and focused on publicizing major achievements and key of the work of the Commission, while facilitating more active participation of people and communication with them by using digital platforms such as social media.

1. Raising People's Understanding of Policy and Expanding Social Consensus through Media Coverage

The most effective way to improve understanding and social consensus regarding major policies is through media promotion using TV, newspapers, and the Internet.

The ACRC publicized its major policies through the Chairperson and Vice Chairperson's appearance in TV and radio shows, interview by and contribution to newspaper, press releases, and so on. In addition, the Commission strengthened its public relations activities, distributing English press releases to foreign media, foreign companies, and multicultural families in Korea to raise Korea's Corruption Perception Index (CPI), and to expand people's knowledge of Korean government's anti-corruption efforts and achievements.



The ACRC formed a government-wide inspection group in May this year, to conduct inspections on the current status of 1,483 public institutions' support for their staff's overseas business trip. ACRC Chairperson Pak Un Jong announced the result of the inspections in a briefing in July, to draw keen attention from the media.

In September, in celebration of the second anniversary of the Improper Solicitation and Graft Act, the Chairperson gave a briefing about the result of a survey on the awareness of ordinary people, public officials, and people who work in businesses influenced by the Act, as well as the current status of reports and handling of cases subject to the Act by different government agencies. Many media outlets covered the briefing, saying "the Improper Solicitation and Graft Act has given positive influence on the spread of the culture of integrity." The Chairperson also had interview with English newspaper including Korea Times, to emphasize the fact that the Improper Solicitation and Graft Act has been well settled and the culture of integrity is taking root in Korean society.

2. Expanded Communication with People by Using Digital Media

The ACRC focused on the expansion of communication with people and spread of its policies by using online media platforms. Notably, it reorganized its social media channels and made efforts to create content that conveys information more effectively from the perspective of the people who benefit from policies.

First of all, public relations through NAVER blog was reinforced, to comply with changed preferences of social media users, while also focusing on providing vivid explanations about actual cases of policy application by posting videos on YouTube. In addition, new types of promotional videos such as parody of celebrities, animations, and teaser video clips of important events were produced to draw greater attention from the people, while helping them get more familiar with the ACRC's functions such as anti-corruption policies, public interest reporting, institutional improvement, etc. that had been somewhat difficult to understand for ordinary people.

Video Clips Planned and Produced by the ACRC



Along with those videos, the ACRC also strove to create more visual content, including card news and videos that provide story-telling about cases of major grievance handling and administrative appeal. News that actually show how anti-corruption policies are implemented were offered and videos in which the ACRC staff, staff of relevant government agencies, and ACRC blog reporters directly appear were also produced and distributed, to save the public relations budget and draw greater interest and support from the people.

Videos Directly Produced by the ACRC



3. Raising Awareness of Major Policy through Policy Advertisement

The ACRC exposed promotional content about the Improper Solicitation and Graft Act, e-People, 110 Government Call Center (civil petition guide), protection and reward for corruption reporting, public interest reporter protection system, administrative appeal system, etc. to TV, radio, newspapers, buses, electronic display boards in order to improve awareness of the ACRC's policies and encourage people's active participation in and use of those policies.

4. Forming Social Consensus through Newsletters and Video Clips

The ACRC produced and distributed ACRC Newsletter, a newsletter covering its major activities and citizen-friendly policies, as well as video clips explaining major policies.

The first issue of ACRC Newsletter was released in March 2008, and 59 issues in total (the 59th was the Winter 2018 issue) have been distributed to locations serving as points of contact for citizens such as community service centers, post offices, and libraries.

An electronic version of the newsletter was also developed and distributed to online bookstores in order to make sure that ACRC news can be accessed online. An English version of the newsletter titled ACRC Quarterly was distributed (in a print run of 1,000) to major official residences, foreign reporters, and foreign CEOs.

In addition to the Newsletter, the ACRC produced video clips about its major policies such as policy PR videos produced jointly with KTV, People's Idea Box of e-People, and video clips on integrity policies and uploaded them on YouTube, to help people have a better understanding of those policies.





Part
02

Implementation of Anti-Corruption
Policies for a Country of Integrity



Chapter 1. Reinforced Implementation of Government-wide Anti-Corruption Policies

1. Operation of the Anti-Corruption Policy Consultation Council

The effectiveness of anti-corruption policy can be guaranteed only when it is formulated and implemented government-wide rather than by individual public institutions. The ACRC launched the Anti-Corruption Policy Consultation Council in an attempt to set the direction of anti-corruption policies and discuss detailed measures at a national level, so that it can implement comprehensive and systematic policies to fight corruption.

The council, which was presided over by the president, was attended by the chairperson of the Anti-Corruption and Civil Rights Commission, the Chairperson of the Korea Fair Trade Commission, the Chairperson of the Financial Services Commission, the minister of the Office for Government Policy Coordination, the Minister of Justice, the Minister of National Defense, the Minister of the Interior and Safety, the Minister of Personnel Management, the Prosecutor General of the Supreme Prosecutors' Office, the Commissioner of National Tax Service, the commissioner of Korea Customs Service, the Commissioner General of the Korean National Police Agency, and the Senior Presidential Secretary for Civil Affairs. Also in attendance were heads of agencies related to items on the council agenda, along with the Chairperson of the Board of Audit and Inspection of Korea and the Director of the National Intelligence Service.

The Anti-Corruption Policy Consultation Council holds discussions on the establishment of efficient anti-corruption policies, including the establishment and implementation of anti-corruption measures at a national level, government measures to address corruption cases,



reviews on the implementation of anti-corruption policies and progress management thereof, and investigations on corruption cases and information sharing. The 1st Anti-Corruption Policy Consultation Council meeting was held on September 26, 2017.

Hosting of the 2nd and 3rd Consultation Council Meetings

At the 2nd Consultation Council meeting held on April 18, 2018, the following issues were discussed, with the “Five-Year Comprehensive Anti-Corruption Plan (jointly established by relevant agencies)” at the center of the agenda: corruption prevention measures in the field of safety (the Ministry of the Interior and Safety); measures to eradicate power abuse in the public sector (the Office for Government Policy Coordination); prevention of technology leaks and recovery of profits gained from offshore crime (the Ministry of Justice); and prevention of offshore tax evasion to curb the outflow of national wealth (the National Tax Service).

The “Five-Year Comprehensive Anti-Corruption Plan” is the government’s mid-to long-term anti-corruption road-map, jointly established by relevant agencies, including the Office for Government Policy Coordination, the Ministry of Justice and the Ministry of the Interior and Safety, under the lead of the ACRC. With the aim of elevating the country’s integrity ranking to higher than 30th in the world, the Plan consists of 50 anti-corruption tasks across the public and private sectors to move away from the existing policies confined only to the public sector.

The Office for Government Policy Coordination reported on government-wide measures to eradicate power abuse in the public sector through preemptive prevention, detection and strict punishments to root out abuse of superior position. The Ministry of the Interior and Safety reported on the implementation of corruption investigations on different fields of safety, stronger punishments for corruption cases related to safety issues, and public disclosure of investigation results. The Ministry of Justice and the National Tax Service decided to fully utilize their investigative capabilities and focus on inter-agency collaboration to curb the outflow of national wealth, such as industrial technology leaks to overseas countries and offshore tax evasion.



Held on November 20, 2018, the 3rd Consultation Council meeting focused on addressing rampant corruption to eliminate unfair and unreasonable practices in the daily lives of the public. The relevant agencies and ministries discussed improvement measures on the following issues: eradicating school corruption and reinforcing the public nature of kindergartens (the Ministry of Education); the implementation plan for the eradication of corrupt hiring practices in public institutions (the ACRC); the implementation status of the comprehensive measures for the eradication of power abuse in the public sector (the Office for Government Policy Coordination); investigation results on fraudulent claims for subsidies and improvement measures (the Ministry of Economy and Finance); addressing entrenched corruption at a local level (the Ministry of Justice); eradication of tax evasion, which undermines social unity (the National Tax Service); eradication of corrupt practices in health care claims (the Ministry of Health and Welfare); and corrupt practices related to reconstruction and redevelopment projects (the Ministry of Land, Infrastructure and Transport).

2. Establishment and Implementation of Government-wide Mid-to Long-Term Anti-Corruption Road-map

Corruption is not a problem that is confined to certain agencies or areas. Since it takes place in many different forms depending on the laws, systems, practices, and internal and external culture, it is imperative that anti-corruption issues be controlled and managed across a wide range of fields to enhance national integrity in an effective manner.

With the anti-corruption tasks to be addressed by each government agency at its center, the mid-to long-term anti-corruption road-map was specified based on public opinion-gathering and coordination among relevant agencies through People's Idea Box, the Public-Private Consultation Council for Social Integrity, and meetings for young people in their 20s and 30s, and was officially announced as the Five-Year Comprehensive Anti-Corruption Plan at the 2nd Anti-Corruption Consultation Council meeting (April 18, 2018).

The Five-Year Plan is aimed at elevating Korea's integrity ranking to higher than 30th place in

the world by 2022, with the vision of “Korea, a country of integrity for its people.” For its implementation, the Five-Year Plan is comprised of 50 tasks and the following four major strategies: Integrity for everyone; Corruption-free civil service; Transparent management environment; and Integrity in practice.

Major content of the Five-Year Comprehensive Anti-Corruption Plan

4 major strategies	Major content among 50 tasks
Integrity for everyone	<ul style="list-style-type: none"> • Establishment of anti-corruption governance based on public-private cooperation • Implementation of anti-corruption policies government-wide through the Anti-Corruption Policy Consultation Council, etc.
Corruption-free civil service	<ul style="list-style-type: none"> • Improvement in the public finance system to prevent budgetary waste • Establishment of stricter behavior standards including the Improper Solicitation and Graft Act • Establishment of a system preventing the conflict of private interest of public officials • Eradication of power abuse in the public sector • Enhancement of the effectiveness of property declaration of public officials
Transparent management environment	<ul style="list-style-type: none"> • Higher transparency in corporate accounting • Prevention of corrupt practices related to reconstruction and redevelopment and improvement of corruption control in health care
Integrity in practice	<ul style="list-style-type: none"> • Facilitation of corruption and public interest whistleblowing, and reinforced protection for whistleblowers • Prevention of corruption cases related to safety based on engagement and cooperation • Wider adoption of the Transparent Society Pact • Reinforced integrity education for public officials and future generations

The “Five-Year Comprehensive Anti-Corruption Plan” is now being implemented according to the detailed implementation plans established by each relevant agency. The ACRC examines on a quarterly basis the implementation progress of the tasks specified in the Comprehensive Plan, which then it reports on to the next session of the Anti-Corruption Policy Consultation Council.

3. Establishment and Distribution of the 2018 Anti-Corruption Policy Guidelines

The ACRC establishes and promotes anti-corruption policy guidelines early every year. The



objective of the guidelines is to encourage public institutions to voluntarily work hard for anti-corruption by providing necessary information for the implementation of integrity initiatives and to ensure that government-wide anti-corruption activities are smoothly implemented by sharing the government's anti-corruption policy direction.

The 2018 Anti-Corruption Policy Guidelines briefing meeting was held at Auditorium 6 of the Government Complex Sejong on February 13, and was attended by inspection and audit officers from approximately 1,300 public institutions, including central government agencies, local governments, metropolitan and provincial offices of education and organizations related to public service.

The ACRC distributed the Anti-Corruption Policy Guidelines setting out key tasks to be implemented by each institution in 2018.

First, the ACRC is to implement anti-corruption policies nationwide by reinforcing its role as a key agency in fighting corruption. The Commission has established the "Five-Year Comprehensive Anti-Corruption Plan," an anti-corruption road-map based on public opinion, measures proposed by relevant agencies and opinions from civic groups, and has laid the policy foundation which allows for public-private cooperation throughout the entire anti-corruption policy process by setting up the Anti-Corruption Policy Consultation Council (public sector) and the Public-Private Consultative Council for Transparent Society (private sector).

Second, the ACRC is to overhaul a wide range of anti-corruption policies and systems. In an effort to prevent confusion that could be caused by the revision of enforcement ordinances of the Improper Solicitation and Graft Act at the early stage, the Commission requested for reinforced education and promotion about the revision, and informed about its plan to hold workshops for regional audit officials monitoring solicitations.

The ACRC also explained about its intention to provide various support measures based on the revised "Code of Conduct for Public Officials" (implemented from April 17, 2018) to help

establish a system which curbs the conflict of interest. The Guidelines contain the ACRC's plan to reinforce the diagnosis and feedback about the integrity level of each institution through integrity assessment and anti-corruption initiative assessment for public institutions, and to encourage them to make voluntary efforts to combat corruption.

Third, the ACRC informed the relevant institutions about the Anti-Corruption Group Training Courses customized for each institution to improve integrity education for public officials, the production and distribution of integrity education content, and the plan for the Online Anti-Corruption Training Course. The Commission called for the relevant institutions to promote and actively participate in the Public Integrity Content Contest, which is held with an aim to spread a culture of integrity. The ACRC is also committed to establishing the Public-Private Consultative Council for Transparent Society at national and local levels and mounting a nationwide campaign to improve integrity in general in our society.

Fourth, the ACRC is to adopt strategies to enhance anti-corruption capabilities based on improvements in systems. The Guidelines include a plan to improve the laws and systems of four major corruption-prone areas (private sector corruption, state-owned enterprises, local administration, and budgetary waste) to fundamentally prevent the occurrence of corruption, and to improve follow-up measures by reviewing the implementation status of the issues recommended for improvement. The ACRC also informed about its plan to facilitate corruption reporting by improving follow-up measures for reported corruption cases and promoting best practices regarding the protection of and rewards for corruption reporters. The Guidelines require that public institutions inform the concerned person(s) about the protection of and rewards for the corruption reporter at the time of the report's receipt and result notification, so that the identity of the reporter is completely protected throughout the receipt and handling process of corruption and public interest whistleblowing.

4. Prompt Response to Corruption Cases

Eradication of Improper Hiring Practices in Public Institutions



Improper hiring practices in public institutions are a serious problem in that they give deep distrust and frustration to young people in their 20s and 30s and cause social inequality. The hiring scandals that took place in some public institutions including Kangwon Land in 2017 caused a lot of controversy in our society, and truth investigations and punishment for people involved in the hiring scandal captured the public's attention.

The government made it clear that it will eradicate improper hiring practices in public institutions by investigating the truth in a thorough and prompt manner and by imposing strict punishments for people involved in the case. It also started to implement a comprehensive measure for the eradication of improper hiring practices in public institutions with a special inspection on entire public institutions as a starting point.

For the exhaustive investigation on hiring practices in public institutions, the government implemented a special inspection on 1,190 public institutions starting from October 2017, in collaboration with the ACRC, the Ministry of Economy and Finance, and the Ministry of the Interior and Safety.

The special inspection conducted by the government detected a total of 4,788 cases of improper hiring in 946 institutions out of the entire 1,190 institutions. The government asked for investigation for 82 cases and requested for disciplinary actions for 255 cases. The government also established a guideline to recover the damage suffered by the victims, and completed the hiring of 242 people as of December 2018.

After the special inspection, the government launched the Committee for the Eradication of Improper Hiring Practices in Public Institutions on November 2, which was formed under the lead of the ACRC and was participated in by relevant agencies, in recognition of the fact that one-off responses to systemic corruption cases such as improper hiring practices have limits to fundamentally addressing the problem.

Improvement of Addressing Unfair Practices Encountered by the Public in Their Daily Lives

The Korean public have been calling for the improvement of unfair and unreasonable practices encountered in their daily lives – unfair treatment towards soldiers serving as residence staff for high-ranking military officers (2017), improper hiring practices in public institutions (2017~2018), and corruption cases involving private kindergartens (2018) - in addition to addressing the existing cases of grand corruption and acceptance of bribery. Prevalent corruption that people experience in their daily lives can cause social discontent, as it triggers a sense of loss and deprivation among the public.

At the 3rd Anti-Corruption Policy Consultation Council, the government set out to implement comprehensive measures to eradicate prevalent corruption encountered in the daily lives of the public, after reporting on the 9 tasks to address everyday corruption and the plan for the operation of a government-wide response system.

The government identified 9 tasks to address unfair and unreasonable practices, or “everyday corruption”, encountered in the daily lives of the public.

Depending on the life cycle of early childhood and adolescence, early adulthood, and later adulthood, everyday corruption can be largely classified into the following three categories: ▲ inequality at the starting point (kindergarten and school corruption, improper hiring practices in public institutions); ▲ abuse of superior position (unfair practices in the public sector); and ▲ collusive links with political power and pursuit of private interest (fraudulent claims for subsidies, entrenched corruption at a local level, opportunist and anomalous tax evasion activities, corruption involving nursing hospitals, corrupt practices related to reconstruction and redevelopment projects, and corruption cases related to safety issues).

In addition, the government launched the Everyday Corruption Countermeasure Consultation Council in recognition of the need to establish a constant government-wide



management system participated in by all agencies related to the task.

The meeting of the Council is convened on a quarterly basis to review the achievements. At the vice ministerial-level meetings presided by the ACRC Chairperson held on a semi-annual basis, relevant agendas are selected and the results are reported to the Anti-Corruption Policy Consultation Council in the second half of the year.

Investigation on the Overseas Business Trip Allowances for Public Institutions

There has been an increase in the attention paid to public officials with audit/supervisory agencies going on a business trip using the allowances allotted to the audited/affiliated agencies, as with national petitions and media reports regarding exhaustive investigations on these cases. The ACRC organized a government-wide investigation committee with the Ministry of Economy and Finance, the Ministry of Education and the Ministry of the Interior and Safety, and conducted an investigation for the first time on behalf of the administrative branch from May to June last year to examine whether audited/affiliated agencies spent their budgets for public officials with audit/supervisory agencies or whether public officials received allowances from work-related private institutes/groups when going on overseas business trips.

After the investigation, the government-wide investigation committee announced the results and comprehensive measures on July 26 to eradicate improper practices of audited/affiliated agencies providing allowances for overseas business trips. At the Cabinet meeting held on August 28, the committee reported on the subsequent measures and called for firm implementation on the part of relevant institutions. Until December last year, the relevant institutions conducted further investigations on the cases notified to be in need of additional investigations, and implemented subsequent measures by improving the systems to prevent the recurrence of improper provision of overseas business trip allowances for public officials.



Chapter 2. Re-establishing Standards of Action for Civil Service with Integrity

1. Achievements of and Improvement Plans for the Implementation of the Improper Solicitation and Graft Act

Enacted and implemented on September 28, 2016 based on the public aspirations for a society of integrity, the Improper Solicitation and Graft Act is now changing people's perceptions about solicitations or the act of offering entertainment that have been condoned as a common social practice. In the survey on the awareness of the Improper Solicitation and Graft Act conducted in September 2018, 89.9% of the public, 95.6% of public officials, 97% of public service-related institutions, and 90.7% of educational personnel agreed with the implementation of the Act, demonstrating a high level of support for the Act in general in our society. Based on this public support for the Improper Solicitation and Graft Act, the ACRC is focusing its capabilities on creating a credible culture of civil service through stable enforcement of the Act.

Revision of the Act

While it is true that the implementation of the Improper Solicitation and Graft Act has brought positive changes and anti-corruption effects throughout our society, the ACRC's analysis on the opinions and study results presented by research institutes and relevant agencies found that the agriculture, livestock and fishery industries have been negatively affected by the Act. The ACRC came up with supplementary measures and implemented the revised Improper Solicitation and Graft Act (January 17, 2018).

In the case of gifts, the existing upper limit of 50,000 won is maintained, while the upper limit amount of agricultural, livestock or fishery products is raised to up to 100,000 won. The upper limit of cash gifts for weddings and funerals is reduced to 50,000 won, while that of wreaths and condolence flowers is set at up to 100,000 won. Marketable securities are excluded from the category of gifts, since they are similar to cash and are hard to track the record of use. The standards on external lectures and other activities are simplified to suit the legislative purpose and the limits of reality. The revised act also contains articles that reduce the burden of submitting a written pledge to comply with the Improper Solicitation and Graft Act.

Investigation on the Enforcement of the Improper Solicitation and Graft Act in Public Institutions

In an attempt to understand the status of institutional management and enforcement achievements of the Act from the implementation of the Improper Solicitation and Graft Act (September 28, 2016) to the end of June 2018, the ACRC investigated the receipt and handling of the violation reports and the status of education about the Act.

The investigation found a total of 11,805 cases of receipt of violation reports, of which improper solicitations accounted for 2,490 cases (21.1%), acceptance of money or valuables 1,512 cases (12.8%), and external lectures 7,803 cases (66.1%). And for 167 cases, administrative fines and criminal punishments were imposed.



Receipt and handling of reports on the violation of the Improper Solicitation and Graft Act (Sep. 28, 2016 ~Jun. 30, 2018)

Receipt of reports	11,805 cases in total (Improper solicitation (2,490 cases), Acceptance of money or valuables (1,512 cases), External lectures (7,803 cases))		
Institutional handling	Notification of administrative fine	283 cases	459 cases
	Request for investigation	176 cases	
Punishment	Imposition of administrative fine (disciplinary penalties)	144 cases	167 cases
	Criminal punishment	23 cases	

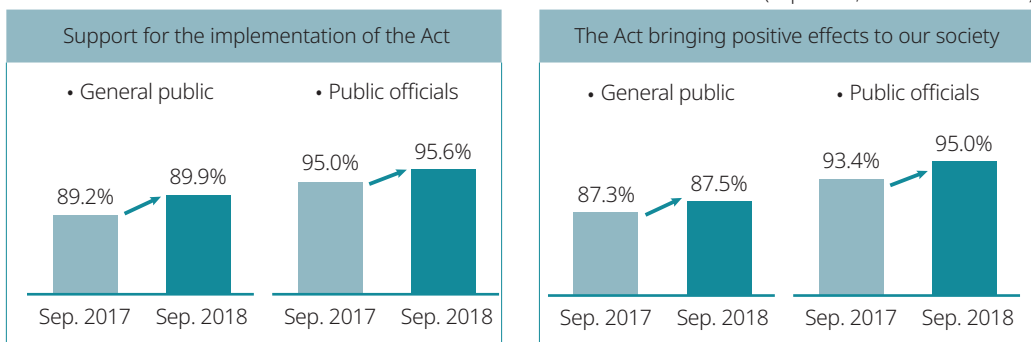
Implementation of the Survey on the Awareness of the Improper Solicitation and Graft Act

Released in September 2018, Hankook Research's survey on the awareness of the Improper Solicitation and Graft Act demonstrated that the perceptions of major entities and changes in reality regarding the implementation the Act have moved more towards higher integrity.

The survey found that the vast majority of the public (89.9%) and public officials (95.6%) support the implementation of the Act and it has positive effects on our society. The percentages of those with positive perceptions about the Act increased from those in 2017, confirming the high level of support for the Improper Solicitation and Graft Act.

Awareness survey result

(Sep. 2018, Hankook Research)



The implementation of the Act has also brought changes in social practices, including those of offering entertainment. In all groups surveyed, the respondents said that they found it understandable for others to suggest going Dutch after the implementation of the Improper Solicitation and Graft Act. A majority of respondents said that they are comfortable with going Dutch and that they are willing to split the bill.

Percentage of positive response to personal changes after the implementation of the Act

Survey item	General public	Public officials	Public service-related institutions	Teachers	Journalists
I am comfortable with going Dutch.	69.2	77.7	76.9	67.4	49.0
I am willing to go Dutch.	69.4	82.1	80.2	73.0	55.0
I find it understandable for others to suggest going Dutch.	83.2	90.1	89.1	83.6	72.5

Facilitation of Education and Promotion for Public Institutions to Secure the Capability for the Enforcement of the Act

Upon the implementation of the Improper Solicitation and Graft Act, the ACRC held workshops and meetings primarily for regional audit officials monitoring solicitations, who are in charge of consultation and report-handling in public institutions, in an attempt to help those subject to the Act be fully informed of and enforce the Act in a way that suits its purpose. In consideration of the suggestions raised at previous workshops and the survey result on the enforcement status of the Act in public institutions, the ACRC held regional workshops (6 sessions in 4 cities) for all institutions in September, and meetings for different types of institutions (educational institutions) and workshops (media companies, local councils) in November and December.

The ACRC scrutinized nearly 18,000 cases on the request for interpretation of the Act that have been accumulated over the years, and published the “Casebook on Authoritative Interpretation of the Improper Solicitation and Graft Act” to present clear standards for interpretation on the areas with high numbers of public requests for interpretation and

introduce new standards that have been established through the revision of the Act and meetings with the interpretation advisory group.

Enhancement of the Rate of the Authoritative Interpretation on the Improper Solicitation and Graft Act

With the public paying close attention to the Improper Solicitation and Graft Act, there have been a steady stream of requests for authoritative interpretation on the Act. As of December 2018, the number of inquiries received by the ACRC is nearly 19,800, counted from August 2016, when inquiries of authoritative interpretation on the Act started in earnest.

The ACRC appointed the advisory group for the interpretation of the Improper Solicitation and Graft Act, comprised of experts in the fields of law, economics, education, journalism and civic groups to provide clear answers to the interpretation requests from the public. After going through a total of 8 sessions of meetings, the ACRC implemented consultation on 155 cases with sharp conflicts of interests, various interpretations or newly emerging issues.

The ACRC also unified the inquiry channel to audit officials monitoring solicitations to enhance the authoritative interpretation capability of public institutions, and dramatically enhanced the rate of authoritative interpretation on the Improper Solicitation and Graft Act (69.9% in December 2017 → 95.8% in December 2018) by improving the authoritative interpretation process within the Commission.

Response status of authoritative interpretation on the Improper Solicitation and Graft Act

Category	Total	Written inquiries through official documents (Number of inquiries)	Webpage (Number of inquiries received)	e-People, Clean Portal (Number of inquiries received)
Inquiry	19,793	6,136	8,219	5,438
Response	18,968	5,579	8,167	5,222
Percentage (%)	95.8%	90.9%	99.4%	96.0%



2. Strengthening the Code of Conduct for Public Officials

The Code of Conduct for Public Officials is the standard of behavior to which public officials must comply in order to perform their public duties with integrity and prevent corruption. Article 8 of the ACRC Act requires all public institutions to establish and implement their own code of conduct.

The Code of Conduct for Public Officials, enacted as a presidential decree, is applied to both state and local public officials; the Code of Conduct for Local Assembly Members is applied to local assembly members; the Code of Conduct, established as a regulation of other constitutional institutions, namely, the National Assembly, Supreme Court, Constitutional Court and National Election Commission, is applied to public officials of those institutions; while the Code of Conduct for Executive Officers and Employees of Organizations Related to Public Service, enacted as an internal regulation of such organizations in accordance with Article 3-2 of the Public Service Ethics Act, is applied to all employees of organizations related to public service.

The items to be included in the Code of Conduct for Public Officials are as follows: ① items regarding prohibiting/limiting the act of receiving entertainment, money or valuables from work-related personnel; ② items regarding prohibiting/limiting interference with personnel work, intervention with special-interest projects, influence peddling, and/or solicitation using one's position; ③ items to be complied with by public officials to create a fair environment of civil service, including fair personnel policy; and ④ items needed to prevent corruption and maintain work integrity and dignity of public officials.

Introduction of Conflicts of Interest and Prohibition on Improper Solicitation in the Private Sector (Revised on April 17)

The ACRC has worked on and improved what has been inadequate in implementing the Code over the years.



Now public officials need to report on private interests in the process of performing their duties to the head of the institution they belong to. If the public official in question is work-related personnel, follow-up measures such as temporary suspension of the duty or designation of substitute personnel are available.

High-ranking officials, such as vice ministerial and higher officials, are required to submit the record of activity in the private sector three years before their appointment or inauguration of their term. The ACRC also specified profit-making activities related to work that are prohibited.

Public officials are prohibited from hiring their family members within the institution they are working for, or from signing a private contract. They are also required to report on golf games, trips, gambling or other occasions of private contact with retired officials who worked for the institutions they now belong to, so that they cannot take advantage of those work-related retirees as a channel for lobbying.

The ACRC has expanded the Code to be applied to counterparts in the private sector who are on the receiving end of influence peddling and solicitations from public officials, and provides specific stipulations on the type of private sector corruption that public officials are highly likely to engage in. The Commission also regulates public officials privately using the labor of work-related personnel or officials based on their superior position. The ACRC introduced grounds for reporting public officials engaged in borrowing of money or real-estate transactions with work-related personnel, etc.

Establishment of Regulations on the Prohibition of Power Abuse in the Public Sector (Revised on December 24)

Designed to eradicate “power abuse,” or unfair practices that take place in the public sector, the government-wide Comprehensive Measure to Eradicate Power Abuse in the Public Sector was confirmed at the national policy coordination meeting. Following the



confirmation of the measure, the ACRC revised the Code of Conduct for Public Officials to establish the concept of “power abuse” and specific standards of action.

The revised Code prohibits public officials from engaging in improper conduct related to their work, such as public officials in charge of authorization and permission improperly delaying or refusing the receipt of application for the purpose of putting the applicant at a disadvantage.

As part of the measure that followed the investigation on the overseas business trip allowances for public institutions, public officials who belong to a supervisory/rating institution are prohibited, under the revised Code, from making improper requests that they be provided with money or valuables by the supervised/rated institution that does not have legal grounds or does not suit the purpose or usage of the budget, when taking part in business trips, events and training.





Chapter 3. Support for Public Institutions to Enhance Integrity

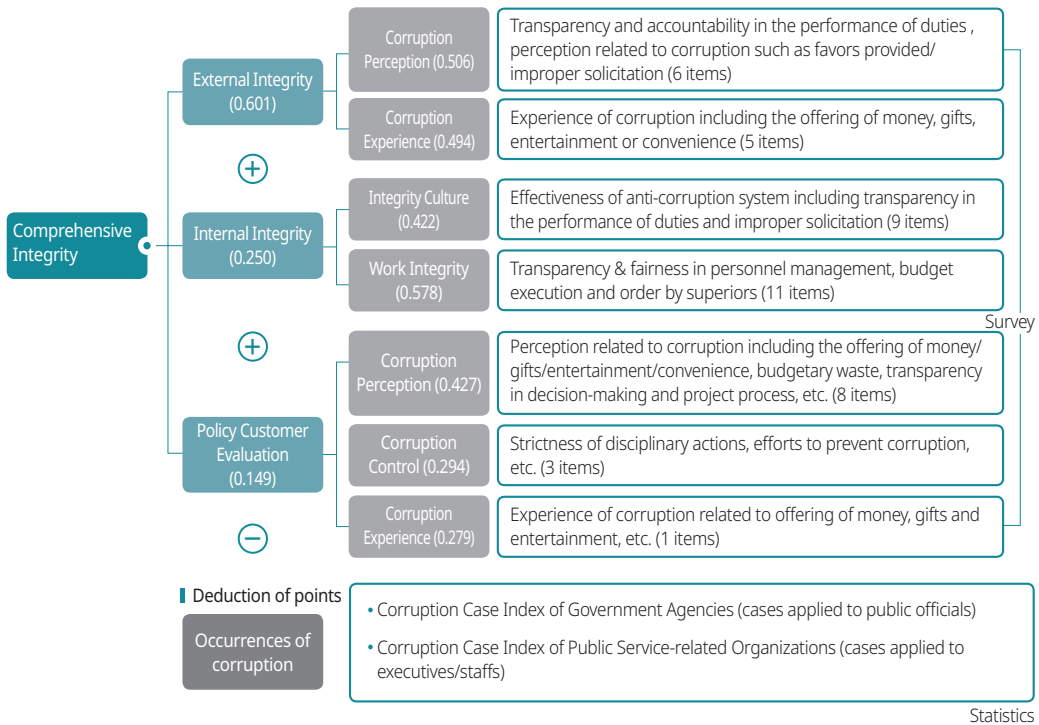
1. Integrity Assessment for Public Institutions

The ACRC has been conducting an annual integrity assessment for public institutions since 2002, in an attempt to measure the level of integrity and corruption of public institutions and to promote voluntary efforts toward anti-corruption and integrity initiatives thereby increasing integrity in public sector as a whole.

The level of public institutions' integrity is estimated in the form of "Comprehensive Integrity," based on the results of surveys responded by the public who experienced the administrative services of public institutions (external integrity), employees of the institutions (internal integrity), and experts and work-related personnel (policy customer evaluation), and on the occurrences of corruption cases in the institutions, which then were interpreted as numeric points and deducted from the overall score.

The integrity level of public institutions with functions that are strikingly different from other regular public institutions, such as public health institutions, national and public universities, and local councils, is assessed based on a separate model. The integrity level is calculated in the form of institutional grades (1st~5th grades) and scores (a 10-point scale), and the grades with smaller numbers and higher point numbers represent a higher integrity level.

Comprehensive Integrity Assessment Model (2018)



2018 Assessment Results

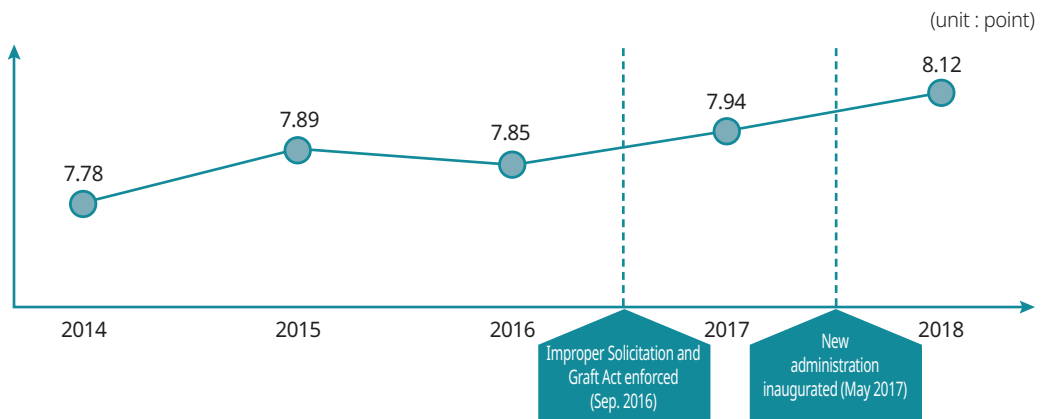
In 2018, the integrity assessment was conducted for 705 public institutions, including central and local government agencies, Offices of Education (District Offices of Education included), public service-related institutions, public and national universities and public health institutions.

The 2018 assessment featured improved survey questions on corruption experiences, and the assessment items were adjusted and simplified. The assessment also included the survey of external interviewers of public institutions.

Over the years, there have been concerns that a disproportionate emphasis is placed on the announced scores of each institution when reporting on the integrity assessment, and that excessive competition among institutions undermines the sharing of best practices. In an attempt to alleviate these side effects, the ACRC decided to announce only the grade of each type of public institutions. Integrity scores of and detailed analysis data on each institution were provided to the relevant institutions to be utilized as references for establishing autonomous integrity policies.

Announced on December 5th, the average comprehensive integrity score of 612 public institutions was 8.12 points on a 10-point scale, a 0.18 point increase from the previous year. The average score continued to slightly fluctuate until 2016, but increased for two consecutive years.

Changes in Comprehensive Integrity scores over the recent five years (2014-2018)

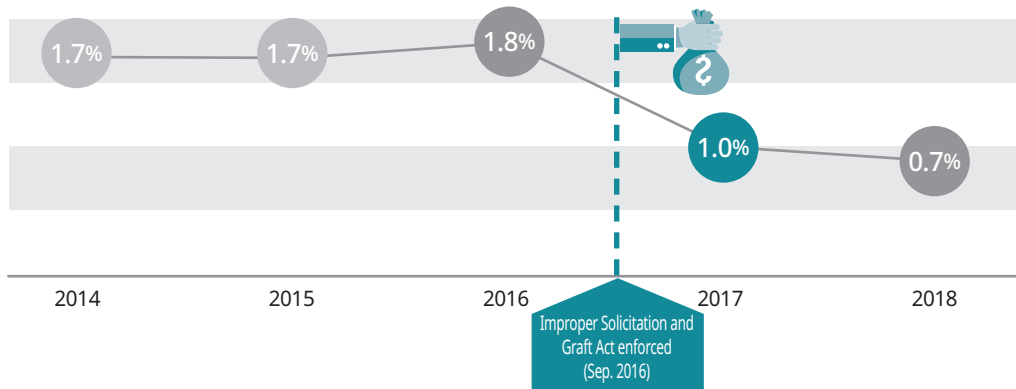


The scores of external integrity, internal integrity and policy customer evaluation all increased. And the scores of external integrity and policy customer evaluation in particular increased substantially.

The corruption experience rate of survey respondents was on a steady decline. 0.7 percent of people who responded to the external integrity survey and 2.1 percent of experts and

work-related personnel who answered the policy customer evaluation said affirmatively when asked about experiencing corruption, which was 0.3%p and 0.7%p lower than the numbers from the previous year, respectively.

Changes in the External Integrity corruption experience rate over the recent five years (2014~2018)



※ The figure for 2018 is the aggregate of the rate of offering money or valuables (0.24%), the rate of offering entertainment (0.27%), and the rate of offering conveniences (0.16%)

The rate of experiencing corruption related to budget execution and work instructions decreased 3.4%p and 3.0%p, respectively, from the previous year. The rate of experiencing corruption related to personnel work stood at a similar level to that of last year.

Despite the steady decline in the corruption experience rate, citizens (-0.05 points from the previous year) who experienced public service and public institution employees (-0.11 points from the previous year) responded that there was an increase in the degree to which improper solicitations affected the work of public institutions, while experts and other policy customers (+0.28 points from the previous year) said that there was an improvement. The perceptions of the public and employees about improper solicitations deteriorated although actual corruption experiences are decreasing. This may be attributable to the fact that the public now have become even more aware of improper solicitations after the implementation of the Improper Solicitation and Graft Act.

As for the scores by institutional type, the average comprehensive integrity scores of all types of public institutions experienced an increase, except for metropolitan city or provincial governments, which recorded similar scores to those of last year. Central government agencies in particular exhibited the biggest average increase of 0.47 points.

2. Anti-Corruption Initiative Assessment (AIA) for Public Institutions

In an attempt to encourage enhanced integrity in the public sector by evaluating and supporting voluntary anti-corruption efforts by public institutions, the ACRC has conducted anti-corruption initiative assessments of public institutions since 2002.

The AIA score is calculated by reviewing the achievements reported by each institution based on written evaluations and on-site examinations by external and internal experts to determine and announce the integrity level of target institutions by type.

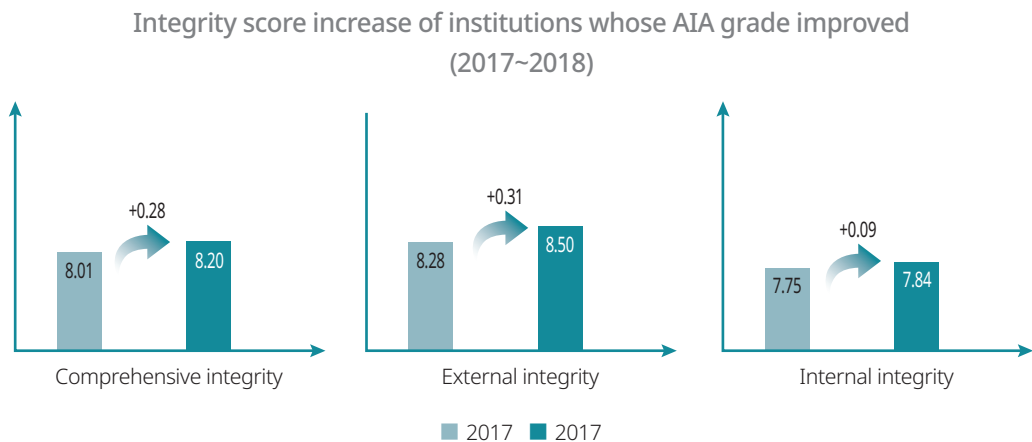
The 2018 AIA was conducted of 270 institutions, excluding those with integrity levels higher than Grade 2 for two consecutive years, while newly including institutions with the 2017 integrity level of Grade 4 and 5, so that the link between integrity measurement and the AIA can be reinforced.

Corresponding to the procedures of integrity policy enforcement, the 2018 AIA was comprised of three phases of planning, implementation, and achievement and wide adoption. The assessment scores were deducted for corruption cases detected by outsiders and the non-implementation of anti-corruption measures.

The specific tasks set forth in each step are as follows: the drawing up of an anti-corruption implementation plan in the planning step; the creation of an ecosystem of integrity, improved removal of corruption risks and firm establishment of a culture of integrity in the implementation step; and an appraisal of the effects of improved integrity and the development and promotion of best anti-corruption practices in the achievement and wide adoption step.



The 2018 assessment found that the institutions which established and actively implemented anti-corruption measures experienced an improvement in integrity, demonstrating an increase in the scores of all categories of integrity, namely comprehensive integrity (+0.28 points), external integrity (+0.31 points) and internal integrity (+0.09 points). This can be explained that anti-corruption efforts made by institutions had positive effects on the perceptions of external and internal stakeholders about the integrity level of those institutions.



3. Support for Integrity Consulting for Institutions Vulnerable to Corruption

While public institutions make voluntary efforts toward anti-corruption, to achieve effective anti-corruption and integrity policy, it is necessary to objectively analyze the characteristics of the work and the challenges faced by pertinent institutions from a third-party perspective. To meet this need, the ACRC, the leading anti-corruption organization, has begun to provide consulting services for public institutions.

The ACRC provided integrity consulting services to two institutions for the first time in 2006, and the number increased to a total of 122 in 2018. Starting from 2018, the ACRC is providing mentoring in a group consulting model where a number of institutions can participate, so

that it can effectively respond to the demand for integrity consulting services that is increasing every year, and distribute best practices of institutions with high integrity levels. 18 groups (15 mentor institutions, 32 mentee institutions) applied for the consulting services, which were provided for 10 groups (10 mentor institutions, 21 mentee institutions).

The ACRC and mentor institutions conducted the anti-corruption capability diagnosis, where the work, systems, anti-corruption implementation system, internal control system, and employee behavior are analyzed to identify the causes of a low integrity level of the mentee institutions. Along with a survey of the entire employees, the mentoring entities analyzed in detail the causes of a low integrity level, based on the review on the content and effectiveness of anti-corruption measures implemented by the mentee institutions over the years.

The ACRC and mentoring institutions provided customized solutions for each mentee institution, when they identified the corruption-prone areas and causes of a low integrity level through the anti-corruption capability diagnosis. The mentee institutions were able to establish and implement more effective anti-corruption measures by modifying the best practice measures they learned about at the group consulting sessions to suit their situation.

Out of the 21 institutions which received integrity consulting services, most institutions experienced an increase in their integrity levels. The 21 institutions autonomously established and implemented plans according to the consulting recommendations, and showed an average improvement rate of 6.1 percent, which is 3.8%p higher than the average improvement rate of all institutions. The comprehensive integrity scores of 13 out of the 21 institutions increased from the previous year, while those of 4 institutions decreased.





Chapter 4. Improvement of Laws and Systems for Effective Prevention of Corruption

1. Efforts to Enact the Proposed Act on the Prohibition of False Claims of Public Funds and Recovery of Illegal Profits

The government has been striving to ensure that public funds are utilized for legitimate beneficiaries, while making legal and institutional efforts to maintain fiscal consolidation in preparation for increased expenditures in the future that can be caused by population aging. The ACRC has been pushing forward the enactment of the Act on the Prohibition of False Claims of Public Funds and Recovery of Illegal Profits in order to close the loopholes in the existing system that has been revolving around individual legislations, by providing regulations on recovery principles and procedures for handling budgetary waste, as well as protections and rewards for reporters.

The proposed Act on the Prohibition of False Claims of Public Funds and Recovery of Illegal Profits stipulates that any illegal profits and interest gained from unqualified claims, excessive claims, the use of funds for unintended purposes, or false acceptance shall be fully recovered, when it has to do with public funds such as subsidies, compensations and endowments. In addition, a punitive surcharge of up to five times the amount of wasted public funds shall be imposed for illegitimate claims, excessive claims, and the use of funds for unintended purposes.

Having raised the necessity of legislating this act in February 2014, the ACRC submitted the bill to the 19th National Assembly in June 2015, according to the government legislative procedures. However, it was scrapped with the expiration of the session and was

resubmitted in June 2016 to the 20th National Assembly after undergoing the re-enactment process. The Act was approved at the National Policy Committee in July 2018, and is pending at the 2nd Subcommittee of the National Assembly's Legislation and Judiciary Committee, as of the end of December 2018.

2. Operation of the Corruption Risk Assessment (CRA) System

The Corruption Risk Assessment is a system which prevents acts of corruption through the analysis and evaluation of corruption-causing factors in laws and other types of regulations. The system was introduced through a revision of the Anti-Corruption Act on December 29, 2005. The assessment is conducted mainly on new or recently amended bills, current laws and subordinate statutes, local government ordinances, and internal rules of public service-related institutions. Once an assessment has been completed, countermeasures for improvement are recommended to the pertinent institutions.

(1) CRA Cases Involving New or Amended Bills

In 2018, 1,614 draft or revision bills were assessed for the possibility of corruption. Within these bills, 249 corruption-causing factors were identified in 129 statutes, and revisions of the concerned provisions were recommended to the institutions in question.

Statistics of new & amended bills assessed in 2018

Total number of bills assessed	Agreement on the original bill	Recommendation for improvement
1,614 (100%)	1,330 (92.0%)	110 (8.0%) with 249 recommendations

Of the 129 statutes receiving recommendations for improvement, 20 were laws, 69 were presidential decrees and 40 were prime minister's ordinances or ministerial ordinances. A breakdown of recommendations by sector shows that 74 recommendations were made regarding 43 statutes in the environment/health sector—the highest among all sectors,

followed by industry/development with 54 recommendations regarding 33 statutes and then general administration with 38 recommendations regarding 18 statutes. As for assessment criteria, 60 out of 249 recommendations were made based on the "concreteness/objectivity of discretionary regulations," 47 cited the "possibility of forecast", while 34 identified the "possibility of conflict of interest."

(2) CRA Cases Involving Current Statutes

In 2018, the ACRC conducted the CRA on the Framework Ordinance on Delegation of Public Services to the Private Sector to improve various problems arising from local governments delegating public services to private operators.

Local governments have been delegating public services to private operators based on the Framework Ordinance, a process requiring an enormous budget of over 5 trillion won every year. However, a lack of relevant standards and procedures was found to lead to continuous occurrences of corruption cases, including ones where stakeholders took part in the process of selecting delegated operators as members of the selection panel.

The ACRC came up with measures to improve transparency in the process of local governments delegating public services to private operators at each phase of the process. At the preliminary phase, detailed standards need to be established to review the feasibility of delegation. The implementation phase must secure fairness and transparency of the selection process by establishing procedures for filing objections to the selection of delegated operators. At the follow-up phase, accountability for the delegation of public services must be enhanced by implementing performance assessments.

As part of the improvement of the Framework Ordinance, the ACRC recommended 8 measures for improvement to 243 local governments, including the establishment of procedures for filing objections to the selection of delegated operators and implementation of follow-up performance assessments.

(3) Strengthening the Effectiveness of the CRA

In an effort to strengthen the effectiveness of the CRA, the ACRC conducted follow-up investigations on a sustained basis on institutions that were recommended making improvement based on the enacted and revised acts. Conducted in the first half of 2018 regarding unfulfilled tasks as of the 2017 review, the investigations led to an implementation rate of 88.1 percent. The ACRC continued to check on and encouraged the implementation of recommendations by conducting on-site investigations on institutions with low rates of implementation, along with performance assessments of institutions on the implementation of improvement recommendations in connection with the AIA.





Chapter 5. Anti-Corruption and Integrity Education for Raising Integrity Awareness

1. Realization of Substantiality through Customized Integrity Education for Target Institutions

(1) Operation of Anti-Corruption Group Training Courses

The ACRC opened its Anti-Corruption Training Institute (ACTI) in October 2012, and has since operated the institute as a specialized education and training organization to support anti-corruption education for public officials.

There has been a recent increase in the demand for integrity education, with mandatory integrity education for public officials and higher need to raise awareness about integrity among future generations. In reflection of these changes in the policy environment, the ACTI adopted four key strategies as follows: ① training for integrity education instructors to conduct mandatory integrity education and meet the demand for integrity education; ② establishment of the training course for local council members to improve their leadership in integrity; ③ pilot provision of customized courses to improve integrity for institutions with low integrity levels; and ④ expanding integrity education to future generations.

Based on the survey on the demand for integrity education, the ACTI implemented integrity education for public institutions and theme-based group training for 20,630 people (20 courses, 125 sessions, as of December 31, 2018).

2018 curriculum for anti-corruption group training

Field in detail	Course name
Integrity education for institutions (3 courses)	<ul style="list-style-type: none"> ▸ On-demand integrity education for institutions ▸ Integrity education for institution members visiting the ACTI ▸ Course for integrity improvement
Integrity education for local council members (1 course)	<ul style="list-style-type: none"> ▸ Anti-corruption training course for local councils
Customized training for mandatory integrity education (6 courses)	<ul style="list-style-type: none"> ▸ Course for improvement in integrity leadership (high-ranking public officials, principals) ▸ Course for improvement in integrity capability for newcomers (public officials/public service-related institutions) ▸ Course for improvement in integrity capability for personnel managers ▸ Course for improvement in integrity capability for personnel workers (public officials/public service-related institutions) ▸ Course for improvement in corruption response capability (public officials/public service-related institutions)
Instructor training and education for teachers (5 courses)	<ul style="list-style-type: none"> ▸ Basic course for anti-corruption instructor training (Basic • Professional • Lecture demonstration) ▸ Course for improvement in lecturing capability ▸ Job training course for integrity education DREAM teachers
Education to improve integrity capability (2 courses)	<ul style="list-style-type: none"> ▸ Course for understanding integrity capability (public officials/public service-related institutions) ▸ Course for reinforcing integrity capability
Education on the Improper Solicitation and Graft Act (3 courses)	<ul style="list-style-type: none"> ▸ Course for accurate understanding about the Improper Solicitation and Graft Act (teachers, public officials, journalists)

As part of efforts to spread a culture of integrity among public officials, the ACTI selected a wide range of public institutions including central government agencies, and conducted on-demand integrity education for institutions, in which 17,754 public officials participated (58 sessions, as of December 31, 2018). With the launch of a variety of courses including one for high-ranking public officials following the implementation of mandatory anti-corruption and integrity education, 2,054 high-ranking public officials received integrity education this year.

The ACTI trained 464 basic integrity education instructors who can provide lectures at institutions to conduct mandatory integrity education and meet the demand for integrity education. The ACTI also trained 38 professional instructors who passed the lecture demonstration assessment after completing the professional courses to train instructors on anti-corruption education with an intention to cultivate instructional design and techniques,

and 51 elective/professional instructors who were approved of at the Deliberation Committee on the Operation of Anti-Corruption Education Instructor Training.

The ACTI added the anti-corruption training course for local council members to help establish a transparent image of local councils trusted by constituents. The Institute developed a wide range of programs with varying course quota and hours of training, in consideration of the characteristics of local council members, and actively promoted the programs to metropolitan, provincial, municipal and county councils across the nation.

The ACTI provided customized courses to improve integrity for public institutions with low integrity levels, with an aim to identify the causes of low integrity, corruption-causing factors and issues to be improved. The ACTI analyzed internal integrity, external integrity, policy customer evaluation, the integrity culture index and work integrity index, based on which the Institute identified institutions in need of education, developed the curriculum and provided customized training courses.

The ACTI also implemented various projects to raise awareness about integrity among future generations in addition to public officials. One of those projects include the creation of a promotional video about integrity education conducted at Ssanyong Elementary School in Cheonan and Maewon Middle School in Suwon, using the Integrity Education Experience Program (21 sessions) developed by the ACTI. The video was posted on YouTube, the webpage of the ACTI and edunet T-Clear, and is planned to be used as an auxiliary textbook for free-learning semesters.

(2) Operation of the Online Anti-Corruption Training Courses

The ACTI runs the Online Anti-Corruption Training Courses through its Online Education Center (<http://acti.nhi.go.kr>), so that more public officials can receive integrity education online in a convenient way. In the 11-year period since the establishment of the ACRC (2008-2018), approximately 780,000 public officials completed online courses.

The Online Anti-Corruption Training Courses provide a wide range of programs, using 10 types of curricula developed by the ACRC and content on civil service ethics and integrity developed by other institutions.

The number of officials taking online training courses has been increasing every year since 2008. In the case of the courses directly operated by the ACTI – excluding courses operated by each public institution – 168,125 public officials received online training in 2018, or twice the number in 2014.

(3) Content Development for Integrity Education

With a recent increase in attention to and demand for integrity education, many public institutions are in need of various content that can be used for integrity education conducted within the institutions. The ACTI gathered opinions from the members of ACRC advisory committee and those in charge of integrity education in public institutions to produce and distribute various forms of content that can be immediately used when conducting integrity education.

In an attempt to secure expertise as an educational institution developing and verifying the curriculum and content in an effective manner, the ACTI launched the Advisory Group for the Integrity Academy, consisting of 18 advisors from the academia, experts on HRD (Human Resources Development), public interest whistleblowers and integrity instructors. The ACTI gathered opinions from experts in many different fields through two sessions of advisory meetings and reflected their input in the curriculum.

Content for integrity education was produced in the following three categories: ① education content for future generations; ② education content for public officials; and ③ online education courses.

First of all, as part of the education content for future generations, the ACTI developed a



puppet show for children's right life to help cultivate their moral sensitivity from early childhood (5 years old), when moral values start to be formed. Performed once each on November 27 and December 4 at Ochang-Hosu Library located in Cheongju and Sejong Convention Center, respectively, as part of the 2018 Anti-Corruption Week's cultural events for integrity, the puppet show was watched by 520 children aged between five and seven.

The ACTI also created a video on the integrity experience program for teenagers to enhance attention to and the use of the Integrity Education Experience Program (21 sessions) developed by the ACTI, so that the program can be used for moral and ethics classes in schools.

Second, as part of the education content for public officials, the ACTI developed and distributed a quiz-type training program entitled the Golden Bell Integrity Education Program, and the Standard Syllabus of Integrity Education that integrity education instructors can use at lectures.

Using a familiar quiz-show format, the Golden Bell Integrity Education Program allows public institutions to conduct integrity education on their own, based on a pool of 250 questions, answer keys and explanations, operation manual, and PowerPoint slides for the course.

The completed education program was distributed in September through the webpage of the ACTI, so that it can be utilized in many different public institutions as education materials. 2,597 public officials with 25 institutions received integrity education in 2018 using the format of Golden Bell Integrity Education Program.

In celebrating World Anti-Corruption Day, the ACTI collaborated with the public broadcaster KBS and aired the special edition of the Golden Bell Challenge on December 9 to raise awareness among the public about the importance of integrity, using the question pool of the Golden Bell Integrity Education Program.

The Standard Syllabus of Integrity Education is a lecture material in the form of PowerPoint slides that instructors can utilize in their lectures, and was distributed to integrity education instructors and public institutions along with supplementary materials about positive effects of the Improper Solicitation and Graft Act and changes after the revision of corruption-related statutes, including the Act on the Protection of Public Interest Whistleblowers.

Finally, the ACTI newly developed a course named Realizing Corruption-Related Situations (7 sessions) in an effort to diversify online anti-corruption training courses, and revised and supplemented 3 more courses, including Public Interest Whistleblowing: the Power to Change the World, in accordance with the revision of relevant laws.

2. Operation of Anti-Corruption Outreach Programs to Spread a Culture of Integrity

(1) Operation of the Public Integrity Content Contest

The Integrity Content Contest is a program organized to identify quality integrity-related works, and to raise public awareness of anti-corruption and integrity through essays describing real-life experiences and a variety of other works based on selected winning essays.

First, the ACTI launched a contest for public officials and the general public to submit stories, memoirs, short novels, and creative videos with short episodes (short movies) about their experiences related to conscience and integrity.

Second, in an attempt to raise the public's interest in the contest and to more broadly share outstanding content, the ACTI held a competition for ordinary citizens to submit reports on prize-winning content of the 2017 integrity-related stories and memoirs contest.

Many people from all walks of life, including public officials, office workers, college students, housewives, teenagers and soldiers, participated in the contest, to which a total of 1,553



pieces of stories, memoirs, short novels, short movies and book reports were submitted.

As of December 20, the prize-winning works published on this year's contest webpage (<http://www.integritycontents.kr>) received 35,766 views, demonstrating the enormous attention paid by the public to the issue of integrity.

Newly created this year, the short novel category received as many as 255 works, 7 of which were selected as prize-winning novels. The first prize went to Poisoning, a story of an investigator delving into a food poisoning case at a day care center, caused by a food company which manipulated the food expiration date.

A number of college students, high school students and ordinary citizens as well as public officials participated in another category newly established this year - "10-minute film." A total of 142 films were submitted, ranging from stories about conscience and integrity of office workers, students and other ordinary people to parodies of famous movies and entertainment shows. Many of these submitted films were relatable to people of all age groups, and 9 of them won the prizes.

Selected as the first prize-winning film, Beautiful Vacation is a story about a souvenir gift given to a journalist by an electronics company manager. The journalist gave the gift to a chauffeur, who discovered an enclosed cash envelope and eventually returned the gift and cash after going through some inner conflict. Other prize-winning films also have significant messages about integrity, including My Little Baby of Integrity, a witty short film about the Improper Solicitation and Graft Act, featuring contrasting characters with different attitudes dealing with improper solicitations.

(2) Integrity Education Lecture Contest

As part of the outreach integrity content contest, the Integrity Education Lecture Contest is held in two categories – educational lectures on laws and systems related to anti-corruption



and integrity, and personal lectures on experiences and thoughts about integrity - with an aim to expand a culture of integrity and to discover and share outstanding integrity education content.

The first round of the contest lasted from July 2 to September 16, to which public officials and ordinary citizens aged 19 and over submitted videos of educational lectures on anti-corruption and integrity-related laws/systems and cultivation of integrity awareness, and videos of personal lectures on experiences and thoughts about anti-corruption and integrity. The submitted videos went through two more rounds of written assessments and another round of presentation assessment to select 14 finalists.

This year's contest newly created the personal lecture category, which is primarily about individuals' experiences, inspirations and thoughts about integrity, to collect more everyday stories that can relate to the general public as well as to public officials. Among the 92 participants, 37% (34 participants) submitted personal lectures while 63% (58 participants) applied for the educational lecture category. The personal lecture category received many different stories, including from a whistleblower's experience of reporting, a mother talking about the need for integrity to her children, a college student's experience of integrity, and a teacher exploring the meaning of integrity with the students, which all demonstrated the presence of a number of relatable stories about integrity in the daily lives of people.







Part
03

**Systematic Handling of Corruption
and Public Interest Reports, and
Protection of Reporters**



Chapter 1. Promotion of Reporter Protection System

1. Promotion of Corruption and Public Interest Reporting and Institutional Improvement

The goal of the corruption reporting system is to protect basic rights and interests of the people, to secure appropriateness of public administration, and to establish a social environment of integrity by efficiently regulating the acts of corruption defined by the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission by the means of preventing public officials' abuse of power and their acts of violating laws.

(1) Operation of Reporting Focus Week

The ACRC set and operated Reporting Focus Week in the field of medicine, education and daycare of young children, and so on, to raise people's interest in corruption reporting and resolve corruption in relevant fields. The primary subject of corruption reporting in the field of medicine includes opening and operation of illegal medical institutions such as medical clinics owned and operated by those who are not licensed medical doctors, insurance fraud, fraudulent claim of medical care benefits, and illegal rebate for drugs and medical supplies. The subject of reporting in the field of education and day care of young children includes fraudulent claim of government subsidies, violation of regulations related with food hygiene such as improper management of food ingredients for children's lunch, breach of obligation for regular inspection and safety training regarding play facilities for children, child abuse, and so on. To encourage more active corruption reporting in those fields, the ACRC distributed press release and carried out joint public relation activities by using the website

and social media platforms of the ACRC, as well as diverse promotional media of related institutions such as electronic display boards, websites, publications, etc.

(2) Reinforcement of Fact Confirmation Function for Corruption Reporting

According to the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission, the ACRC may demand submission of relevant documents to reporters when a report about an act of corruption is received, to confirm the authenticity of the content of the report or for other purposes (Article 59 of the Act). It may also demand attendance and statement of concerned persons, persons for reference, or related public officials in order to perform the ACRC's functions such as "receipt of reports about act of corruption" (Article 29 of the Act). However, it was not clear before whether the person reported is included in the category of "concerned persons" whose statement can be demanded by the ACRC.

If one-sided statement of only the reporter is heard, practical confirmation of the fact about a corruption report is limited and it becomes difficult to successfully handle the case. That is why the ACRC pushed forward with revision of law so that hearing of statement and submission of documents can be requested to corruption reporters and relevant institutions within necessary extent. After deliberation at the State Council meeting, the revision bill was submitted to the National Assembly on September 21, 2018.

(3) Reinforcement of Protection of Corruption Reporters

The Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission revised and enforced on February 1, 2018, expands the scope of confidentiality assurance for reporters. In the past, the confidentiality obligation was imposed only to the staff of the ACRC and investigative institutions, but after the revision of the law, anyone shall not disclose or announce the personal information or information that alludes the identify of reporters to other people without reporters' consent.



In addition, the upper limit of the fine imposed to the violation of the ban on disclosure of reporters' personal information was heightened from 10 million won to 30 million won.

Furthermore, revision of the Act on the Prevention of Corruption and the Establishment and Management of the ACRC was pushed in order to create an environment where the practical effect of the measures on the protection of corruption reporters is enhanced so people can feel more relieved to report corrupt acts. After the Cabinet meeting's resolution on January 2, 2018, the revision bill was submitted to the National Assembly.

The key points of the revision bill include the following. First, charge for compelling the compliance is imposed on cases where the ACRC's decision on protective action for a corruption reporter is not fulfilled, to reinforce the effectiveness of decisions made by the ACRC. Second, a system of recommending reconciliation was newly created to induce early resolution of disadvantages put on corruption reporters, by enabling the ACRC to induce reconciliation between related parties even before its decision to take a protective action. Third, the definition of reporters subject to such protection was expanded from those who has reported corruption to the ACRC, investigative agencies, the Board of Audit and Inspection, etc., to those who have testified at courts or the National Assembly or reported and accused corruption cases to investigative agencies.

2. Improvement of the Public Interest Whistleblower Protection System

In line with daily lives of the people that are becoming more complex and sophisticated, acts of infringing upon public interest in the private sector are causing greater social confusion and public expenses. Nevertheless, protection of public interest reporters had been limited only to reporters of corruption in the public sector so far, for example for cases such as bribery to public officials and waste of government budget, according to relevant laws. That was why there existed legal and institutional blind spots where corruption reporters who face disadvantages due to their reporting of acts against public interest in the private sector were not properly protected.

Therefore, the ACRC has enacted and implemented the Act on the Protection of Public Interest Whistleblowers since September 30, 2011, for the purposes of preventing and controlling private sector public interest violations, which can directly impact public life, by the means of protecting and supporting public interest whistleblowers.

(1) Revision of the Protection of Public Interest Whistleblowers Act for Strengthened Protection of Reporters

In line with the enactment of the revised Protection of Public Interest Whistleblowers Act in May 2018, existing five major acts against public interest which are subject to report—acts that undermine people’s health, safety, environment, consumer interest, and fair competition—was expanded to have a new category of “other types of equivalent public interest”. In addition, the period given to application for protection from disadvantageous measures was extended from three months to one year, to strengthen protection of corruption reporters. Monitoring on the implementation of protective actions and disadvantages given to reporters was newly introduced. Plus, urgent relief system based on which urgent relief fund is offered first when urgent relief for a victim is needed before deliberation and decision by the reward deliberation committee was introduced.

In October 2018, substitute reporting system under which reporters do not have to disclose their real names for reporting was introduced to strengthen protection of reporters’ anonymity. In case a public interest reporter appoints a lawyer, a legal expert, the reporter can file a public interest report not under his/her own name, but under the name of the lawyer. In addition, the effectiveness of the system for protection of public interest reporters was further reinforced by introducing the system of punitive damages and by strengthening punishment.

(2) Facilitation of Public Interest Whistleblowing

Expansion of Report Handling Infrastructure



Based on the training and collaboration with local governments and public institutions, 366 out of 462 public institutions surveyed in 2018 (79.2%) established their own operational rules on the system of protecting public interest reporters. The number was a 8.5%p increase from the figure in 2017. Among them, 394 public institutions (85.3%) operated window for public interest reporting in manners including display of link to the ACRC Clean Portal, which was a 9.2%p year-on-year increase from 2017. In addition, 354 out of 462 public institutions (76.6%) reinforced the infrastructure for their public interest report handling by taking measures such as appointing an official in charge of public interest reports.

In addition, “Corporate Guide on Voluntary Prevention of Infringement on Public Interest” that includes revised provisions of the Protection of the Public Whistleblowers Act was developed and distributed to 100 associations including Construction Association of Korea, to expand the foundation for autonomous handling of public interest reports in the private sector.

Enhancement of Awareness of Public Interest Whistleblowing System

Education about public interest whistleblowing was offered in diverse programs such as workshop for public officials in charge of prevention of improper solicitation, training course for nurturing of integrity instructors, and so on. Video clips for enhancement of awareness of public interest reporting were produced, to be released on diverse media platforms (April). As such, the ACRC strove to expand people’s positive awareness of public interest reporting.

Furthermore, poster/leaflet (July) and card news (October) focusing on revision of laws related with strengthening of the protection of public interest reporters were produced and distributed to places used by many people. Such efforts of the ACRC raised the awareness level of the public interest reporting system from 30.6% in 2017 to 38.7% in 2018.

The ACRC also proclaimed December 9 of every year as the “Day of Public Interest Whistleblowing” in the celebratory event for “2018 Anti-Corruption Week”, to raise the self-esteem of public interest reporters and spread positive awareness of public interest reporting. Celebration of the week will publicize the importance and meaning of public interest reporters who contribute to promotion of public interest and eradication of social ills and give greater honor to public interest reporters, which is expected to trigger more active public interest reporting and spread even more positive awareness of public interest reporting.

3. Establishment of National Integrity Information System

The ACRC has established and operated anti-corruption information system in order to improve laws, systems, and policies that cause corruption of public institutions and to support anti-corruption system for reporting and detection of corrupt acts in the public service. The focus of operation of the old anti-corruption information system that had been established in 2003 was put on mere maintenance of the system, so it failed to provide convenient reporting function for people and efficient performance of duties for public officials in charge of anti-corruption tasks. That is why the need to secure greater momentum for spread of the culture of integrity by establishing government-wide national integrity information system that can connect the anti-corruption tasks of not only the ACRC but also public institutions of different levels was raised recently.

A customized reporting and counseling system that can offer one-stop service encompassing all steps of anti-corruption work from reporting to protection and reward will be established. The system will also connect all the anti-corruption tasks of the ACRC and public institutions on-line. It will be implemented in four stages from 2018 until 2021.

In 2018, the old system that had caused users' inconvenience due to fragmented processes was reorganized to reinforce convenience for users and improve the efficiency of work. First of all, knowledge service function was created so that users can write reports more easily



and conveniently. A new function was created to enable automatic classification of the type of reports according to the key words or the organization of the person reported even though the reporter does not have understanding of the type of reporting (the reporting process differs according to the type of violation-for corruption reporting, public interest reporting, reporting about violation of the Improper Solicitation Act, etc.). In case reporters already know the type of their reporting, they can use a report-writing assistance function that enables automatic writing of reports according to the type of violation or relevant business sector.

In addition, database of cases customized for each reporting type was created and the scope of on-line application for protection and reward was expanded to enhance convenience for reporters. Furthermore, the scope of disclosure of anti-corruption information such as relevant statistics, integrity policy materials, and cases of reporting was expanded so that people can search and use diverse anti-corruption information more easily.





Chapter 2. Handling of Reports about Corruption and Act of Violating Public Interest

1. Statistics of Corruption Reports

(1) Operation of Corruption and Public Interest Violation Report Center

Counseling and guidance service on corruption and public interest violation reporting is provided in-person at offices or through counselor visitations, or remotely by phone or online. The professional advisors at the reporting center are employees and retirees possessing considerable counseling experience. Corruption and public interest violations can also be reported either in person, via mail, fax or internet, or by submitting photographs and videos through the ACRC's smartphone application.

Total 128,528 cases of counseling and guidance regarding corruption have been provided. While the number moves slightly up and down every year, it shows overall trend of increasing.

Counseling & Guidance Services by Year

(Unit: case, %)

Mode of use	Total		'02~'04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	Composi-tion																
Total	128,528	100	18,673	6,733	5,761	4,941	4,049	6,742	5,597	5,275	6,406	10,727	9,596	9,728	11,104	10,884	12,312
Phone call	106,996	83.2	11,642	4,739	4,352	4,418	3,628	5,129	5,063	4,689	5,714	9,943	8,287	8,577	9,719	10,014	11,082
Internet	12,023	9.4	2,970	1,177	937	165	212	1,364	396	361	325	400	812	742	1,001	485	676
Visitation	9,509	7.4	4,061	817	472	358	209	249	138	225	367	384	497	409	384	385	554

* The number of counseling and guidance services offered through fax, mail, and in-person meeting is included in the number of the "visitation" category.

(2) Statistics of Reports

From January 25, 2002, when the former Korea Independent Commission against Corruption (KICAC) was launched, to the end of December 2018, a total of 51,911 reports were submitted, with 254 reports received per month on average.

Number of Reports Received Annually

(Unit: case)

Category	Total	'02~ '04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
No. of cases	51,911	6,014	1,974	1,745	2,544	1,504	2,693	3,099	2,529	2,527	3,735	4,510	3,885	3,758	4,066	7,328
Monthly average	254	167	165	145	212	125	224	258	211	211	311	376	324	313	339	610

The largest number of reports were about defraudation or embezzlement in the private sector, at 15,388. The number of reports about central administrative agencies and their affiliated organizations increased by the largest margin from 897 in the previous year to 2,141 in 2018.

From the days of the KICAC (January 25, '02) until the end of December 2018, a total of 51,911 reports were received and 51,556 out of them were resolved.

Record of Handling Reports

(Unit: case)

Category	Total	Referral	Notification of violation of code of conduct	Forwarding to public institutions	Closed
Report handling	51,556	2,418	751	10,478	37,909

The number of referral cases was total 2,418 and as of December 2018, the rate of confirmation of suspicion out of 1,997 cases except for 421 cases on which investigation and inspection were underway was 72.5%.

Among those referral cases, suspicion of corruption was confirmed in total 1,448 cases, as a result of inspection. Consequently, 3,945 people were prosecuted; 1,961 were disciplined; and 796.5 billion won was found out to be subject to collection or recovery as a result of confirmation of acts of corruption.

Results of Cases Referred to Investigative Agencies

Result by individual (no. of persons)				Institutional warning (no. of cases)	Others (no. of cases)	Amount to be collected or recovered (mil. won)
Total	Prosecution	Discipline	Accusation/ dismissal from office			
6,010	3,945	1,961	104	204	423	796,581

2. Statistics of Public Interest Reports

Between the original implementation of the Public Interest Whistleblower Protection Act and the end of December 2018, a total of 28,288 reports were submitted to the ACRC. Public health violations, including production of harmful food products and sales of unlicensed medical products, were the most common type of report with 11,568 cases (40.9%), followed by public safety violations, including faulty construction and non-establishment of fire-fighting facilities, with 4,611 cases (16.3%).

Status of Reports Received by Type

(Unit: case, %)

Violation Type	Total	Health	Safety	Environ- ment	Consumer Interest	Fair competition	Others
Total	28,288	11,568	4,611	2,441	1,415	618	7,413
Percentage	(100.0)	(40.9)	(16.3)	(8.6)	(5.0)	(2.2)	(26.9)

In 2018, the number of public interest reports increased by a large margin, because of expanded scope of protection for reporters, reinforced public relations customized for different groups of people, and efforts to raise awareness of the report system. By sector, the number of reports in the environment sector slightly decreased year on year from 2017,

but the number in the sectors of health, safety, fair competition, and consumer interest showed year-on-year increase.

Status of Reports Received Annually

(Unit: case)

Year	Total	Health	Safety	Environment	Consumer interest	Fair competition	Others
2012	1,153	389	167	201	118	29	249
2013	2,887	1,208	298	165	191	87	938
2014	9,130	5,570	1,936	312	345	94	873
2015	5,771	1,931	595	1,151	174	39	1,881
2016	2,611	937	377	232	149	69	847
2017	2,521	543	524	191	190	121	952
2018	3,923	821	706	179	202	161	1,854
Year-on-year increase (from '17)	55.6%	51.2%	34.7%	6.3%	6.3%	33.0%	94.7%

Out of the 28,288 cases received as public interest reports, 15,136 have been referred or forwarded to investigative organizations, with 27,927 cases have been resolved in total since the implementation of the act.

Status of Reports Handled

(Unit: case)

Year	Type of handling			
	Total	Referred	Forwarded	Closed
Total	27,927	644	14,492	12,791
2011/2012	1,340	112	674	554
2013	2,509	73	1,427	1,009
2014	8,239	168	6,569	1,502
2015	7,089	90	3,190	3,809
2016	2,560	79	1,155	1,326
2017	2,238	85	534	1,619
2018	3,952	37	943	2,972

As for the result of public interest violation cases, 6,437 cases out of 15,136 cases referred or forwarded since the implementation of the act were confirmed of the suspicion, resulting prosecution/accusation for 1,540 cases, imposition of fine for 87 cases, and penalty surcharge/administrative fines for 1606 cases.

Result of Cases Referred & Forwarded

(Unit : case, KRW mil.)

Cases received	Result of handling			Result of cases referred and forwarded					Result of investigation					
	Total (A+B)	Referral/forward (A)	Closure (B)	Result notified				Under investigation by others	Prosecution	Accusation	Fine	Additional charge	Administrative fine	Others
				Total (D=F+G)	Suspicion confirmed (F)	Rate of confirmation (F/D)	Suspicion unconfirmed (G)							
28,288	27,927	15,136	12,791	13,320	6,487	48.7%	6,833	1,816	712	841	87 (507)	785 (9,306)	829 (979)	3,090

3. Operation of the Center for Reporting Welfare and Subsidy Fraud

In 2013, the Office for Government Policy Coordination under the Prime Minister and other relevant ministries formed the Task Force for Eradication of Welfare Subsidy Fraud, and the Joint Government Welfare Fraud Report Center was established under the ACRC on October 15, 2013. On January 6, 2015, the center was expanded to handle reports of other subsidy fraud and named the Center for Reporting Public Subsidy Fraud.

Targets for report are the fraudulent receipt of any public services or goods related to government policy, project, or budget (including wages, subsidies and support funds, support for human resources, and material resources). Counseling on reporting—from a representative government call center for civil complaints—is available via telephone by dialing 110 from anywhere in the country.

Since the launch of the Center for Reporting Public Subsidy Fraud, 5,268 cases of fraudulent receipt of public subsidy have been reported. Among these reports, 5,096 cases (96.7%)

were handled and concluded, while 453 cases (8.6%) remain under investigation. Of the 5,096 cases completed, 1,398 cases (27.4%) were referred to investigative or supervisory institutions. Of the cases referred, investigation of 945 cases was completed, with 730 cases confirmed as fraudulent receipts of public subsidies. Accordingly, the recoverable or collectible amount was decided to be 69,969 million won.

Status of Reports Counseled, Received, and Handled

(Unit: case)

Year	Reports counseled	Reports received	Reports handled			
			Sub-total	Referred	Forwarded	Closed
Total	14,816	5,268	5,096	926	472	3,698
2018	1,915	1,466	1,446	265	225	956
2017	2,353	927	862	168	66	628
2016	3,605	1,032	1,020	192	22	806
2015	3,602	896	901	197	60	644
2014	2,925	802	766	103	78	585
2013	416	145	101	1	21	79

From 2018, cases of institutional improvement made in the process of handling corruption reports to eradicate public subsidy fraud were actively found out and further improvement was pursued jointly with relevant government agencies.

Cases of Institutional Improvement in 2018

Time	Title of institutional improvement task	Detail
Jun. 2018	System improvement for fuel subsidy management system	<ul style="list-style-type: none"> An action was taken to enable investigation into suspicious transactions based on “data of comparison between actual mileage of truck recorded in automobile inspection and estimated mileage (amount of fuelling purchased by fuel purchase subsidy card × gas mileage)”
Jun. 2018	System improvement for slate disposal support	<ul style="list-style-type: none"> Participation of socially vulnerable people is encouraged, by revising current way of granting subsidies for slate disposal based on the area of construction
Jul. 2018	System improvement for personal assistance support for people with disabilities	<ul style="list-style-type: none"> Guidelines were revised, as the scope of personal assistance is interpreted too vaguely to an extent that “personal assistance for eating and use of restroom at workplace” is recognized as personal assistance in the guidelines, even though “personal assistance for livelihood of beneficiaries” is banned in the law.
Oct. 2018	System improvement for integrated culture voucher program	<ul style="list-style-type: none"> Monitoring system was improved so that a lump payment by multiple users needs to be approved in advance by the supervisory agency or it is displayed as a subject that requires confirmation.
Nov. 2018	System improvement for national working scholarship program	<ul style="list-style-type: none"> Fraudulent claim of national scholarship fund by using special relationship (family and relatives) is prevented, by expanding the scope of the personal information that needs to be put in the system by students who receive national working scholarship fund and managers and staff of the institutions that manage national working scholarship programs.



Chapter 3. Effective Protection of and Reward for Whistleblowers

1. Protection of Corruption and Public Interest Whistleblowers

The corruption and public interest reporting system is a policy to prevent corruption in the public sector and acts of violating public interest in the private sector, based on people's awareness of the need for their voluntary reporting. The system of protecting those reporters was created to encourage anyone to report about corruption and violation of public interest with a peace of mind, by making sure that those who make reports are protected. The corruption reporter protection system has been in operation since 2002, when the former Korea Independent Commission against Corruption was launched as part of the former Anti-Corruption Act. The public interest reporter protection system has been enforced since 2011 when the Protection of Public Interest Whistleblowers Act was enacted.

(1) Corruption Reporter Protection System

The subject of corruption report includes the acts of corruption defined in Article 2, subparagraph 4 of the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission, as well as acts of violating the code of conduct for public officials, which are specified in Article 8 of the Act. Reporting should be performed in the form of document submission with affixation of name, along with clarification of the subject of the report and evidence of the acts of corruption. If a reporter faces disadvantageous actions due to such reporting, he/she is entitled to protection. A reporter is not entitled to protection however, if he/she knew or could have known that content of the report was false.

The system of protecting corruption reporters largely includes guarantee of confidentiality that prohibits disclosing of or alluding to the identity of a corruption reporter without the reporter's consent; guarantee of position and other economic and administrative rights that are granted to reporters subjected to disadvantageous measures in their position such as getting disciplined or employment disadvantages or discrimination in working conditions from the institution they work for because of corruption reporting, making statements, or document submission pursuant to law; and protection of personal safety. In addition, if a reporter's criminal involvement is revealed as a result of his/her reporting, culpability of the reporter can be mitigated or exempted.

(2) Public Interest Reporter Protection System

Acts of public interest violation subject to reporting are defined as acts that undermines public health, safety, the environment, consumer interests and fair competition, and other type of public interest, which are subject to criminal punishment or administrative disposition such as cancellation of license or permission or injunction, etc., according to 284 applicable laws specified in the Protection of Public Interest Whistleblowers Act. Anyone who had reported occurrence of an act of violating public interest or concern of such occurrence to public interest reporting institutions including the ACRC in the form of document with relevant evidence and has faced disadvantages because of the reporting is entitled to protection. However, if the reporter did the reporting with knowing the fact that the content of the report was false or performed the reporting for a dishonest purpose, the reporter is not entitled to protection.

Protective measures for public interest reporters largely include protection of confidentiality to prohibit the disclosure of a reporter's identity or media coverage about him/her without the reporter's consent, protection of the reporter from disadvantages taking place due to public interest reporting or recovery from damages that have already been caused, as well as protection of personal safety.



(3) Performance of Protecting Corruption Reporters

Between the 2008 launch of the ACRC and the end of December 2018, a total of 232 and annual average of 21 requests for protection were received by reporters and cooperators.

Requests for Protective Measures for Corruption Reporters or Cooperators

(Unit: case)

Category	Total	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	232	20	14	13	11	27	27	25	23	5	17	50
Guarantee of position	176	18	12	9	11	19	20	16	20	5	14	32
Protection for physical safety	20	2	2	3	-	2	4	3	3	-	1	-
Identity disclosure	33	-	-	1	-	6	3	6	-	-	2	15
Disadvantages	3	-	-	-	-	-	-	-	-	-	-	3

Protective measures were taken for 55 (31%) of the 176 requests for guarantee of position. Of the 20 requests for protection for physical safety, measures were taken in 17 cases, while 3 cases were terminated. Of 33 requests for the confirmation of details regarding identity disclosures, the ACRC made requests of disciplinary actions against related persons in 8 cases, while 16 cases were terminated.

(4) Performance of Public Interest Violation Reporters

From the date of initial enforcement of the act through December 2018, a total of 183 requests for whistleblower protection were received, including 97 requests for protective measures and 39 requests for the confirmation of identity disclosure details. 161 reports out of 183 requests for protective measures were resolved and 61 requests including for

protective measures were accepted

Public Interest Whistleblower Protection Requests Handled

(Unit: case)

Year	Total	Protective measures, etc. (accepted)						Rejected	Dismissed	With- drawn	Under investiga- tion
		Subtotal	Protective measures	Physical Protec- tion	Confirma- tion of details on identity disclo- sures	Prohibi- tion of disadvant- ageous measures	Mitigation of culpability				
Total	183	61	28	13	8	2	10	44	8	48	22
2011	6	2	2	-	-	-	-	2	-	2	-
2012	9	3	1	1	-	-	1	2	1	3	-
2013	19	5	4	1	-	-	-	6	2	6	-
2014	14	7	1	2	3	1	-	4	-	3	-
2015	12	3	2	-	1	-	-	4	-	5	-
2016	20	7	5	1	1	-	-	6	-	7	-
2017	28	12	7	1	1	-	3	10	-	6	-
2018	75	22	6	7	2	1	6	10	5	16	22

【Cases】 Corruption and Public Interest Reporter Protection

① (Protective action) Decision to take a protective action on an elder abuse reporter and imposition of charge for compelling the compliance

Director of District ○○ Center who had reported elder abuse by staff of the center received notification about cancellation of his appointment according to termination of consignment of the center's operation by ○○ Foundation, so the director applied for a protective action. The ACRC demanded revocation of the cancellation of the contract of the reporter and restoration of the reporter's position. As the protective action was not taken until the expiration of the time period given for the action by the entity referred to by the report, 20 million won of charge for compelling the compliance was imposed.

② (Personal safety) Protective action for personal safety of a reporter who reported violation of the Information and Communications Network Act

A reporter requested protection of his/her personal safety, saying that he/she saw a threat to personal safety after reporting violation of the Information and Communications Network Act committed by the president of the company he/she works for. The ACRC requested urgent protective action for protection of personal safety to the police station in the district of the reporter's residence. The reporter was registered as the subject of 112 Police Call urgent protection (police officers are dispatched right away when a call is received by 112 Police Call) at the police station of the district and an action was taken to send police officers on patrol around the residential place of the reporter frequently.

2. Rewards for Corruption and Public Interest Reporters

The reward and award system for reporters is to provide payment to reporters whose reporting about corruption or violation of public interest contributed to promotion of public interest or directly led to recovery of or increase in revenues or decrease in public expenses. The system is playing an effective function in eradicating corruption and preventing violation of public interest, which can encourage people's voluntary participation in corruption and public interest reporting by rewarding individuals' acts of courage done for public interest despite diverse risks.

(1) Payment of Rewards and Awards for Corruption Reporters

Annual Payment of Rewards

(Unit: KRW 1,000)

Year	Number of cases	Benefits incurred	Rewards paid
계	578	173,848,817	14,969,423
2008	18	2,149,407	328,175
2009	20	5,811,771	642,146
2010	23	4,505,568	603,641
2011	12	18,834,014	1,499,401
2012	40	11,131,731	1,400,444
2013	37	8,393,380	951,210
2014	30	6,878,647	619,347
2015	29	28,770,531	1,426,658
2016	90	23,997,537	2,275,033
2017	113	26,539,641	2,108,374
2018	166	36,836,590	3,114,994

Between 2008 and 2018, 173,848 million won was recovered as a result of corruption reports, and 14,969 million won in award money was paid on 578 reported cases, with 25.89 million won in rewards paid on average. Reward rate to amount recovered by public institutions recorded 8.6% on average. Since 2008, 708 million won in award money has been paid to reporters on 89 cases.

(2) Payment of Reward, Awards, and Relief Funds for Public Interest Violation Reporters

In 2018, KRW 2,213 million was provided in reward money for 277 public interest reports, bringing the total reward money paid since the enactment of the act to approximately KRW 6,827 million for 5,982 reported cases.

Annual Payment of Rewards

(Unit: KRW 1,000)

Year	Number of cases	Benefits incurred	Rewards paid
계	5,982건	91,227,754	6,827,264.6
2012	32건	147,860	28,472
2013	319건	1,230,929	227,708
2014	657건	2,239,585	397,340
2015	511건	1,988,446	379,997
2016	2,476건	8,344,742	1,603,578.6
2017	1,710건	11,198,923	1,976,511
2018	277건	66,077,269	2,213,658

KRW 76 million was provided in award money to reporters in total of 13 cases since the 2016 implementation of award system and KRW 23 million was paid in relief money to reporters in 12 cases.

【Cases】 Reward for Corruption and Public Interest Reporters**① Allegation of fraudulent claim of government R&D subsidies**

A reporter made an allegation to the ACRC that the head of Company A had received government R&D subsidies in illegal manners such as falsely registering researchers in the process of performing an R&D project of a public institution. As a result of inspection, 1.8 billion won that Company A wrongly received was recovered and 303 million won of reward was paid to the reporter.


② Offering of rebate from pharmaceutical companies

A reporter reported that Corporation A on behalf of a pharmaceutical company was offering rebate to medical doctors who have transactions with the pharmaceutical company under the pretext of writer's fee and so on. The report was confirmed to be true as a result of inspection and 700 million won of fine was imposed to Corporation A, leading to increase in national income. Consequently, 96 million won of reward was paid to the reporter.

③ Fraudulent sale of crypto-currency by using multi-level sales organization

A reporter reported that people reported had issued crypto-currency that had no actual value and raised illegal fund by selling it by using a multi-level marketing organization. As a result of inspection, 17.8 billion won-worth crypto-currency fraud was exposed and the people referred to by the report in question were sentenced to six years in prison. Consequently, 29 million won of award was paid to the reporter who prevented infringement on people's property.





Chapter 4. Operation of System to Restrict Employment of Former Public Officials Dismissed for Corruption Charges

Public officials who have rightly resigned, or have been dismissed or removed from office for corrupt acts in connection with their duties, shall be prohibited from getting employment at public institutions or for-profit companies closely related to the department or institution to which the public official belonged for five years before he or she resigns, for five years after the date of resignation. Since its introduction into the Anti-Corruption Act in 2001, the Restriction on Employment of Public Officials Dismissed for Corruption has expanded the scope of subject individuals and institutions of application, according to the revision of the applicable act in March 2016.

The ACRC identifies violators employed by the restricted institutions through the conducting of regular inspections on the employment status of public officials who have been dismissed for corruption and ascertaining whether regulations applied to the employed have been violated.

Over the past five years (2013~2017), a total of 1,651 public officials were dismissed for corruption.

Status of Occurrence of Public Officials Dismissed by Type of Corruption

(Unit : person)

Type of Corruption	Total	2013	2014	2015	2016	2017
Total	1,651	321	390	320	312	308
Receipt of money, entertainment, etc.	1,080	188	272	223	206	191
Embezzlement or abuse of public funds	329	78	79	69	52	51
Abuse of authority or dereliction	80	20	15	6	24	15
Document forgery or counterfeiting	31	7	8	8	5	3
Others	131	28	16	14	25	48

By type, receipt of money, entertainment, or other valuables accounted for the largest part with 1,080 public officials dismissed for corruption, followed by 329 cases of public funds embezzlement, 80 violations of abuse of authority and dereliction, 31 cases of document forgery and counterfeiting, with the rest 131 cases being inappropriateness of work handled, violations of statutes regarding budget and finance, etc.

Employment status of former public officials who were dismissed because of corruption charges was surveyed in the first half of 2018. Twelve cases of former public officials who violated employment restriction rules were detected. Action of accusation on seven of them who violated rules for their re-employment was demanded. For three of them who were still maintaining the employment, action of revoking the employment was demanded as well. Notably, the accusation of those seven cases was possible thanks to the effect of the revision of the Act on the Prevention of Corruption and Establishment and Management of the ACRC in September 2016, which expanded the scope of organizations for which former public officials dismissed due to corruption charges cannot get employment.





Part
04

**Protecting People's Rights through
Field-Centered Resolution of Civil
Complaints**



Chapter 1. Handling of Civil Complaints

Definition

The term “complaint” means any complaint on any illegal, unjustifiable or passive action of an administrative agency, etc. (including an actual act and omission) or unreasonable administrative system which violates a citizen's right or causes inconvenience or burden to a citizen (including complaints and grievances of soldiers on service and those who perform their mandatory service related to military). – Article 2.1 of the Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission

Corrective Recommendations and Expression of Opinions Regarding Illegal and Unfair Administrative Measures

If the ACRC finds substantial grounds to acknowledge that measures taken by administrative agencies are illegal and unfair as a result of investigations of civil complaints, it makes corrective recommendations to the concerned administrative agencies. If the ACRC finds substantial grounds to the arguments of the petitioners, it expresses opinions to the concerned administrative agencies.

Improvement Recommendations and Expression of Opinions Regarding Irrational Legislation and Institutions

If areas for improvement of relevant laws, systems or polices are identified as a result of investigation and handling process of civil complaint, the ACRC recommends such

reasonable improvements or expresses its opinions to the head of the concerned agency to prevent such complaints from recurring.

On-Site Mediation and Settlement from the Perspective of a Third Party

In addition to making corrective recommendations and expressing opinions on administrative measures, the ACRC serves as a third-party mediator between petitioners and administrative agencies to work toward amicable agreement among stakeholders and prevent large-scale public conflicts.

Cooperation, Support and Education of Ombudsman of Korea (Local Ombudsman)

The ACRC is a national Ombudsman who provides various support measures to enable the establishment of the ombudsman of Korea, and provides and educates ACRC's know-how and information on complaint handling, thus helping the ombudsman of Korea to play a role of protecting and promoting the interests of local residents as a local ombudsman.

Comprehensive Evaluation of Civil Complaint Service of Local Governments, etc.

The ACRC, together with the Ministry of Public Administration, conducts a comprehensive evaluation of civil complaint service in order to improve the customer satisfaction and complaint handling capacity of local governments, education offices, public institutions, etc. The ACRC visits each institution in time for evaluation, and explains about complaint, know-how for solving group conflicts, and protection of rights through local ombudsman.





Chapter 2. Status of Complaints Handled

Civil complaint investigation and handling is the key function of the ACRC. It serves as the final complaints handling body in the government by making final deliberations and decisions on the complaints filed the second time due to unsatisfactory results from the first filing.

This year, the ACRC received 30,712 complaints, which increased 15.8% from 2017, and processed 29,609 cases, of which 24.7% were accepted.

Comparison of major indicators compared to previous year

Category	2017	2018	Change
Case received	26,533	30,712	15.8%
Case processed	26,623 (16,149)*	29,609 (14,094)*	11.2%
Acceptance rate	25.2%	24.7%	△0.5%p
Average processing time	18.8 days	19.8 days	1 days
Satisfaction	78.5	76.7	△1.8

* (Parentheses) is the number of similar / repeating complaints processed and joined.

In 2018, 14,094 cases were processed which decreased 12.7% from 2017's 16,149 cases. This is a result of the increase in the number of collective complaints filed by the multiple people over the past few years. The number of applicants increased but the number of cases decreased.

When examining 14,094 cases (excluding similar and repeating complaints) handled in 2018,

by type of handling, guidance reply (completion) decreased but corrective recommendation, opinion expression, guidance after deliberation, and dismissal increased compared to the previous year.

Complaint processing status compared to last year

Category	Total	Complaints								Other complaints
		Sub total	Correc-tive recommendation	Opinion expression	Mediation agreement	Guidance after deliberation dismissal	Rejection	Transfer/ referral	Guidance reply	
2018	14,094	9,769	210	238	1,965	1,115	555	89	5,597	4,325
2017	16,149	10,263	174	211	2,201	696	456	85	6,440	5,886
Change	△2,055	△494	36	27	△236	419	99	4	△843	△1,561
	(△12.7%)	(△4.8%)	(20.7%)	(12.8%)	(△10.7%)	(60.2%)	(21.7%)	(4.7%)	(△13.1%)	(△26.5%)

When looking at the handling of complaints in 2018 by the field, as in the previous year, taxes (national taxes, local taxes, etc.) were the most common, followed by administration/ safety, health/welfare, urban areas and roads. Compared to 2017 when tax was followed by urban areas, police, roads and housing, in 2018, people's interest was on safety and health/ welfare.



Handling of civil petitions for grievance in 2017 by fields

Ranking	Field	Number of Case	Proportion	Ranking	Field	Number of Case	Proportion
1	Taxation	1,174	8.33%	14	Industrial resource	365	2.59%
2	Administration & safety	955	6.78%	15	Civil & judicial affairs	360	2.55%
3	Health & welfare	781	5.54%	16	Architecture	290	2.06%
4	Urban areas	775	5.50%	17	Patriots & veteran's affairs	266	1.89%
5	Roads	753	5.34%	18	Education	240	1.70%
6	Police	723	5.13%	19	Environment	224	1.59%
7	National defense	618	4.38%	20	Broadcasting & communications	176	1.25%
8	Labor	589	4.18%	21	Water resource	144	1.02%
9	Housing	459	3.26%	22	Culture & tourism	140	0.99%
10	Finance	393	2.79%	23	Military	82	0.58%
11	Traffic	392	2.78%	24	Maritime & Fisheries	25	0.18%
12	Personnel Administration	383	2.72%	25	Foreign affairs & Unification	19	0.13%
13	Agriculture	369	2.62%	26	Others	3,399	24.12%

According to ACRC Act Article 46 (1), the ACRC may suggest corrective recommendation to the head of the relevant administrative agency, if the result of investigation of a complaint found substantial reason to believe that the disposition, etc. was illegal or unfair. In 2018, the ACRC recommended a total of 210 cases, 36 more than 2017.

The ACRC suggested 1,050 corrective recommendations in last five years, out of which 951 cases were accepted thus resulting in 90.6% acceptance rate. The ACRC recommendation acceptance rate has been rising steadily over the past five years, as the awareness that compliance with the ACRC recommendations is helpful to the administrative agency's work. (acceptance rate: (2015) 89.9% → (2018) 90.6%)



Chapter 3. Handling Complaints to Enhance People's Satisfaction

1. Activating Alternative Dispute Resolution

The ACRC actively responds to the voices of many citizens and actively utilizes the mediation system in order to respond positively to ever-increasing public conflicts. Mediation is an alternative dispute resolution method that is based on the consultation, compromise, and concession of both parties, rather than a solution to be accepted only by one of the complainants or the administrative agency.

Along with rapid economic growth, the enhancement of public awareness of the rights of citizens and the maturity of civil society participation intensify social conflicts which are not small in scale. As a result, more than 200 collective complaints are being raised in ACRC.

Status of complaints mediation resolution

Category	'08.3.	'09.	'10.	'11.	'12.	'13.	'14.	'15.	'16.	'17.	'18.
Collective complaints received (5 or more people)	334	259	280	285	361	362	241	255	242	216	227
No. of mediation settlement	28	26	19	24	42	43	54	65	72	76	65
Ratio of mediation settlement	8.4%	10.0%	6.8%	8.4%	11.6%	11.9%	22.4%	25.5%	29.7%	35.2%	28.6%

Major Case of On-site Mediation of Collective Complaints

As a representative on-site mediation resolution case of 2018, there was a collective

complaint on 'Demand to establish countermeasures against damage to Seomjin river downstream'. Fishermen suffered from difficulties in livelihood due to the rapid decrease in shellfish production as the river environment changed such as the increase in salinity of Seomjin river.

To smoothly supply industrial water to the watershed near the Seomjin River Dam in Yeongman Province, since 2005, the Korea Water Resources Corporation transferred the multi-pressure water intake system upstream from its existing location and expanded the water intake facilities and was operating under a maximum of 400,000m³.

However, the resident fishermen insisted that after the Korea Water Resources Corporation installed the multipurpose water intake system, the ecosystem was changed such as that the amount of water flowing into the river decreased and the salinity became darker, resulting in a decrease in shellfish production of about 70%. So, the fishermen demanded an investigation on the environmental impacts of damage caused by salinity increase to the related organizations such as Korea Water Resources Corporation. When the consultation was not done, the complaint was raised in ACRC in July, 2017.

On the other hand, the Yeongsan River Basin Environment Agency and other related organizations pointed out that the damage caused by Seomjin river salinity was due to various and complex factors such as aggregate harvesting and landfill in Gwangyang Bay. Therefore, it was difficult to solve the problem simply by increasing the river flow and there is a need to establish various measures .

So, the ACRC led a final settlement after a total of 11 field surveys and consultations with related agency's working-level staff and experts over a year. According to the settlement, ▲ in order to establish the investigation and countermeasure for the rise of salinity in the lower part of the Seomjin River, a working group was formed jointly with the relevant organizations to promote services for environmental impact investigation, ▲ to increase the amount of water flowing into the river, the results of the service will be presented to the

National Water Resource Management. Also, ▲ the Commission decided to discharge 178,000 cubic meters of water secured by the Seomjin River Dam Redevelopment Project and install two salinity meters downstream of the Seomjin River.

This mediation was meaningful in that it returned the living environment to the fishermen by restoring the environment and ecosystem of the Seomjin River downstream, and laid the foundation for sustainable use of water by rationally constructing the Seomjin River water system nationwide.

The second representative mediation was about a collective complaint 'Demanding for ferry service in Biando, Gunsan city'. The service was stopped for 17 years and the residents have been suffering inconveniences.

There are about 350 inhabitants in 182 households in Biando, located in Okdo-myeon, Gunsan-si, Jeollabuk-do but it is the only island in Korea without proper marine transportation but using the small fishing boats to go the land. Local residents have been demanding for a regular ferry service using power marinas, complaining about the inconvenience of life and accidents.

However, in spite of the efforts of various agencies, it was hard to find solution as the consent from fishermen of Buan-gun who were using power marina was not given and conflicts were raised in using a narrow marina. Also, since the Saemangeum reclamation project in 1991, Buangun fishermen moved to a habitable marina built in 1998 in No. 1 dike, and this caused various conflicts between them and Biando residents. This made the regular ferry service issue more complicated.

In this situation, in July 2018, about 300 residents including a representative of Biandong residents, filed a collective complaint to the ACRC, and the ACRC decided to intervene on this issue as there was an urgent need for securing conditions and safety of the people living in the island.



According to the settlement, ▲ the residents of Biando and Buan cooperate with each other for harmony and mutual benefit of both areas on the issue of ferry service, ▲ Gunsan Marine Police Chief establishes the license and safety management system for ferry service, ▲ Gunsan mayor sets up routes (within the first half of 2019) and installs additional facilities, and ▲ head of a Buan-gun agreed to cooperate with related organizations on detailed matters such as management and operation of shared water surface and ferry routes.

This mediation is meaningful in that the 17 year-long desire of Biando residents has been settled, thus providing proper marine transportation which tends to their inconvenience and safety. In addition, residents of Biando and fishermen of Buan-gun achieved reconciliation to activate local economy.

2. On-site Outreach Program to Resolve Complaints

Since 2003, the ACRC has been operating on-site outreach program to visit every place in the country to listen to and solve the problem people are suffering from. On-site outreach program is divided into a local type and customized type. A local type provides comprehensive complaints consultation by visiting 2-4 local governments every month. A customized type provides specialized counseling services on the spot for those who need special attention, such as multi-cultural families, foreign workers, disabled people, defectors from North Korea, soldiers active in military affairs, small and medium enterprises, etc. Also, from 2019, the ACRC plans to use the newly introduced on-site outreach program bus to operate a counseling tour in public places including station, terminal, and local festivals.

Between the establishment of the ACRC in 2008 and 2018, the on-site outreach program team visited 554 regions, handling 17,532 cases. This is a drastic expansion of the program compared with before the launch of the ACRC, when it had visited 55 regions and handled 1,543 cases between 2003 and 2007.

In 2018, the number of on-site outreach programs was significantly increased compared to



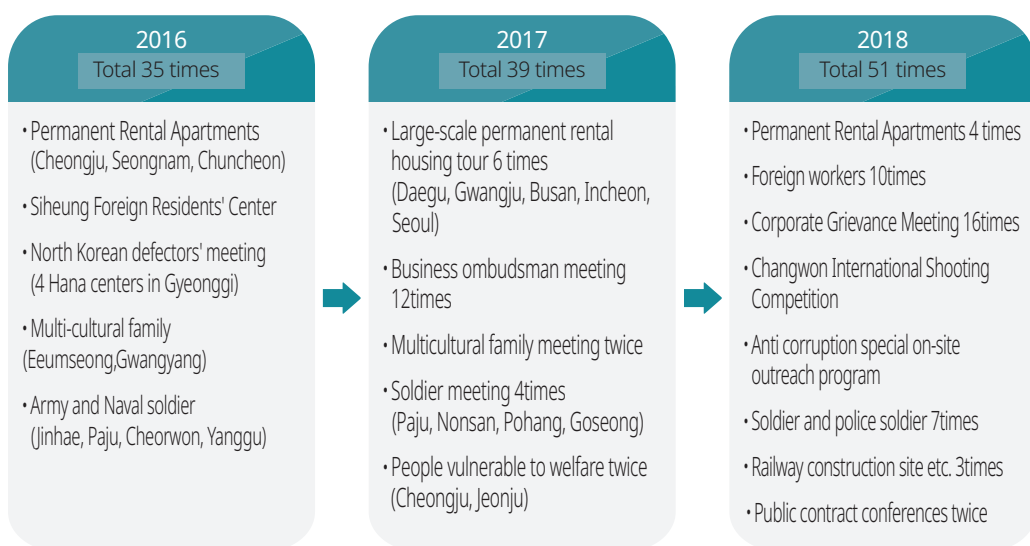
the previous year, resulting in a substantial increase in the on-site resolution rate from 43.9% to 47.7% in terms of both quantitative and qualitative aspects.

Annual Complaints Consultation Result (Total statistics -both by region and types)

(Unit : case)

Category	Total	Before 2008	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
No. of regions	609	55	20	28	33	46	51	51	52	57	61	71	84	
Results	complaint received	2,823	541	86	272	199	129	196	178	245	235	234	268	240
	Field resolution	5,813	-	96	244	290	244	332	633	634	650	778	880	1,032
	Consultation	10,439	1,002	381	1,004	1,000	865	1,103	937	737	821	843	855	891
	Total	19,075	1,543	563	1,520	1,489	1,238	1,631	1,748	1,616	1,706	1,855	2,003	2,163

Other than regional on-site outreach program targeting regional residents, from 2011, a small scale customized on-site outreach program has been in operation for those who need social care such as small-scale businessmen, foreign workers, multi-cultural families, North Korean defectors, etc.





Chapter 4. Efforts to Prevent Complaints and Strengthen the Relief of Rights and Interests

A brief description of the complaint is dissatisfaction about the administrative services provided by various administrative or public agencies. Since the process of dealing with complaint causes psychological and economic cost, it is better to prevent this from happening and improve people's convenience.

1. Evaluation of Handling Status of Administrative Agency Complaint

Each year, the ACRC conducts a complaint evaluation for local government. It is encouraging and supporting the fairness and accountability of the complaint processing and the satisfaction of the public administration service, and for this, the evaluation indicators are being developed and supplemented, and the target organizations are gradually expanding.

Assessment indicators are simplified annually from 26 indicators in 2013 to 23 indicators in 2014, 18 indicators in 2015, 15 indicators in 2016, 9 indicators in 2017, and 7 indicators in 2018.

The Commission carries out consulting on institutions with 'insufficient' and 'sluggish' result in the first half of the year and induce improvement. In the second half of the year, the results are confirmed by inputting the results and holding the review committee after the screening and field examination.

Regarding the results of the evaluation, the ACRC encourages voluntary efforts of various organizations through media announcements and rewards.

2. Activating Local Ombudsman

The ACRC recommends the establishment of a local ombudsman, which has the expertise and independence to resolve the complaint of each local government and its affiliates promptly and fairly.

The local ombudsman which was first established in Bucheon in 1997, has now expanded to 37 local government (6 upper level, 31 lower level) as of December, 2018.

Local ombudsman establishment and operation status

- * Upper level local government (6) : Seoul, Daegu, Ulsan, Gyeonggi-do, Gangwon-do, Chungcheongnam-do
- * Lower level local government (31) : Bucheon, Anyang, Siheung, Hwaseong, Wonju, Jecheon, Iksan, Seongnam, Yeosu, Namyangju, Yangsan, Sangju, Anseong, Yeosu, Yongin, Suwon, Pohang, Pyeongtaek, Gwangmyeong, Yeongdong-gun, Seoul Gangdong-gu, Seoul Gangbuk-gu, Seoul Gwanak-gu, Seoul Guro-gu, Seoul Mapo-gu, Seoul Seodaemun-gu, Seoul Seongdong-gu, Seoul Eunpyeong-gu, Seoul Dongdaemun-gu, Incheon Michuhol-gu, Daegu Buk-gu

※ local ombudsman : ('97~'14) 14 → ('15) 20 → ('16) 26 → ('17) 30 → ('18) 37

In 2018, the ACRC held seminars and workshops for local ombudsmen nationwide to support exchange and cooperation activities such as information sharing and communication, and run educational programs to improve the handling and counseling skills of complaint.

3. Special Complaints Investigation Team Operation

The ACRC has operated a dedicated team for handling special complaints since July 2011 in order to tackle issues posed by repetitive/unreasonable complaints. The team has resolved 166 repetitive unreasonable complaints out of the unresolved 203 cases difficult to be handled by ministries so far (July 2011 – December 2018) through settlements and persuasions.



The special complainants taken over by the special complaint investigation team expressed various intimidation behaviors including hundreds of repetitive complaints, ACRC visit protests, riots, assaults, intimidation, threats, and investigator accusations. In dealing with special complaints filed by the special complaints applicants, the Commission put its focus on dismissing misunderstanding and restoring trust by reexamining the applicant's requests and explaining one by one for them to understand, and providing the circumstance in which the applicant can listen and sympathize with each other.

As the specialized process for special complaints became active, investigators-in-charge's stress and inefficiency were improved and the quality of civil service was improved. Above all, to some special complaints applicants who suffer from obsessions, delusions, and anger control disorders, their lives have stabilized and improved.

Special complaints are a problem that all administrative agencies have, although there is a difference in degree, and it is a task that needs to be addressed through pan-governmental cooperation. So, to share ACRC's experience and example of handing special complaints with all administrative agencies and to facilitate the strengthening of the special complaints processing capacity, the 'manuals for the special complaints' were revised and published (2,000 copies) and distributed to the administrative agencies. It was posted online on the ACRC website and 40,000 people downloaded the data.

In 2018 alone, the special complaints workshop was held five times for 166 central and local administrative agencies and 2,156 relevant people participated. 61 travel lectures were given to 10,749 central and local government officials in special complaints response knowhow.

In addition to personal special complaints, the ACRC also aggressively searched for ways for improvement by including planned surveys on collective conflicts or local conflicts which may become social issues, within the scope of special complaints.



Since the conflicts among residents increased in spite of the local government's efforts for stench complaints, in 2018, ACRC initiated a planned survey on 'National shed stench complaints investigation'. It analyzed 1,500 cases of stench complaints received at the e-people in 2017 and established 727 improvement plans (closing/transferring 69, facility improvement 198, administrative guidance 460) to 533 areas nationwide (Oct. 17, 2018)





Chapter 5. Processing status of complaint by fields

1. Administration, Culture, Education, Foreign Affairs, Unification, Civil Affairs and Legal Affairs

The administration, culture, education, foreign affairs, unification, civil affairs and legal affairs sector can be categorized into five sub-sectors: administration/safety, personnel administration, culture/tourism, education, and foreign affairs/unification/civil affairs/legal affairs. Administration/safety concerns the issues related to local finance, land registry, resident and family relation registration, civil defence/disaster/fire-fighting, and general administrative affairs. Personnel administration handles complaints over personnel management, compensation/travel expenses, reward/punishment/appeal, test, pension, administrative management. Culture/tourism deals with issues about culture promotion, cultural assets, culture industry, tourism and sports. Education involves complaints related to educational policy, school management, educational management, life-long/vocational training, and policy on teachers. Foreign affairs/unification/civil affairs/legal affairs address foreign affairs, immigration, unification, overseas Koreans and others.

The civil petition for 2018 was 4,151 cases. Compared with the previous year (5,456 cases), it decreased by 1,305 cases but this was mostly other type of civil petition that did not correspond to complaint. So, if comparing only complaint, it increased from 1,223 in 2017 to 1,803 in 2018.

Complaints handled by sector

(Unit : case)

Period	Total	Administration/ safety	Personnel administration	Culture/ tourism	Education	Foreign affairs/ unification/civil affairs/legal affairs	Others
2018	4,151	954	381	136	238	94	2,348
2017	5,456	631	172	142	172	106	4,233
Change	△1,305 (△31%)	323	209	△6	66	△12	△1,885

By type of handling, 226 cases (31.2%) were accepted, including 14 corrective recommendations, 52 opinion expressions, and 155 mediation agreements.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommen- dations	Expression of opinions	Mediation/ Settlement	Dismissal	Rejection	Guidance of deliberation	Transfer/ referral	Guidance reply	Withdrawal/ Closure
2018	4,151	14	19	157	3	115	209	2	583	3,049
2017	5,456	9	7	207	0	69	80	15	701	4,368
Change	△1,305 (△31%)	5	12	△50	3	46	129	△13	△118	△1,319

☆ Corrective recommendation key example : Administration/safety

Address registration by land owner

(1) Complaint point

An applicant filed a complaint to resolve the issue that 11 lot of land owned by the applicant's great-grandfather can not be registered because the landowner name was registered differently since the Chinese characters were registered incorrectly in the land survey document.

(2) Process and investigation results

Considering the fact that ○○○'s residence and the birthplace (1933) of the applicant's father, a grandson of the landowner, is the same, and ○○'s address is displayed in the same area as ○○'s in the Land Register, it can be concluded that ○○ of the Land Register is the same as ○○ of the Registrar General.

The ACRC expressed an opinion that the respondent is required to register the address of ○○, the owner of the land register of the land subject to petition, as ****, ○○ village, ○○ city.

☆ Collective complaint field mediation key example : Education

Children's commute safety measures

(1) Complaint point

Due to ○○ elementary school enlargement construction in ○○ city, discomfort of residents occurred and the roads the elementary school students use was narrow (less than 4M), but there was no other way to go. Concerns about safety accidents required for safety measures for residents and students.

(2) Process and investigation results

After receiving and reviewing the data from the relevant agencies from ○○ province, ○ city, ○○ district, ○○ office of education, ○○ education support agency, ○○ elementary school, ○○ police office, etc. and conducting various on-site surveys and consultations with related organizations, the ACRC (Chairperson) chaired a meeting in Mar. 16, 2018 in ○○ city meeting room, where the applicant representative, parent president and vice chairman, ○○ mayor, ○○ education support center education superintendent, ○○ police chief participated to agree on resident traffic and student commute safety measures.

2. Defense & Veterans Affairs

The national defence and veteran's affairs sector can be categorized into three sub-sectors: national defence, veteran's affairs, and military. National defence concerns issues related to military installation protection zones, land for military use, general national defence affairs, and military service affairs. Veteran's affairs involve complaints over decorated patriots and veterans and their benefits. Military handles issues related to beatings and harsh treatment in military barracks and general services for soldiers in service, affairs for discharged soldiers and civilian military employees.

In 2018, the ACRC handled 967 complaint similar to 2016 (990 cases). 11.4% (79 cases) in the defense sector and 34.9% (142 cases) in the veterans' department decreased and the military

sector, which handles complaints from active duty personnel, decreased by about 10.9% (10 cases).

Complaints handled by sector

(Unit : case)

Period	Total	National defense	Veteran's affairs	Military	Others
2018	967	615	265	82	5
2017	1,199	694	407	92	6
Change	$\Delta 232$ ($\Delta 19.3\%$)	$\Delta 79$	$\Delta 142$	$\Delta 10$	$\Delta 1$

By type of handling, corrective recommendation decreased by 22.2% (4 cases), and opinion expression significantly increased by 78.3% (18 cases). The number of cases of mediation agreement (14.1%), rejection (176.2%), dismissal (900%) and guidance of deliberation (7.1%) also increased.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Rejection	Dismissal	Guidance of deliberation	Guidance reply, etc.
2018	967	14	41	218	58	10	90	536
2017	1,199	18	23	191	21	1	84	861
Change	$\Delta 232$ (19.3%)	$\Delta 4$	18	27	37	9	6	$\Delta 325$



☆ Opinion expression key example : Defense

Relief related to unfair delay payment**(1) Complaint point**

Request to exempt delayed payment due to the agency's failure to provide updated defense standards and excessive testing and inspection requirements in the implementation of the "armored vehicle parts" purchase contract

(2) Process and investigation results

The respondent thought that it would take 20 days to prepare the contract, but the respondent took more than 60 days to lend the applicant samples, and more than 200 days to provide up-to-date defense standards, thus causing delivery delays.

In addition, the respondent lacked the relevant procedures and standards for the lending of sample goods, resulting in a systematic deficiency such as occurrence of various disputes and abuse of power by one party of contract in the event of a delayed payment.

Accordingly, the ACRC expressed an opinion to re-examine the delayed payment caused by the applicant's attribution, and to prepare regulations for the sample lease period in order to deliver superior military products by ensuring sufficient production time.

☆ **Corrective recommendation key example : Military****Request to reinvestigate military deaths (suicide)****(1) Complaint point**

The applicant's brother, late second lieutenant 000 (hereinafter 'the deceased') died of a gunshot wound during a patrol at dawn on August 16, 1981. At that time, the Army treated the deceased as a suicide, and in 2001 the army headquarter reassessed it as suicide. However, The deceased graduated from the Department of Economics of 00 university, and served as the second lieutenant of ROTC army, was about to enter the largest conglomerate after the military service, and had a devoted Christian faith, thus showing no reason to commit suicide 50 days after coming of new platoon leader in terms of economic reason, family issue or personal matters. So the family asked for reinvestigation.

(2) Process and investigation results

The ACRC accepted this petition application from the applicant and in order to identify the case that has passed 37 years, it cooperated with the applicant from the process of collecting data. After a review of the death certificate of the deceased's confirmed body and the report of important events, the Commission was able to identify some inconsistencies between reports such as; different statements on the autopsy report although in the case of a firearm accident, the size and position of the entry and exit ports on the body are important, and based on the position of the deceased, the location of the acacia tree that passed through the rifle's headboard was also differently recorded. Also it found some contradictory statements made by officials during the 2001 reinvestigation.

Therefore, the ACRC could not confirm whether the death of the deceased on August 16 1981 was suicide or murder, but since conflicting investigation records and conflicting statements of the parties concerned was hard to understand, it requested for reinvestigation to the Minister of Defense through corrective recommendation.



A Planned Survey on Unused Defense and Military Facilities to Resolve Public Inconvenience

Some idle military and military facilities that were left unused were located near the houses and sightseeing spots close to the people's lives, increasing the inconvenience of citizens and complaints continuously.

As a result of analyzing 1,172 cases of damage to property rights of the defense sector received by ACRC from 2010 to 2017, of these, 676 cases (57%) were about the demolition of military facilities and unauthorized possession of private land. It was concluded that it was necessary to resolve the inconveniences of the people and to make prompt improvements for regional development and economic revitalization.

In January 2018, ACRC advised the Minister of National Defense to manage the necessary facilities in a stable manner, remove unnecessary facilities, and return the land to fundamentally resolve the disadvantages of the public.

The Ministry of National Defense accepted the recommendations and conducted surveys. The facilities needed for operational execution are to be reinforced and stably managed, the 169km boundary of the coast-river fence, located in 50 local areas nationwide will be removed by 2020 investing 49.7 billion won, and the 8,299 idle facilities, including coastal and river posts, will be dismantled by 2021 with 295.6 billion won. In addition, it will improve operability review criteria, release unnecessary military facility reserves, exchange or compensate private land for unauthorized occupation with national land.

To resolve this issue, all the relevant ministries worked together. The ACRC, the Ministry of National Defense, and the Ministry of Public Administration and Security have discussed 13 times, the Ministry of Strategy and Finance reflected 100% of the dismantlement budget in 2019, and the Ministry of Public Administration and Security and the local government provided opinions on the inconveniences of residents.

In November 2018, the ACRC and the Ministry of National Defense jointly reported the findings of the planned survey, the plans for future action, and the results of the ministry consultations to the Cabinet meeting, and the results of the planned surveys were evaluated as excellent innovation cases through the collaboration of the ministries.

3. Police

The police sector can be categorized into four sub-sectors: investigation, traffic, public safety, and general policing affairs. Investigation complaints concern requests for reinvestigation, or delays or unfairness in investigation. Traffic complaints are related to (re)investigation of traffic accidents, objection to crackdowns on traffic violations and driver's license appeal, and improvement of traffic safety facilities. Public safety handles complaints regarding prevention of crimes, reporting to and mobilizing of the police, assembly and demonstration, and information security activities. Finally, general policing affairs concern issues related to conscripted police service, coast guard safety, and police administration.

The number of complaints received and handled in 2018 was 722, down by 350 (48%) from the previous year.

Complaints handled by sector

(Unit : case)

Period	Total	Investigation	Traffic	Public safety	General policing affairs	Others
2018	722	287	195	21	218	1
2017	1,072	432	310	42	285	3
Change	△350 (△48%)	△145	△115	△21	△67	△2

By type of handling, 223 cases (30.9%) were accepted, including 19 corrective recommendations, 19 opinion expressions, and 185 mediation agreements.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Dismissal	Rejection	Guidance of deliberation	Transfer/referral	Guidance reply	Withdrawal/Closure
2018	722	19	19	185	21	28	96	20	160	174
2017	1,072	32	18	247	20	28	138	19	462	108
Change	△350 (△48%)	△13	1	△62	1	-	△42	1	△302	66

☆ Corrective recommendation key example : Investigation

Lack of investigation and delayed investigation**(1) Complaint point**

When applicant knocked and try to open the door of a car that was speeding with a horn, the driver inside accelerated and the applicant was dragged on for more than 20 meters. He reported such accident to the 112, but ○○ police office in Gyeonggi started investigating on this issue after 10 days and data on CCTV was deleted. So the applicant requested for action against the police officer who neglected investigation work.

(2) Process and investigation results

Although police officers should investigate various situations and thoroughly investigate basic investigation, in this case, 10 days after the incident occurred, investigation into CCTV data was initiated and as it was revealed that investigation was not made until the complaint was filed and as CCTV data was deleted, the police officer responsible for the negligence of the primary investigation was found to be in violation of the regulation, and corrective recommendation was made. The police chief was asked to carry out special education for the person in charge

☆ Opinion expression key example : Police

Inadequate protection measures**(1) Complaint point**

Request to investigate the case of the applicant's relative's death (hereinafter, the 'deceased'), while being protected by ○○ police office but has been killed by the failure of tracking the location of smart watch given from ○○ police office.

(2) Process and investigation results

Even if the police officers were dispatched more quickly, it would not have been possible that the case could have been prevented, but still, the fact that they did not respond actively in emergency situation such as emergency code 0, that polices neglected to take over the job properly even though they were aware that a smart watch report has come from the deceased, and that police officer did not explain that a location error in the building may not be accurately displayed while giving a smart watch to the deceased, has been judged unfair that corrective recommendation was given to the commissioner of police to take action against the relevant police officer, and opinion was expressed to improve smart watch function.

4. Welfare, Labor, Broadcasting Communication

The welfare, labor, and broadcasting and communication sector can be categorized as follows: the health and welfare area handles complaints related to social welfare, health, medical service, pharmaceutical service, family and gender equity, food, health insurance, and national pension; the labor area concerns issues over labor standards, labor-management policies, occupational health and safety insurance, employment stability, vocational training, employment insurance, and assurance of wage claims; and the broadcasting and communications area involves complaints related to wired and wireless phone and broadband services.

The number of civil petitions for grievance received and handled in 2018 was 1,539, which increased to 558 (56.4%) from the previous year.



Complaint handled by sector

(Unit : case)

Period	Total	Health & welfare	Labor	Labor Broadcasting & communication
2018	1,539	780	586	173
2017	983	494	437	52
Change	558 (56.4%)	286	149	121

By type of handling, 273 cases (17.6%) were accepted, including 7 corrective recommendations, 12 opinion expressions, and 254 mediation agreements.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Dismissal	Rejection	Guidance of deliberation	Transfer/referral	Guidance reply	Withdrawal/Closure
2018	1,547	7	12	254	19	64	23	34	970	164
2017	989	5	22	138	0	49	42	1	561	171
Change	558 (56.4%)	2	△10	116	19	15	△19	33	409	△7

☆ Corrective recommendation key example : Health and Welfare

A request to acquire dependent qualification of a partner's workplace medical insurance**(1) complaint point**

The applicant who is a workplace health insurance subscriber applied for the qualification of a dependent for a health insurance worker for a partner, but based on the 「Guidelines for Qualification Management Affairs」 modified and enforced since 1.1. 2018, if the applicant and the partner do not live together in resident registration, it is difficult to get a dependentship of a partner, and the applicant argued this is unreasonable so asked for corrective action.

(2) Process and investigation results

There is no reason to interpret the meaning of 'living together' of 「Guidelines for Qualification Management Affairs」 as living together in resident registration, the Supreme Court justice decided that cohabitation did not require the same resident registration, and the guideline included a provision that the common law marriage partner is allowed to become a dependent for the practical protection of a person in dependent relationship. Taking all these into account, corrective recommendation was given to reconsider giving qualification of a partner's workplace medical insurance. And it expressed opinion to improve the system to supplement the "recognition when living together" provisions of the qualification for dependents' dependents at the workplace for the partner listed in 「Guidelines for Qualification Management Affairs」 p.193.



☆ Settlement of agreement key example : Broadcasting communication

Request to replace old communication poles

(1) complaint point

A request has been made to transfer KT communication pole at 00, 00dong, Yongsan-gu, Seoul, as there was a risk of an accident and an infringing on the right to private property.

(2) Process and investigation results

To resolve the complaint filed with ACRC, the ACRC called a KT worker to consider setting up the communication pole in another location. The KT branch manager who is in charge of the relevant area conducted a site visit survey and suggested that KT will cover the cost of transferring KT communication pole next to electric power pole and such solution pleased the complainant.

5. Finance and Taxation

The finance and taxation sector consists of two areas: the finance area handles complaints related to national property, banking, insurance, securities, fair trade, tobacco, and procurement; and the taxation area concerns complaints related to national taxes, tariffs, and local taxes.

In 2018, the number of handled cases decreased by 6.4% compared to 2017. By sector, the financial sector decreased by 20.7% and the taxation sector decreased by 0.4%.

Complaints handled by sector

(Unit : case)

Period	Total	Finance	Taxation
2018	1,559	389	1,170
2017	1,666	491	1,175
Change	△107 (△6.4%)	△102	△5

By type of handling, 368 cases (23.6%) were accepted such as corrective recommendation 93, opinion expression 13, mediation 262, and so on.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Dismissal	Guidance of deliberation	Rejection	Transfer/referral	Guidance reply	Withdrawal/Closure
2018	1,559	93	13	262	33	156	51	13	591	347
2017	1,666	44	3	283	24	7	66	21	1,023	195
증 감	△107 (△6.4%)	49	10	△21	9	149	△15	△8	△432	152

☆ Corrective recommendation key example : Finance

Reparations mediation

(1) complaint point

Due to the fact that the building owned by the applicant occupies a part of the state land (153m²), the respondent has charged the applicant 12 million won for the past five years. However, not only does the occupied area differ from the current situation, the amount to be paid by the applicant for the loan contract is also excessive compared to the amount of the loan from the neighboring country. So, the applicant required mediation of reparations and loans.

(2) Process and results

Considering the fact that although the national land (one lot) is divided into three parts according to the purpose, there was no survey made to distinguish it, that the respondent has a different area of occupancy at the time of the filing of the Survey of Property Survey and at the time of the appraisal, and that the point at which the applicant begins to occupy the state-owned land should be viewed as a time when the complainant's state territory can be used exclusively or solely, corrective recommendation was given to clarify the boundaries of the state land through surveys and to check the period of unauthorized occupation to reimburse reparations and loans. The respondent accepted it

6. Industry, Agro-forestry, Environment and Maritime

The industry, agro-forestry, environment and maritime sector can be sub-sectored as follows: the industry and resources area concerns complaints regarding general trade affairs, patent, electricity, oil, mining, natural gas, postal service, and postal finance; the agro-forestry area involves complaints related to agriculture, stockbreeding, food policy, agro-livestock cooperatives, and forestry administration; the environment area addresses complaints over pollution, stockbreeding, waste, water supply, drinkable spring water, national parks, and sewage system; and the maritime area concerns issues over maritime and fisheries, fisheries cooperatives, and ocean ports.

In 2018, the number of complaint cases was 886, down 616 (41.0%) from 2017. There were 280 cases (31.6%) in industrial & resources sector, 363 cases (41.0%) in agro-forestry, 211 cases (23.8%) in environment field, 18 cases (2.0%) in maritime & fisheries field and 14 cases (1.6%) in others, thus the Commission processed complaints in various fields.

Complaints handled by sector

(Unit : case)

Period	Total	Industry & resources	Agro-forestry	Maritime & fisheries	Environment	Others
2018	886	280	363	18	211	14
2017	1,502	579	553	70	300	0
Change	△616 (△41.0%)	△299	△190	△52	△89	14

There were 212 cases (23.9%) accepted, among which 25 cases (2.8%) were resolved with corrective recommendation, 33 cases (3.7%) with opinion expression and 154 cases (17.4%) with mediation/settlement. Dismissal, and guidance of deliberation were made for 674 cases (76.1%).

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Dismissal	Rejection	Guidance of deliberation	Transfer/referral	Guidance reply	Withdrawal
2018	886	25	33	154	4	67	74	6	314	209
2017	1,502	39	34	280	5	97	43	10	835	159
Change	△616 (△41.0%)	△14	△1	△126	△1	△30	31	△4	△521	50

☆ Opinion expression key example : Industrial resource

Payment of compensation for farmland incorporated into public service projects

(1) Complaint point

The rice paddies owned by the applicant have been incorporated into the 'Industrial Complex Development Project', but it is unfair to compensate the applicant as the owner of an absent property, so asked for correction

(2) Process and results

According to 「Act on Acquisition and Compensation of Land for Public Service」, deciding on the land owned by the owner of the absent property should consider the fact that the project implementer should determine it by reviewing the relevant statutes and land conditions, that the applicant has been actually farming the land according to the certificate of cultivation facts, certificate of agricultural land, and certificate of agricultural management, and that it is not right to assume that he owns property as a means of property proliferation without farming just because the current address of the applicant is far from this land. So the ACRC expressed opinion to reconsider compensation.

☆ Corrective recommendation key example : Agro-forestry sector

Farmland preservation charge refund request**(1) Complaint point**

The applicant demolished an old house in Nov. 2015 located in ○○○ city ○○ Myeon ○○ Ri 198-3 Jeon 613m² and filed for its cancellation. The applicant paid to the respondent the farmland preservation charge for land diversion, and reported the building of a new house. However, to the land which has been used as house since 1974, charging farmland preservation charge was unfair, so the applicant asked for a refund.

(2) Process and results

The respondent argued that the applicant would have not been subject to the Farmland Preservation Charge if the land category change was made before filing the loss of the old house, but as he applied for a change of the land category in filing a new building, at that time it was subject to the permission for farmland diversion according to 「Farmland Act」, and thus the farmland preservation charge was imposed.

After ACRC confirmed resident registration, agricultural land registry, agricultural registration data, etc., it found out that the father of applicants has been in the citrus farming industry since 1974 while living in the former residence of this complaint, and the fact that after only four days of reporting the destruction of the old house, the newly built house was registered to continue using the land as a housing site. The Permission System for Agricultural Land Permit was introduced for the first time in accordance with the enactment and enforcement of the 「Law Concerning the Conservation and Use of Agricultural Land」, in 1973. 1. 1. According to the law at the time, farmhouses were not subject to farmland licensing, and the system for the imposition of the farmland conservation charge was established after 1976. So, taking these into account, the land of 415m², which was used as the former housing lot, it is difficult to be regarded as agricultural land under the current 「Farmland Act, so, the Commission gave corrective recommendation that it is unreasonable for the respondent to impose the Farmland Preservation Charge on the land.

☆ Collective complaint on-site mediation key example : Maritime and fishery

Disposition of a laver farm limited fishery license in

○○ Province

(1) Complaint point

The applicant was working in a laver farm with a limited fishery license near ○○ province, and the respondent A did not agree to extend the license because it causes a problem to the new port in Saemangeum. However, since such decision neglects the fishermen's right to survive, he required for an extension of the limited fishing license for three years until a replacement area for laver farm is secured, within the scope of not obstructing the construction.

(2) Process and results

The ACRC settled the issue by mediation through several field investigations and consultations with related organizations as follows :

- Respondent A, Head of ○○ Marine Fisheries Agency : Taking into consideration the necessary traffic width for safe passage of the ship for Saemangeum New Port construction, he/she agreed to the disposition of laver farming limited fishery license for area No.14 and area 25. The period of permission shall be one year, but can be extended on the condition that there is no obstacle to the construction
- Respondent B, ○○ Mayor : If Respondent A's written consent to the disposition of a limited fishing license is submitted, Respondent B shall grant the disposition of the limited fishery license, and at the time of disposition, he will prepare with the applicant, a mediation form and a 'reconciliation application form before lawsuit' which reflects the request of the respondent A, and notify respondent A of the result of the limited fishery license disposition

When the limited fishery license period ends, within 30 days, the applicant is required to dismantle the facilities, which shall be notified to respondent A, but if the applicant does not remove the facilities within the period, Respondent B may take the necessary measures, such as executive execution, immediately and the expense is charged to the applicant.

- Applicant : On fishing damage such as seaweed farming, which may occur due to the operation of ships used for new port development and its construction, applicant should not ask respondent A for any damage compensation, and if the final limited fishing permit is terminated, he will voluntarily remove the farming facility within 30 days.

7. Housing & Construction

The housing and construction sector includes housing and construction administration areas. The housing sub-sector involves house construction projects, supply and management of public rental housing, operation of the national housing fund, housing management, rental housing management, residential improvement project, redevelopment/reconstruction projects, establishment of housing association, and real estate brokerage. The construction area concerns building permission/reporting, approval for building use and change of use, building ledger management, compliance charges/vicarious execution for illegal building, and building and technical license.

The number of complaints received and handled in 2018 was 725, down by 391 (35%) from the previous year. According to the complaint sector, the number of housing areas decreased by 279 cases (37.9%) from 457 cases in the previous year, and the number of construction fields decreased by 112 cases (29.5%) to 268 cases in the previous year.

Complaints handled by sector

(Unit : case)

Category	Total	Housing	Construction
2018	725	457	268
2017	1,116	736	380
Change	△391 (△35%)	△279	△112

According to the type of processing, 226 cases (31.2%) were accepted, including 19 cases of corrective communication, 52 cases of opinion expression and 155 cases of mediation agreement.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Dismissal	Rejection	Guidance of deliberation	Transfer/referral	Guidance reply	Withdrawal/Closure
2018	725	19	52	155	16	47	35	6	198	197
2017	1,116	8	55	251	2	30	36	0	570	164
Change	△391 (△35%)	11	△3	△96	14	17	△1	6	△372	33

☆ Corrective recommendation key example : Housing

Requesting safety measures for children's play facilities in apartment complexes

(1) Complaint point

The applicant was a tenant whose child fell in children's facility in the rental housing complex and was injured. The applicant requested for a safety measures to the respondent, but the respondent asserted that the facility met safety certification standards and has no problem. So the applicant asked for the measures that may prevent accident from happening again.

(2) Process and investigation results

Even if the children's play facilities in the site comply with the safety certification standards, if safety accidents occur repeatedly or there is a significant possibility of such accidents, it is necessary to complement for the safety of users. So, the ACRC gave corrective recommendation to take necessary measures as soon as possible to prevent a safety accident from recurring at this complaint facility. As it is required to prevent recurrence of similar accident cases and improve efforts for safe play environment of children living in apartment houses, the Commission expressed opinions to improve the system to establish and enforce relevant supervisory procedures.

<Corrective recommendation key example : Construction>

Objection of Designated Road Closure under Building Act**(1) Complaint point**

To the road which was designated as a passenger road under the Building Act, the owner blocked people from passing through it with iron door as it was privately owned. So the applicant claimed several times to the respondent but the respondent did not take any action towards it.

(2) Process and investigation results

This road site was previously used as a road, it's the only way to get to the land of applicants, and it was designated as roads under the Building Act at the time of building permit, which should be provided for unspecified public traffic as well as landowners. The respondent was aware that the building or workpiece could not be installed beyond the boundary of the road, but did not manage the condition for long time. The court also ruled that building doors on the road are not allowed under the Building Act in consideration of the public interest as well as the convenience of the users of the building.

Taking all of the above facts into consideration, the ACRC made corrective recommendation to take a measure to ensure that the complained road designated as a road under the Building Act be provided for public traffic (vehicle and pedestrian) at all times.

8. Urban and Water Resources

The urban area and water resources sector can be divided into two parts: the urban area handles complaints related to urban development or housing site development projects, other large scale public development projects, determination of urban facilities and management planning, management of limited development districts, and development permission; and the water resources area concerns complaints related to rivers and dams. In 2018, the complaint received and processed were 903 cases, including 763 cases in the urban area and 140 cases in the water resources.

Complaints handled by sector

(Unit : case)

Category	Total	Urban area	Water resources	Others
2018	903	763	140	-
2017	1,329	1,122	207	1
Change	△426 (△32.1%)	△359	△67	△1

The status of complaint by type was 13 corrective recommendations, 86.7% increase compared to the previous year, and 27 opinion expressions increased by 3.9%.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Dismissal	Rejection	Guidance of deliberation	Transfer/referral	Guidance reply	Withdrawal/Closure
2018	903	13	27	220	16	33	69	-	383	142
2017	1,329	7	26	323	0	36	53	-	718	166
Change	△426 (△32.1%)	6	1	△103	16	△3	16	-	△335	△24



☆ Corrective recommendation key example : Urban area

Housing tenants request for special supply of public rental housing**(1) Complaint point**

In the houses that were incorporated to the public housing district creation project conducted by the Respondent, despite the fact that the applicant has lived as a tenant and has been paid the residence transfer fee, the building on which the applicants reside is listed as an attachment or boiler room and shelter. Due to this fact, it has been excluded from the beneficiary of special supply of public rental housing, and therefore the applicants asked for correction.

(2) Process and results

The following facts were considered: The annexes, etc. inhabited by the applicants correspond to the attached appendices specified in the former 「Urban Planning Act」 and 「Building Act」 ; the annexes used for the residential use of the applicants are considered to be legitimate 'houses'.; when the applicants were paid the residence transfer fee under the 「Land Compensation Law」 , the annexes were recognized the legitimate "residential building" but not to be recognized as a 'residential building' at the time of screening the special supply of public rental housing, is unjustifiable disposition to have been judged differently for the same building.

Therefore, the ACRC gave corrective recommendation to select applicants as a beneficiary for the special supply for public rental housing.

☆ Corrective recommendation key example : Water resources

Compensation demand for incorporated land to dam

(1) Complaint point

The applicant asked for compensation for the land that was incorporated and submerged in the dam construction conducted by the respondent in 1977, but was rejected for the reason that whether the land was subject to compensation at the time of the dam construction project was unclear and whether the compensation has been given at that time was also unknown. The applicant demanded that it is unfair to reject compensation due to the fact that the statute of limitation is complete.

(2) Process and results

The following facts were considered: The land in which the applicants requested compensation was incorporated and submerged in the dam construction project in 1982 but it was judged the land not compensated at that time.; the dam construction law stipulates that the dam construction area should be notified without delay when the dam construction is completed as the river area according to the 「River Act」, but the complaint land has not been notified as the river area so far, therefore it is not possible to apply the statute of limitation on claim for compensation.

Bearing these facts in mind, the ACRC made corrective recommendation to compensate for the land.

9. Transportation and Road

The transportation and road sector includes sub-sectors as follows. The transportation part involves complaints over remedy for damage(s) incurred by accidents by road vehicles (bus, taxi, truck, etc.)/flights/trains/subways ; issues on license/registration (cancellation, release from seizure, etc.); parking, stopping and other vehicle-related fines and penalties; compensation for residual land after railroad construction; and compensation for losses. The road part concerns issues related to compensation for residual land after road construction, appeal for compensation evaluation, compensation for losses, construction of entry/exit route, appeal

for road occupation/occupation fees/indemnities, and soundproof walls.

In 2018, the number of complaints filed in the transportation and road sectors was 1,116, down 241 (17.8 percent) from the previous year. In detail, 78 complaints in the transportation sector (17.1 percent) and 159 complaints in the road sector (17.8 percent).

Complaints handled by sector

(Unit : case)

Period	Total	Transportation	Road	Others
2018	1,116	378	734	4
2017	1,357	456	893	8
Change	△241 (△17.8%)	△78	△159	△4

By type of handling, the number of corrective recommendation, opinion expression, mediation, and settlement was 271, accounting for 24.3% of the total, 3.1%p higher than the previous year's 21.2%.

Result of complaints handled

(Unit : case)

Period	Total	Corrective recommendations	Expression of opinions	Mediation/Settlement	Rejection	Guidance of deliberation/dismissal	Transfer/referral	Guidance reply	Withdrawal/Closure
2018	1,116	5	17	249	66	233	8	376	162
2017	1,357	11	21	256	59	165	19	746	79
Change	△241 (△18%)	△6	△4	△7	7	68	△11	△370	83

☆ Corrective recommendation key example : Transportation

Permit to occupy and use the road or sell privately state-owned land**(1) Complaint point**

The applicant plans to build a garage on the land contiguous to the provincial road ○○ line, but some of the provincial roads included railroad site, requiring licensees to submit permits for the use of railroad site. The respondent would not give permission to use the railroad. So the applicant asked for permission to use the road to build a garage or sell the railroad site to the applicant.

(2) Process and results

The state-owned land managed by the respondent has already lost its function as a railway, and should be regarded as 'road' since it was designated as a provincial route in 2003. According to the Road Act, private ownership on the road is limited, so, it will be appropriate for the Road Management Authority to decide whether to permit road use. The ACRC made corrective recommendation for the licensor to directly review the permission to use the road.



☆ On-site mediation key example : Road

A demand for residents' safety due to the Yeoncheon railroad bridge and small river bridge extension

(1) Complaint point

As the railway line in front of the village is raised by about 4.0 meter from the present to the earth by the double track train construction project conducted by the respondent, the villages are divided and there is concern about damages such as the view and the ventilation being blocked. Improvement of safety facilities, such as bridging and expansion of traffic routes is requested.

(2) Process and results

After completing dozens of consultations and field surveys with the applicant, the respondent and related organizations, the following on-site mediation result was agreed: Four pathway boxes (traffic corridors) are installed to minimize the damage to villages.; after conducting the traffic impact assessment to connect the passage box and the adjacent road, the assessment result will decide the lane number (2nd ~ 4th lane); passengers are allowed to access to the station by north side when they were only using the south passage road of the station. and; facilities next to railway sites (parks, squares, parking lots, etc.) are established.

10. Business Grievance

To realize the government's goal of 'living together well', and to support major tasks of the government; 'to create decent jobs that are at the level of the people's eyes', 'to activate the social economy', 'to cooperate with the large and small enterprises to develop together', 'to strengthen the capabilities of small businesses and self-employed', 'to build robust growth environments for small and medium enterprises', the ACRC has been promoting business ombudsman activities to quickly and accurately address relevant public concerns.

In order to improve accessibility and convenience for the public in solving corporate complaints, the Commission have opened an internet application channel for corporate

complaints in the e-People since 2009, and from 2014, it has been promoting 「Corporate Grievance Site Meeting」 to strengthen grievance resolution on-site for SMEs, small business owners and self-employed people.

2018 Corporate Grievance Meeting Results

Total	Resolved				Processing				Unable	solving rate (%)
	Sub total	Complaint	Policy suggestion	Field Consulting	Sub total	Complaint	Institutional improvement	Policy suggestion		
287	97	14	37	46	118	22	10	86	72	33.8

The on-site meeting is held in a way to listen to the difficulties and complaints that occur throughout the company's business activities, such as licensing, hiring, certification, sales channels, and funding, and seek rational solutions together with related organizations in the field.

Explanation or introduction of related laws and systems, business, and policy, and linking of the agencies concerned are solved immediately at the site in the form of an instant reply, and issues that require further review and follow-up are to be submitted as a complaint and investigated. In addition, policy proposals that require improvement of laws and systems are processed by the ACRC, such as consultation with the relevant ministry, and are notified to the proposers of the results, including whether they are reflected.



☆ Key example

Key business complaint in 2018

- ▶ Company ○○ received the waste disposal (incineration) facility through bidding and received succession duty and rights, was notified of confirmation for change of designated waste business plan, and applied for the permission of the building with all the requirement set by relevant law such as the 「Building Act」, but was facing opposition from the residents. So, based on the investigation of facts made by legal and technical experts, and suggestions for improvement to resolve complaints, ACRC made recommendation to make building permit possible.
- ▶ Company ○○ has applied to the contest of 「Eco friendly complex project」 in 00 Province 00 city, as business operator, but 00 city violated the bidding rule and selected B company as priority negotiator when this company was not qualified for business applications. So company ○○ became second in negotiation and asked for correction. Through our review on the interpretation and application of the relevant guideline and fact-finding survey, the ACRC confirmed that the selection and evaluation of business operators of 00 city has been unfair, and thus it asked for action to cancel business operator selection.



Part
05

Operating Fair and Prompt
Administrative Appeals



Chapter 1. Operation of Administrative Appeals

1. Overview of Administrative Appeals

(1) Primary Roles of Administrative Appeals

The administrative appeals system has two objectives: protecting people's rights and interests, and autonomous control of administration. Protecting people's rights and interests involves the protection of individual rights and interests from illegal or unjust measures of administrative agencies, while autonomous control of administration allows administrative agencies the opportunity to voluntarily correct their wrongdoings, thereby guaranteeing the legality and purposefulness of their administrative actions.

Article 1 of the Administrative Appeals Act clearly explains that the purpose of administrative appeals is the protection of people's rights and interests and the voluntary control of administration when it states that "The purpose of this act is to relieve citizens from the infringement of rights or interests caused by any illegal or unjust disposition or omission of public power by administrative agencies through the administrative appeals procedures, thereby achieving a due operation of administration."

Protection of People's Rights and Interests

The administrative appeals system is aimed at protecting people's rights and interests from illegal or unjust measures of administrative agencies. It is possible to request that the relevant agency take a more proactive measure through a judgment of unjustness or an appeal for the performance of obligation, requests which cannot be filed through the

administrative litigation system. The administrative appeals system is, therefore, relatively more efficient than administrative litigation in terms of protecting people's rights.

Autonomous Control of Public Administration

Autonomous control of administration allows administrative agencies to autonomously assess and review whether enacted measures are illegal or unjust, thereby ensuring the autonomy and appropriateness of public administration.

Enhancing Efficiency and Expertise in Public Administration

In today's administrative environment, where promptness is essential, the administrative appeals system provides a rational alternative to judicial procedures, as it allows for a swift and simple resolution of administrative disputes, thereby making the process more convenient and efficient. In addition, expert knowledge of administrative agencies enables the protection of people's rights and interests in a fair and precise manner.

(2) Characteristics of the Administrative Appeals Commission

Deliberation and Adjudication

Administrative appeals commissions are collegiate bodies invested with the authority to deliberate and rule on adjudication requests. The commissions are required to deliberate and rule on arguments from an objective third-party perspective, through the examination of evidence and the review of related laws.

Collegiate Administrative Body

The administrative appeals commissions begin their sessions when the majority of the members are present, and rule by a majority vote of the present members. In order to



ensure the objectivity and neutrality of the commission members, the commissions are not entirely composed of public officials, but non-standing private sector members, such as lawyers and professors are included.

Quasi-judicial Administrative Agency

In accordance with the Administrative Appeals Act, to guarantee independent adjudication of the commissions when deliberating and ruling on appeals, various judicial procedures—such as intervention of stakeholders, the exclusion, avoidance or evasion of members, the appointment of agents and examination of evidence—are applied.

Temporary Institutions

Administrative appeals commissions play a pivotal role in administrative appeals; however, they exist as temporary, not permanent, institutions convening for meetings only when an appeal has been filed and deliberation and adjudication becomes necessary.

(3) Types of Administrative Appeals Commissions

Central Administrative Appeals Commission (CAAC)

Established under the ACRC, the Central Administrative Appeals Commission (CAAC) deliberates and rules on appeals filed against the following agents and agencies for their disposition or omission:

- Heads of administrative agencies or their subsidiary agencies
- Mayors of special, metropolitan and special autonomous cities, provincial governors, the governor of the special autonomous province
- Educational superintendents and assemblies of special, metropolitan and special autonomous cities, provinces and the special autonomous province

- Other administrative agencies jointly established by the state, local governments, public corporations, etc.

The CAAC consists of fewer than 70 members, including a chairperson and no more than 4 standing members (currently 3). The chairperson of the CAAC is also a vice chairperson of the ACRC, and when the chairperson is absent or unable to perform duties due to inevitable circumstances, a standing member (in order of seniority of service as a standing member, and in cases of equal seniority of service, in order of age) may act on that chairperson's behalf.

CAAC meetings are attended by nine members: a chairperson, standing members and non-standing members designated by the chairperson for each meeting. The commission rules by a majority vote of the present members when a majority is present.

Municipal Administrative Appeals Commissions

The municipal administrative appeals commissions are established under the mayors of special, metropolitan and special autonomous cities, provincial governors and the governor of the special autonomous province to deliberate and rule on appeals filed against the following agents or agencies for their disposition or omission: municipal administrative agencies, municipal heads and the relevant agencies, and municipal assemblies and administrative agencies jointly established by two or more municipal governments or public corporations. The municipal administrative appeals commissions, as collegiate bodies, have the same characteristics as the CAAC.

Other Administrative Appeals Commissions

Apart from the CAAC and seventeen municipal administrative appeals commissions, the Administrative Appeals Act is also applied to administrative appeals commissions within the following institutions: metropolitan and provincial offices of education (seventeen



commissions), high prosecutors offices (five commissions), regional corrections headquarters (four commissions), the Board of Audit and Inspection, the National Intelligence Service, the Presidential Secretariat, the Korea Communications Commission, the National Assembly Secretariat, the National Court Administration, the Constitutional Court Secretariat, the National Election Commission Secretariat and the National Human Rights Commission, etc.

Specialized Administrative Appeals Commissions

Article 4 Paragraph 1 of the Administrative Appeals Act stipulates that unless it is necessary given the extraordinary and exceptional nature of a specific case, other acts shall not provide for specialized administrative insubordinate procedures that substitute the administrative appeals under this act, or any exceptional case of the administrative appeals procedure under this act. Cases in point include administrative appeals regarding taxes, patents, expropriation and use of land, personnel matters, unfair labor practices, and insurance benefits such as those provided by the National Health Insurance Service.

2. Operation of Administrative Appeals

(1) Field-Centered Administrative Appeals

Circuit Administrative Appeals

Circuit administrative appeals, which are included in on-demand administrative appeal services, allow claimants who have difficulties attending deliberation in person, to instead receive local visits from CAAC representatives. These appeals were initially held at Daejeon and Daegu Metropolitan Cities in 2014, and a small pilot meeting—attended by four members—was held in 2014. As the CAAC moved to the Government Complex Sejong in 2015, circuit administrative appeals were expanded and continued on a larger scale in 2017.

Administrative Appeal System Briefing for Private Companies

In order to increase the understanding and utilization of the administrative appeal system for the private enterprise sector and to expand the protection of the rights of the enterprises that are violated from the illegal and unjust administration, the ACRC held briefing on administrative appeal system. In 2018, SMEs and industrial cluster complexes were selected, so, in March, the Commission held a session for members of the Busan Chamber of Commerce and Industry, and in April, for members of the Ansan Chamber of Commerce and Industry. However, as companies need to maintain a close relationship with the administrative agencies, they have expressed a great interest in the newly introduced adjustment system rather than administrative litigation.

Field Evidence Examination

As the CAAC deliberates and makes decisions on hundreds of cases per week, written deliberations are more common than actual face-to-face hearings. In order to overcome the limitations of written deliberation and conduct close examinations of facts, officials in charge of reviewing administrative appeal cases actively conduct field evidence examinations. In 2017, more than 200 field examinations took place; and in 2018, 160 cases.

(2) Expanding the Rights Relief by Strengthening the Administrative Appeal Capacity

Operation of the State-Appointed Agent System for Administrative Appeal

Administrative appeal is a system for the people by lowering the threshold so that the people could freely access it for the purpose of relieving the rights and interests of the people and for the self-control of the administration. With the increasing number of general cases involving complex factual and legal relationship recently, the appointment rate of lawyers and other agents is continuously increasing in the case of administrative appeal,



but legal and institutional support for claimants who do not receive the help of experts due to reasons such as economic circumstances is relatively insufficient.

So, through the revision of law in 2017, the ACRC adopted a state-appointed agent system for administrative appeal to help claimants receive help of the court-appointed agent when a claimants cannot appoint an agent because of the economic reason. It has been fully implemented since November 1, 2018 through the amendment of the subordinate act in 2018.

Implementing the Administrative Appeal Mediation System

As the responsiveness of the public administration has weakened in the fast changing society, various types and sizes of disputes have increased rapidly between the public and administrative institutions. However, the administrative appeal solves the public conflict by satisfying only one party between the applicant and the respondent, and therefore, it shows some limitations in resolving the public conflict within the administration.

So, the ACRC introduced an administrative appeal mediation system for those cases which involve sharp conflicts among relevant parties and have far-reaching impact to be resolved promptly through mutual agreement and has been practicing it since May 1, 2018.

Corrective Measures on Unreasonable Laws

In accordance with Article 59 of the Administrative Appeals Act, if an order (including presidential decrees, ordinances of the prime minister or any of the ministries, directives, established rules, notifications, and municipal ordinances and rules) which constitutes grounds for a disposition or omission, is substantially unjust due to the absence of a statutory basis, conflict with superior legislation or excessive burden to the citizens, the CAAC may request that a relevant administrative agency take a proper corrective measure, including amendment or repeal of order in question.

Operating Training Course for Administrative Appeal Experts

To improve the expertise of the administrative appeal review officers and to improve the quality of the review and shorten the period, since 2011, the ACRC have opened 'Administrative appeal specialist training course' as part of ACRC Academy. To strengthen professionalism, the contents include, theories on issues by case, the latest case, medication system special education, and administrative litigation practice, etc.

(3) Strengthening Cooperation with Relevant Agencies

Specialized Education by Sector

Reflecting the introduction of the state-appointed agent system and the mediation system, the specialized education by sector has been carried out with contents of an introduction to the revised provisions of Administrative Appeals Act and the new system in addition to the administrative appeal practice and system and major rulings of information disclosure cases. The central government officials in the relevant fields came as instructors so that they could help greatly in practice.

Promoting Exchange and Cooperation with Special Administrative Appeal Agency

In 2018, the ACRC tried to exchange and cooperate with special administrative appeal institutions such as the Central Land Tribunal, the Patent Tribunal, and the Industrial Accident Compensation Insurance Appeal Committee. Through this, the Commission shared similar but different management methods, learned the merits of each other and laid a valuable foundation to cooperate in the future.

Operating Internship Program for Law School Students

With the aim of nurturing legal talent to proactively protect people's rights and interests, the



ACRC operates a practical training course of 2 weeks for law school students since 2011, offering hands-on experience with administrative appeals in the field.

(4) Collaboration and Communication

Conducting the 3rd Mock Administrative Appeal Contest

The mock administrative appeal contest was first held in 2016, intended to make administrative appeals more accessible to the public and to provide law school students—future members of the legal community—with opportunities to understand and experience administrative appeals, which are representative measures for the protection of people’s rights. In its third contest in 2018, Korean Bar Association, the Korea Legal Aid Corporation, the Legal Newspaper, and the Law School Graduate School Council joined as a partner organization, and 140 students from 23 teams of 16 law schools participated.

Press Release of Major Rulings

The ACRC actively distributed its key rulings to the media in a press release. A total of 34 press releases were distributed in 2018, and the object was closely related to the life of the people among the items proposed to the committee held every week and was selected through weekly meetings with high publicity value. It was reported through major broadcasters and daily newspapers.

On- and Off-line Promotion

The ACRC strengthened on- and off-line promotion through various channels to promote administrative appeal to the public in a more familiar way other than distributing rulings to the media.

To promote 2030 generation awareness, mobile advertising was carried out from June to



December, 2018, and SNS events were held to encourage people's empathy and participation from September to November. In addition, in order to raise the awareness of the administrative appeal, the ACRC carried out publicity campaigns to inform the administrative appeal such as city bus voice advertisement to 6 stops in Seoul city for 2 months from March to April, and video advertisement on a big billboard at KTX Seoul station in August.





Chapter 2. Achievements of the Central Administrative Appeals Commission

1. Administrative Appeals Received and Resolved

The CAAC received 23,043 administrative appeals in 2018, an decrease of 4,875 cases from the previous year. By type, the number of general complaints decreased by 819 cases, cases concerning veteran's affairs decreased by 141 cases, while appeals on driver's licenses fell by 3,915 cases. The number of resolved cases stood at 25,153 in 2018, a decrease of 622 cases from the 25,775 cases in 2017. The resolution of general cases increased by 582 cases, and veteran's affairs increased by 99 cases while appeals on driver's licenses decreased by 1,303 cases.

Status on Appeals in the Past Seven Years

(Unit: case)

Year	Received	Deliberated & adjudicated				Acceptance rate (%)	Withdrawn/referred
		Total	Accepted	Rejected	Dismissed		
2012	25,317	24,987	3,983	19,974	1,030	15.9	1,015
2013	25,570	24,405	4,227	18,820	1,358	17.3	1,089
2014	25,301	25,270	4,131	19,164	1,975	16.3	1,068
2015	24,425	24,947	3,933	18,627	2,387	17.4	1,433
2016	26,730	26,080	3,901	19,315	2,864	16.8	1,699
2017	27,918	25,775	3,584	19,105	3,086	15.8	1,307
2018	23,043	25,153	3,814	18,928	2,411	16.8	1,401

2. Analysis by Type

According to the cases by type received by the CAAC in 2018, 16,827 (73.0%) involved appeals on driver's licenses, 4,912 (21.3%) concerned general complaints cases and 1,304 (5.7%) were rewards for patriots and veterans.

Violations regarding driver's licenses constitutes the largest percentage of cases received. It can be explained by both an increase in car ownership and the provision of the Road Traffic Act, which requires claimants to go through an administrative appeal procedure before filing administrative litigation.

Statistics on Cases Received by Type

(Unit: case, %)

Category	Appeals on driver's licenses		Cases on rewards for patriots and veterans		General complaints	
	Received	Ratio	Received	Ratio	Received	Ratio
2016	20,747	77.6	1,372	5.1	4,611	17.3
2017	20,742	74.3	1,445	5.2	5,731	20.5
2018	16,827	73.0	1,304	5.7	4,912	21.3

(1) General Complaint Cases

General complaint cases vary in origin, and include cases concerning employment and labor, information disclosure, national defense, legal affairs, land and transportation, a variety of exams, health and welfare, school bullying, fiscal affairs and finance, the environment, and culture.

The number of cases handled in 2018 was 5,251, an increase of 582 from the previous year, and in particular, the number of acceptance increased by 330 (124%) from the previous year. This is attributed to the fact that when the administrative agency's collection of fees for a

specific corporation (local agricultural and livestock industry cooperative) was determined to be illegal or unfair, over 200 cooperative associations across the country filed an administrative appeal and was judged with the same accepted ruling. The CAAC is trying to restore the rights infringed by the wrong doings of administrative agencies, and by actively promoting it, working hard to help people restore their rights through administrative appeal whose rights have been similarly infringed.

General Complaint Cases Received and Resolved

(Unit: case)

Category Year	Cases received	Cases resolved			
		Total	Accepted (acceptance rate)	Rejected	Dismissed
2016	4,611(17.3%)	4,600	390(18.8%)	1,685	2,525
2017	5,731(20.5%)	4,669	266(14.0%)	1,633	2,770
2018	4,912(21.3%)	5,251	596(19.1%)	2,530	2,125

The majority of general complaint cases require significant time and personnel for case review due to the often complex nature of case content, and the significant number of related records. In addition, the types of cases vary as disposition agencies include central administrative institutions, as well as local governments and their affiliated organizations. However approximately 18% of general complaint cases are accepted.

(2) Cases Concerning Rewards for Patriots and Veterans

Cases concerning rewards for patriots and veterans are those appeals related to applications for persons of distinguished service to state, persons of distinguished service to independence, war veterans, patients suffering from actual or potential aftereffects of defoliants, and persons of distinguished service according to the related laws on rewards for patriots and veterans and their families. Most cases are disputes over registration as persons of distinguished service to state against the Ministry of Patriots and Veterans Affairs

and Regional and District Offices of Patriots and Veterans Affairs.

Cases on rewards for patriots and veterans are relatively less complex compared to general complaint cases. However, as the events that serve as the backgrounds of disputes—such as the Korean War and Vietnam War—occurred long ago, there are often few related existing records to serve as proof of wounds of claimants. In addition, cases regarding rewards for patriots and veterans require both legal and medical assessment to determine correlation between a claimant's wounds and public duties served.

In order to resolve cases concerning rewards for patriots and veterans based on professional advice, the Specialized Committee on Rewards for Patriots and Veterans and Medical Treatment, which consists of medical experts, is operated under the CAAC. Assessment and advisory consulting from outside professionals also frequently takes place.

Cases Concerning Rewards for Patriots and Veterans Received and Resolved

(Unit: case)

Year	Category	Cases received	Cases resolved			
			Total	Accepted (acceptance rate)	Rejected	Dismissed
2016		1,372(5.1%)	1,424	52(3.8%)	1,314	58
2017		1,445(5.2%)	1,343	42(3.3%)	1,244	57
2018		1,304(5.7%)	1,442	53(3.9%)	1,317	72

(3) Driver's License Cases

Appeals on driver's licenses are those claims concerning administrative appeals regarding administrative dispositions of suspension or cancelation of driver's licenses in accordance with the Road Traffic Act. Each year, approximately 300,000 administrative dispositions are handed down, and a number of appeals are consequently filed.

Appeals on driver's licenses have the characteristics of "cases related to livelihood," as they

are closely associated with employment or the means for living of claimants. The quantity of such appeals is larger than that of general complaint cases or cases regarding rewards for patriots and veterans; however, such cases present few juridical controversies, and factual relevance (such as the fact that a claimant was driving under the influence of alcohol) is comparatively straight forward.

Appeals on Driver's Licenses Received and Resolved

(Unit: case)

Year	Category	Cases received	Cases resolved			
			Total	Accepted (acceptance rate)	Rejected	Dismissed
2016		20,747(77.6%)	20,056	3,459(17.5%)	16,316	281
2017		20,742(74.3%)	19,763	3,276(16.8%)	16,228	259
2018		16,827(73.0%)	18,460	3,165(17.3%)	15,081	214

The number of driver's license cases accounted for 73% of the cases, and in recent years, the acceptance rate has remained around 17%. However, since there is growing social concern in the accident caused by drunk driving, and as the need to strengthen sanctions against drunk driving is emphasized, it is expected that future cases of driving under the influence will be dealt more strictly.

3. Resolution Time

Article 45 of the Administrative Appeals Act specifies that a ruling on an administrative appeal should be made within 60 days from the date on which a respondent or commission received the written appeal. In the event that inevitable circumstances exist, a chairperson may extend the period by 30 days ex officio, meaning that cases should be resolved within 90 days under these special circumstances¹.

Due to the steady increase of cases received and a lack of personnel, overdue cases resolutions occur every year. In particular, written responses from the disposition agencies regarding general complaints cases with difficult and complex content are often sent past the due date, which is ten days from the receipt of the claim.

The CAAC has taken a number of measures to reduce appeal resolution time, including improving internal processes, placing special focus on cases which have remained unresolved for lengthy periods, enhancing the expertise of working-level personnel, and requesting concerned agencies to observe submission deadlines. The CACC recognizes the need for the swift resolution of appeals, and the organization will continue its efforts to shorten resolution time.

1) Administrative Appeals Act

Article 45 (Period for Making Rulings)

- ① A ruling shall be made within 60 days from the date on which the appellee or the commission has received a written appeal under 23. Provided, that if unavoidable circumstances exist to the contrary, the chairperson may extend the period for another 30 days ex officio.
 - ② If a ruling period is extended under the proviso to paragraph (1), the chairperson shall inform the parties thereof by seven days before the ruling period expires.
-

Status of Resolution Time in the Past Three Years

(Unit: case)

Category	Total number of cases resolved	Resolution time on average (days)	Number of cases resolved within resolution time		Number of cases exceeding resolution time
			Within 60 days	Within 61-90 days	Exceeding 90 days
2016	26,080	75.55	15,101 (57.9%)	6,553 (25.1%)	4,426 (17.0%)
2017	25,775	77.16	15,981 (62.0%)	3,986 (15.5%)	5,808 (22.5%)
2018	25,153	82.61	15,774 (62.7%)	3,277 (13.0%)	6,102 (24.3%)

4. Oral Hearings

Administrative appeals can be deliberated orally or in writing. Oral hearings consist of the hearing of statements and deliberation conducted with the pertinent parties at a commission office. Oral deliberation provides additional clarity compared to written deliberation as question and answer sessions allow for the easy analysis of factual evidence, and dubious information and contradictions can easily be detected and resolved. Because of these strengths, oral hearings have been adopted as a general principle of deliberation in trials, becoming an official part of lawsuits. The Administrative Appeals Act institutionally guarantees the claimant's right to apply for oral hearings by allowing oral deliberation to be conducted upon request, except for in certain cases.

5. Suspension of Execution and Temporary Disposition

The Administrative Appeals Act adopts the principle of non-suspension of execution. This means that the disposition which is subject to appeal remains in effect despite an appeal having been made. However, if it is deemed that non-suspension could possibly cause serious loss to a claimant, a suspension of execution can be requested by the party or ex officio.

Suspension of execution plays an important role in protecting procedural rights of the public; however, it is not always a sufficient response to breaches of rights and interests due to illegal or unjust dispositions of refusal or omission, as it is limited to restoring the status as it was prior to disposition. In consideration of this, the Administrative Appeals Act allows for the enactment of temporary dispositions in order to more ably protect against instability for parties who can not be relieved by suspension of execution alone.

When it is highly likely that a disposition or omission will be deemed illegal or unjust, but suspension of execution is not adequate in providing relief, a temporary disposition to grant protection to the party from a possible disadvantageous risk may be requested.







Part
06

**Enhancement of Policy Feedback
through Communication with the
People**



Chapter 1. Operation of Public-Oriented Communication System

1. Establishment of One-Stop Communication Channel

As a communication channel between the public and the government, and under the slogan of “No voice left unheard,” the ACRC has launched e-People, an online communication portal integrating the management of civil petitions, public policy suggestions and participation that were previously handled individually by each administrative agency.

Starting with the integration of civil petition, policy suggestion and public participation systems of seven central administrative agencies in August 2005, e-People brought together all central administrative agencies by July 2006, and connected equivalent systems in local governments and major public organizations in February 2008. As of 2018, 997 such organizations use e-People.

Since 2016, the ACRC has also led the transformation of e-People into the Integrated e-People Operating System that directly handles all complaints submitted to local governments including civil petitions, inquiries and proposals with the exception of legal complaints.

2. Enhanced Quality Control of e-People Civil Petition Services

The ACRC has supported training and consulting services regarding the operation of e-People in order to enhance the capability of different organizations in handling complaints. The ACRC inspects and assesses the quality of e-People services provided by administrative agencies



every year in order to provide the public with a quality civil petitioning service.

Notably, in order to improve the prevalent practice of passing over complaints among organizations (“ping-pong complaints”), the ACRC introduced a system for ping-pong complaint mediation in 2015. Since then, the ACRC has made efforts to stabilize the system with consistent reviews and monitoring in addition to revising complaint categorization chart that serves as a reference for assigning which organization is responsible for handling certain types of complaints.

As a result, the average handling period of a ping-pong complaint that had been transferred more than three times was maintained at 2.5 days, providing a basis for prompt submission and handling of complaints. In addition, the ACRC successfully lowered the number of ping-pong complaints out of total complaints.

3. Provision of Multilingual Services on e-People

The ACRC provides e-People services in 14 languages, starting with English, Chinese and Japanese in June 2008.

Timeline of Launch of Multilingual Complaint Service

Launch	Jun 2008	Dec 2009	Jun 2010	Nov 2010	Feb 2011	May 2011	Sep 2011	Nov 2011	Dec 2012	Nov 2013	Jun 2016
Language	English Chinese Japanese	Vietnamese	Mongolian	Indonesian	Thai	Uzbek	Bengali	Cambodian	Sinhala	Nepali	Russian Burmese

Multilingual Complaints Received

Year	2008	2009	2010	2011	2013	2013	2014	2015	2016	2017	2018
Case	178	480	722	724	800	1,230	905	1,370	1,561	1,683	1,630

The multilingual e-People service allows Korean expats and foreigners residing in Korea that have no command of Korean to file civil complaints in their mother tongue. The concerned public organization then handles the civil complaints and notifies the petitioner of the translated outcome.

4. Establishing the Foundation for the Cooperation of the Public and Civil Affairs Online

e-People Policy Suggestion is a government channel for online and offline policy suggestions, that seeks to enhance the quality of administrative services by incorporating people's ideas for policy improvement identified in their daily lives, and to proactively offer user-centered services.

The aim of the system is to gather a range of public opinions from the field on any shortcomings in policy design or undetected issues in the implementation of laws, institutions, or government projects, and to identify better solutions and improvement measures based on public-private partnerships.

In 2018, out of a total of 72,955 cases submitted, 5,511 cases were adopted, and the ACRC plans to create a smarter proposal window so that the voices of individual citizens who can make a individually insignificant but collectively powerful influence will be reflected more in the state affairs.

The ACRC has also operated the e-People Policy Participation and People's Idea Box to better communicate and work together with the public in establishing, implementing, and assessing government policies.

The e-People Policy Participation is an online communication channel that provides a venue for free exchange of ideas between the public and the government on enactment and revision of laws, or government projects and policies. Using this integrated communication channel, each administrative agency can gather public opinions while the public can present their ideas on government policies more easily.

As of 2018, the e-People Policy Participation system has been integrated with the policy participation channels of 207 government organizations. Over the past year alone, 1,865



items from different organizations went through online hearing, policy discussion and survey, facilitating communication with the public that offered a total of 49,990 opinions.

e-People Policy Participation Status

(Unit: case)

Year	Total		Online hearing		Policy discussion		Survey	
	Items	Opinions	Items	Opinions	Items	Opinions	Items	Opinions
2011	700	71,357	636	66,345	41	612	23	4,400
2012	994	51,676	906	35,341	53	3,594	35	12,741
2013	1,359	44,044	994	3,688	280	11,075	85	29,281
2014	2,869	51,588	2,085	7,716	627	10,257	157	33,615
2015	3,870	74,334	2,642	21,636	976	19,958	252	32,740
2016	3,642	90,023	2,330	20,855	964	35,991	348	33,177
2017	2,484	42,971	1,893	7,766	379	13,127	212	22,078
2018	1,865	49,990	1,696	31,383	89	4,190	80	14,417

In order to actively meet the need for public policy participation, the ACRC launched the People's Idea Box (idea.epeople.go.kr), a mobile communication platform in conjunction with e-People, on March 28, 2016. The People's Idea Box aims to serve as a venue for communication and collaboration between the government and the public to address the challenges of the existing communication system and identify policy alternatives with collective intelligence.

The People's Idea Box offers users a mix of different functions including idea suggestion, discussion, voting, and survey to identify the optimal policy alternatives based on public consensus. With such functions, the public that is the ultimate beneficiary of policies can directly participate in designing government policies and administrative services as policy prosumers.

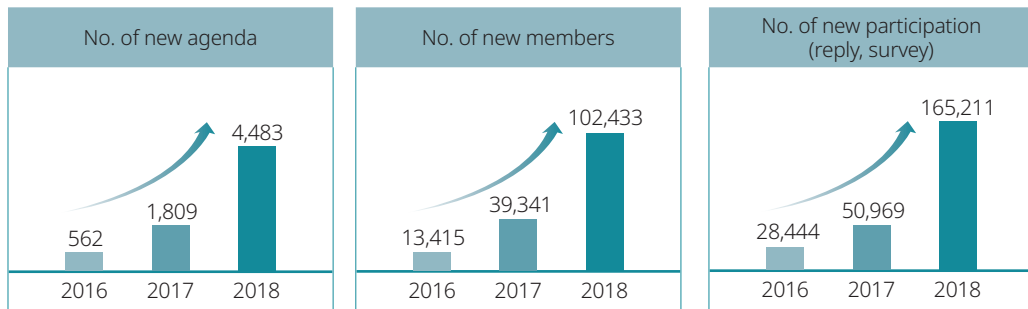
The ACRC established and operated a collaborative system with related organizations and

private portals in order to activate the public participation platform, and actively promoted activities in the off-line

The Commission actively utilized the business agreement reached in 2017 between the Commission and the National Research Council for Economics, Humanities and Social Sciences (26 state-run research institutes) and asked other experts, including university professors, to gather expert opinions on the national agenda raised in the People's Idea Box.

In addition, in order to create a synergy effect of public participation through collaboration with the private sector as well as the public sector, the ACRC has expanded and strengthened collaboration with Naver, which has been established since 2016, and listened to the voices of 2030 generation from People's Idea Box, and by using these results, held people's roundtable (June 23, 2018. Seoul).

Thanks to such efforts, People's Idea Box showed great increase in the number of cases, members and people's participation in 2018.



5. Global Acknowledgement of e-People

The e-People system has been globally acknowledged for its ability to actively communicate and engage with the public. Korea has ranked first in terms of E-Participation Index (EPI) in three consecutive UN e-government surveys in 2010, 2012 and 2014. At the AOA Board of Directors' Meeting in 2016, e-People was introduced to AOA members as a best practice in integrating ICT and administrative services.

The significant amount of attention e-People has received worldwide has led to the export of the system. Notably, the Tunisian government has been cooperating with the ACRC since it reviewed the adoption of the e-People system in 2012. In 2016, the two countries renewed their mutual agreement and MOU in order to facilitate Tunisia's full adoption of the system. The ACRC sent experts on laws, institutions, and ICT development to Tunisia to draft and implement a three-phase roadmap for "expanding participation of the Tunisian people and building a transparent government." The government opened the Tunisian e-People and started its official service in March 2018.

The strengths of the e-People system have also been widely recognized in Korea. In 2017, it was selected as an Excellent Administrative Service and was inducted into the Hall of Fame as one of the top 50 persons and services selected by citizens in a vote conducted by the Ministry of the Interior and Safety as part of celebrating the 50th anniversary of the Korean e-government.





Chapter 2. Operating 110 Government Call Center

The 110 Government Call Center was established in order to provide a “one-call, one-stop” service through which petitioners can make inquiries, reports, or suggestions regarding government affairs by dialing 110. Call center operators are able to offer direct counseling or redirect calls to relevant organizations.

The nation wide 110 call service began on May 10, 2007, and the call center was relocated from Seodaemun, Seoul to Government Complex Gwacheon on May 20, 2013. On July 1, 2016, the ACRC also added the 110 Non-emergency Call Center in Yeongdeungpo, Seoul. The centers combined have 263 counselors (138 in Gwacheon, 125 in Yeongdeungpo) who handled 26 million accumulated calls in 2018, including 3.25 million that year alone.

Simple inquiries or standard counseling are internally managed and concluded at the call centers, while those requiring professional help are connected to relevant organizations through direct calls to the person in charge or call-backs to the petitioner from the organization.

The call center average daily call volume was 5,808 calls in 2007, 5,824 calls in 2008, 6,251 calls in 2009, 7,592 calls in 2010, 8,594 calls in 2015, 8,416 calls in 2012, 8,446 calls in 2013, 9,251 calls in 2014, 9,967 calls in 2015, 10,306 calls in 2016, 10,868 calls in 2017, and 11,982 calls in 2018, respectively, thus constantly growing each year. In addition, response rate shows 95.2% and service level is 86.8%. The ACRC is continuously trying to improve the quality of counseling by providing countermeasures and training counselors.

1. Counseling Status in Numbers

In 2018, the 110 Government Call Center received 3,254,756 calls, among which 3,097,860 were answered and 3,333,949 were handled. The calls handled outnumber the calls answered because they include the additional number of calls made from the Call Center to the petitioners to provide the requested service. In 2018, the average number of incoming calls per day stood at 11,982, 10.2% increase from 10,868 in 2017. The response rate and service level (rate of calls answered within 20 seconds) reached 95.2% and 86.8% respectively, nearly the same as those of 2016, indicating stable call services are being offered to the public.

Category	Incoming calls	Calls answered	Rate of calls answered	Service level	Incoming calls per counselor
Counseling status	3,254,756	3,097,860	95.2%	86.8%	11,982

2. Professional Counselling Services

On January 22, 2018, with the implementation of professional counselling for the Fair Trade Commission, professional counselling services has started for 6 ministries including Ministry of Interior and Safety, Statistics Korea, Ministry of Patriots & Veterans Affairs, Ministry of Food and Drug Safety, Ministry of Personnel Management, and Fair Trade Commission and has provided counselling to 856,465 cases.

Professional Counselling in 2018

Total	Ministry of Interior and Safety	Statistics Korea	Ministry of Patriots & Veterans Affairs	Ministry of Food and Drug Safety	Ministry of Personnel Management	Fair Trade Commission
856,465	121,180	35,349	282,674	290,220	18,572	108,470

3. Connection Project for the Representative Number 110

As each ministries had their own call centers, it caused inconvenience and inefficiency in managing national finance, so, to solve this problem, according to the decision of 'Effective management of government call center' (March '14), the ACRC has completed the integration and connection of 11 call centers in Gwacheon, and pushed forward that the number 110 is guided when people inquire through '114' about a representative number for agencies such as Ministry of Culture, Sports and Tourism and Rural Development Administration.

114,794 cases were dealt with from 11 ministries' call centers, and by ministries, Ministry of Oceans and Fisheries 7,246 cases, Ministry of Agriculture, Food and Rural Affairs 38,226 cases, Ministry of Education 9,775 cases, Ministry of Land, Infrastructure, and Transport 17,968 cases, Ministry of Foreign Affairs 3,675 cases, Ministry of Science and ICT 10,837 cases, Korea Meteorological Administration 1,152 cases, Ministry of Health & Welfare 18,047 cases, Ministry of Justice 7,335 cases, and Korea Customs Service 533 cases.

110 Call Center Single Number Counselling Service in 2018

Total	Ministry of Oceans and Fisheries	Ministry of Agriculture, Food and Rural Affairs	Ministry of Education	Ministry of Land, Infrastructure, and Transport	Ministry of Foreign Affairs	Ministry of Science and ICT	Korea Meteorological Administration	Ministry of Health & Welfare	Ministry of Justice	Korea Customs Service
114,794	7,246	38,226	9,775	17,968	3,675	10,837	1,152	18,047	7,335	533

4. Non-Emergency Call Counselling Center

To streamline the call numbering system, emergency call has been integrated into 112·119, and non-emergency call and various complaint call have been integrated into 110. The non-emergency call counselling center (hence, 'the second Yeongdeungpo call center') which has been operating since July 2016, handled total 1,395,295 calls in 2018 alone.

Non-Emergency Call Center's Counseling in 2018

Institution	Number of counselling cases	Concluded	Referred to institution
Total	1,395,295	1,129,972 (81.0%)	265,323 (19.0%)
(new) 16 connected agencies, fire fighters and coast guards	100,472	63,684 (63.4%)	36,788 (36.6%)
(existing) Connected agencies: central government agencies, local governments, and major public institutions (317 agencies)	1,294,823	1,066,288 (82.4%)	228,535 (17.6%)

5. 110 Call Center's Various Activities

Establishing Efficient Cooperation System for Government-Integrated Call Center

Through the 110 Connected Agency Operation Working Council (April, October, 2018), 「110 call center operation regulations」 (draft), 「Guidance on the operation of business operations for the protection of government complaint call center counselors」, and the promotion of the integration of public institution call center systems according to the G cloud system (draft) were agreed upon which helped establish a leading and efficient cooperation system for an integrated call center.

Enforcement of 「Guidance on the Operation of the Counselor's Protection」

As more active protection measures are required for 110 call center counselors exposed to malicious and stiff complaints such as sexual harassment, abuse, profanity, and insults while engaged in emotional labor at the forefront of the service of the people, '110 call center guidance on the operation of the counselor's protection' was established and 110 call center counselor protection of emotional labor was implemented from October 1, 2018 which includes prevention of reentry of malicious and stiff complaints, shortening of exposure time for counselors, strengthening of aftercare measures for counselors in case of complaints, etc.

Acting as a Communication Channel for the People in Case of a Nationwide Emergency such as the Outbreak of Typhoon Solik

110 call center can be used in case of urgent disaster or major national policy consultation by using its 24/7 realtime counselling system. When typhoon Solik arrived near Jeonam in 20th August 2018, until it went out through the east coast, the ACRC tried to minimize public confusion, by promptly passing the results of its counseling analysis of the public's inquiries for typhoon pathways, prevention, response methods, and disaster text messages, to relevant departments including the Ministry of Interior and Security, spreading information to the public and requesting countermeasures.

Conducting Counselling Service for Fair Trade Commission Telephone Complaints

The 110 call center promoted the acting of telephone service counsel for the general complaint office of the Fair Trade Commission. The 'FTC Special Counseling Team' was organized within 110 call center to conduct counseling related to the FTC, such as preventing economic concentration and restricting unfair trade. The FTC's weak complaint consultation system was improved through utilizing 110 call center's excellent counseling infrastructure, thereby drastically increasing the response rate from 20 percent before pilot operation to 94.8 percent in 2018 when the government-run joint call center started operation.

Enhancing People's Convenience by Improving Counseling Service

The ACRC provides text counselling and reservation services through the 110 website and the mobile web. It also operates various communication channels such as introducing 'Visible ARS' Smart Counseling System using mobile phones (March 2018), and providing online counseling (chatting and SNS), and video signalling counseling and interpretation services for the deaf. On the other hand, the ACRC put into operation a system that meets global era by providing translation service for the foreigners in cooperation with Korea

Tourism Organization, Foreigner Service Center, and Korea Support Center for Foreign Workers.

Developing Various Promotional Contents and Raising Awareness through Collaborative Promotion

The ACRC conducted online events five times by strengthening participatory PR using SNS. The Commission is also making efforts to promote 110 call centers by distributing press releases on issues and utilizing high-impact media such as TV advertisements in cooperation with the Ministry of the Interior and Safety.

In addition, through the publicity activities on the site of the National Deaf Children's Festival (June) and the campus banner installation in Seoul and Gyeonggi area universities (June), the ACRC reinforced public relations activities for handicapped people and young people with relatively low awareness of 110 call centers. Furthermore, the ACRC has promoted publicity materials and voice advertising using local buses in Sejong, Daejeon, and Chungcheong provinces, and has been making continuous efforts to raise awareness by distributing promotional posters to lower-level local governments and police stations.





Chapter 3. Policy Improvement through Big Data Analysis of Complaints

In 2018, the number of complaints filed by the people to the central ministries and local governments reached 4,620,000 cases. Compared with the previous year, it increased by 49% (3.1 million cases in 2017 → 4.62 million cases in 2018), rising every year since 2010.

Through the pan-government complaint information analysis system which collects and analyzes big data on civil petitions through e-People, local governments' channels (city and provincial portals, Saeol, etc.) and public proposal, etc., the ACRC analyzes complaints in various ways such as analyzing trends of the weekly and monthly complaints, analyzing issues of public concern or social impacts, and analyzing complaints related to specific policies. In addition, cases that cause inconvenience to the public due to the lack of a system or laws, excessive regulations, and wrong practices are found to induce improvement.

Weekly and Monthly Analysis of Complaint Trend

The ACRC identifies main issues of complaints, the increase and decrease of complaints by institution type, and the cases of major complaints, includes them in weekly and monthly report 「Voices of the People」 and distributes them to 400 government offices as well as research institutions so that they could refer to them when dealing with complaints and setting up policies.

In 2018, the ACRC published 38 weekly and 12 monthly reports of 「Voices of the People」. A total of 156 cases were provided to the public bodies through weekly and monthly 「Voices

of the People], and 94 cases of them were found to be used for institutional improvement, policy reference, publicity and education in related institutions. This is an improvement of 4.7% over the utilization rate of 2017 (55.6%).

Status of Reflecting People's Inconvenience Cases in Policy

Year	Number of cases	Full utilization	Application type*				Unused
			Institutional improvement	Public relations/training	Investigation/check	Others	
2013	217	106	52	21	-	33	111
2014	226	145	65	45	-	69	81
2015	199	116	61	24	11	20	83
2016	207	118	72	6	9	31	89
2017	133	74	48	5	1	5	59
2018	156	94	42	18	6	28	62

* In 2014, there may be overlapping types of use.

Analysis of Complaints for Issues and Planning

The ACRC provides direct or indirect support for improvement of policies by providing relevant agencies with in-depth analysis of complaints related to major national policies, social issues and issues of public interest. In 2018, the ACRC analyzed the complaints of 15 cases. In particular, the Commission has strengthened the analysis of the complaints of four safety areas (traffic, construction, fire, food) closely related to people's lives in order to eradicate safety frustration across society.

Operation of Complaint Forecasting System

Complaint forecasting system was introduced to prevent or minimize damage, conflicts, and inconveniences. The complaint forecast system was piloted in 2013 and implemented in full scale in 2015.



The complaint forecasting system monitors the complaints of the past three years and selects complaints periodically occurring at specific times, and forecasts the types of complaints and major cases one month before the complaint appears.

In 2018, a total of 14 complaint forecasts were conducted. There were many analyses due to seasonal factors such as the demand for measures against fine dust in March, the safety of typhoon and rainy season in July, and the heavy snowfall in winter in December, and safety-related complaints, including calls for a survey on bicycle safety and radiation detection bed safety in May and fire safety in November.

Review of Major Policy Tasks and Support of Policy-making

The government organizes and runs a variety of meetings and conferences to facilitate discussions and cooperation among different ministries for seamless implementation of major policy initiatives. The ACRC provides complaint analysis and relevant support regarding the agenda of such meetings and conferences.

In 2018, the ACRC analyzed and responded to complaints related to four of the social ministerial meeting agenda held by the Social Deputy Prime Minister (Minister of Education), such as high school field trips (February), underground station indoor air quality (April), youth internet, smartphone addiction (June), and school meals (August). In addition, the Commission analyzed the complaints related to the highway toll gate (May) and provided it for assistance in reviewing road traffic accidents safety measures at the Cheong Wa Dae system improvement medication meeting.

Constructing 「Complaints Big Data at a Glance」

Complaint information analysis system (www.pias.go.kr) is a pan-government analysis system that comprehensively collects and analyzes big data of complaints filed through e-People, local government's channels (city and provincial portals, Saeol, etc.), people suggestions, etc.

Until now, statistics and big data analysis based on data collected in the complaints information analysis system have been shared only within the public institutions, but the ACRC established the 「Complaints Big Data at a Glance」 in 2018 to lay the groundwork for wider public data access expansion, in order to enable anyone to freely utilize big data of complaints.

「Complaints Big Data at a Glance」 provides visualization of about 29.9 million cases of complaint data in 45 types over the past six years, and is designed to download various core data such as the status of complaints by region, institution, sector, the top keyword of complaints, and customized statistics.

In addition, the ACRC opened to public in real-time, key analytical data such as complaint forecasts, issue analysis reports, and weekly and monthly trend of 「Voices of the People」 and developed and posted the 'complaint traffic signal' function to monitor the complaint trends by major policy tasks at a glance.





Chapter 4. Reinforcement of Complaint Consultation

The key mission of the Counseling Division is to promote public welfare and ultimately protect the rights of the marginalized members of the society by listening to the voices of those in despair, and offering proper and prompt counseling.

Specifically, the division aims to provide guidance on laws, institutions and procedures of administrative affairs (e.g. permit, authorization, patent, license, approval, designation, recognition, recommendation, test, inspection, qualification), and to offer petitioners with counseling and guidance on how to respond to violation of rights or any inconvenience arising from administrative measures.

The ACRC operates the Sejong Counseling Center serving visiting petitioners or residents of Chungcheong area, and the ACRC Seoul Complaints Center serving residents of the Seoul Metropolitan Area. In addition to counseling service from complaint investigators, the ACRC has also brought in experts from different fields, such as lawyers, certified labor attorneys and tax accountants, as special counselors and appointed retired public officials with abundant experience as complaint counselors to help petitioners find appropriate solutions.

In 2018, the Sejong and Seoul centers combined counseled and guided on a total of 9,091 complaints.

In addition, the ACRC operates a video counseling system between Sejong and Seoul to facilitate services between the complaint investigators at Sejong and petitioners in the metropolitan area who are unable to travel all the way to the head center in Sejong. A total

of 729 video counseling took place in 2018.

On the other hand, the ACRC is promoting a project to establish a joint government complaint center to prevent the inconveniences of complainants who have to go to various institutions by not knowing their jurisdiction or by making multiple complaints.

Counseling by Center

(Unit: case)

Category	Total	Sejong	Seoul
2018	9,091	3,030	6,061
Average daily	37.0	12.3	24.6
Investigator	5,923	2,761	3,162
Lawyer	1,562	172	1,390
Certified labor attorney	100	14	86
Tax accountant	138	17	121
Complaint counselor	1,368	66	1,302
2017	9,658	2,927	6,731
Average daily	39.7	12.0	27.7
2016	10,229	3,191	7,038
Average daily	41.1	12.3	28.3





Part
07

**Institutional Improvements for
Fundamentally Correcting Factors Causing
Public Inconveniences and Corruption**



Chapter 1. Overview of Institutional Improvements

1. Overview

Public institutions are designed to deal with needs of society as a whole; perfect institutions, which are able to satisfy all members of society members, are rare. Furthermore, continuous improvements and complementary efforts are required to keep up with changes in society. People are increasingly calling for reasonable improvements in a variety of institutions as a result of this rapidly changing administrative and social environment.

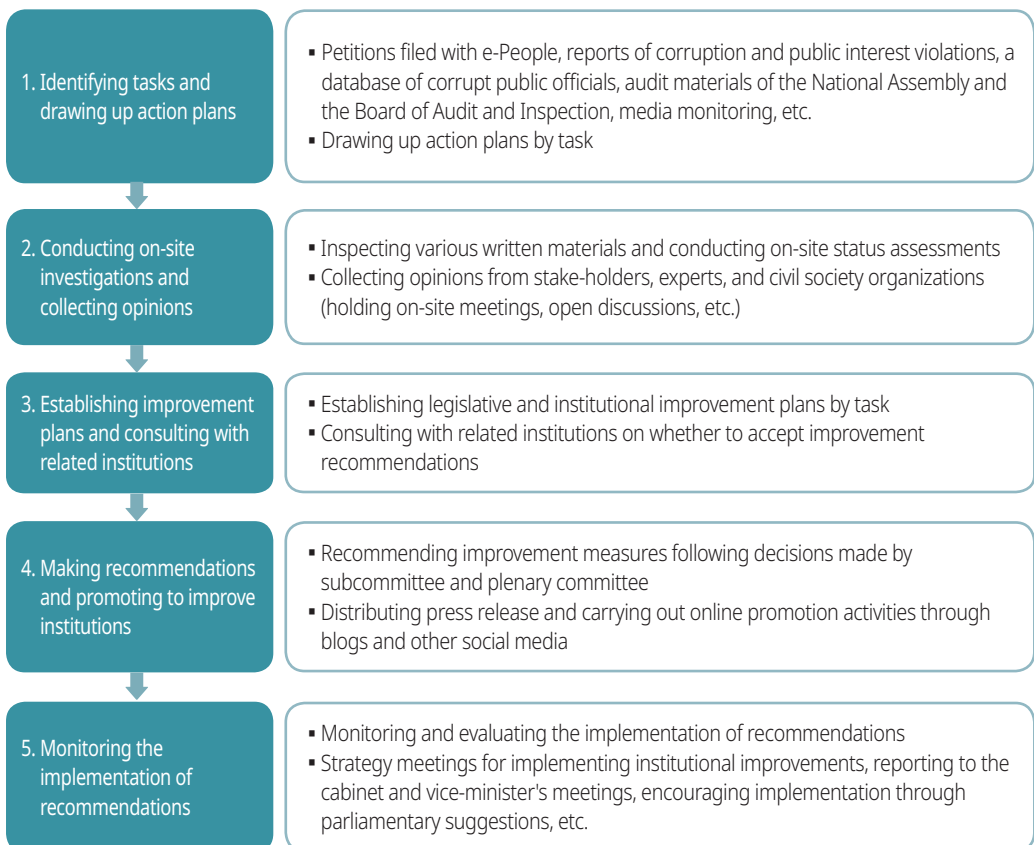
In response to such requests, the ACRC listens to and analyses the voices of the people through a variety of channels including e-People—its online portal for public grievances, complaint counseling, and corruption reporting. In its pursuit of the improvement of unreasonable administrative institutions which cause corruption and public grievances, the ACRC strives to secure the appropriateness of government administration and to contribute to the establishment of a solid sense of integrity in the public sector and society as a whole.

Article 12 of the ACRC Act stipulates that the ACRC is responsible for: providing recommendations or opinions when it has been deemed necessary to improve an administrative system that may be the cause of a civil petition for grievances (Paragraph 3), surveying and evaluating the status with respect to civil petitions for grievances by the ACRC and improving administrative systems (Paragraph 4), formulating anti-corruption policies and making corruption prevention recommendations to assist public organizations to strengthen their system and policies, and conducting status surveys of public institutions for the purposes (Paragraph 5).

Based on this, the ACRC selects laws and systems that need improvement for the prevention of corruption (Article 27 of the Law) and the resolution of grievances (Article 47 of the law), and after taking into account the facts and opinions of stakeholders, it recommends reasonable improvement to the head of the relevant organization.

In addition, the ACRC has the authority to request information and to monitor the current state of affairs (Articles 12 and 29 of the act), to monitor and confirm compliance with recommendations, to make public announcements thereof (Articles 27, 52, 53), and to propose legislation for institutional improvements (Article 77), for the purpose of effective enforcement of institutional improvements.

Flow Chart of Institutional Improvement



2. Institutional Improvement in Corruption-Prone Areas for Eradicating Chronic and Systematic Corruptions

In 2018, the public companies, budget waste, local administration, and private sector corruption were selected as the four major areas of anti-corruption, and the ACRC actively made 25 recommendations for incompatible laws and regulations. By doing so, the ACRC intended to eliminate chronic corruption vulnerabilities, such as employment irregularities at public institutions, bribery and rebate practices by businesses, and financial leaks related to public purchases and subsidies.

Among the 25 system improvement tasks recommended in 2018, 'enhancement of the efficiency of the operation of gas stations designated by public institutions' and 'enhancement of transparency of the operating system of commercial lease businesses of public enterprises' were implemented early through the active cooperation of related organizations .

In addition, many people have expressed sympathy and support for the need to improve the system for tasks that have been in the blind spots of supervision for internal or external control, such as 'strengthening the post-management of local councils budget execution' and 'preventing preferential treatment in the use of airport VIP rooms'.

Recommended Tasks for the Anti-Corruption Institutional Improvement

Sector	Task Title	Date of recommendation
Enhancing transparency in public companies, etc.	Improvement of integrity contract to prevent public officials from soliciting employment	1.8.
	Increased transparency in the operation system of rental-earning businesses of public service-related organizations	2.5.
	Enhancement of the fairness of the selection of student protection personnel such as Bae-um-teo jikimi	5.14.
	Strengthening the fairness of recruitment process for other public service-related organizations	6.25.

Sector	Task Title	Date of recommendation
	Strengthening the integrity duty of non-fixed term workers at central and local government	8.6.
	Strengthening the employment and service restrictions on the sex criminals at public institutions	11.5.
	Measures to prevent preferential treatment in the use of VIP rooms at airports	12.3.
	Improving the fairness and transparency of decision making by the review committee of public institutions	12.17.
	Reasonable improvement of disciplinary contributions according to the enforcement of the Anti-Graft and Improper Solicitation Act	12.17.
	Improvement of unreasonable allowance practices for executives and employees of public institutions	12.17.
Improvement in private sector corruption	Improving the effectiveness of sanctions on bribery providers in the public procurement process	2.5.
	Improving rebate practices in the medical sector	2.26.
	Improvement of unreasonable practices in the field work course of pharmacology colleges	4.9.
	Enhancing transparency in the operation of medical doctors at residential facilities for the disabled, etc.	6.25.
	Enhancing the effectiveness of construction supervision through blocking bribery during intermediate construction process	8.20.
	Improving the effectiveness of administrative disposition against illegal medical activities by medical institution establishers	11.5.
	Strengthening sanctions on the lending and arranging of state-licensed certificates	12.17.
	Improving transparency in management of sports organizations	12.17.
Prevention of budget waste	Improving the efficiency of operation of gas stations designated by public institutions	5.14.
	A study on the improvement of transparency in public sector policy research	10.8.
	Increasing transparency in slate removal support projects	11.5.
	A study on the transparency and publicity of reducing the facility use rate of funeral facilities in national and public hospitals	12.17.
Eradication of local corruption	Strengthening post-management of local assembly budget execution	3.26.
	Increasing transparency in the operation of customized welfare system for local public officials	5.28.
	Improving transparency in management of the levy by local governments' administrative council	8.20.

3. Improvement in Unreasonable Institutions for Public Grievance Relief and Prevention

In 2018, complaints received at the e-People were 4.73 million cases which increased by 1.4 times compared to the previous year. The number of policy improvement proposals that were discussed through the People 's Idea Box, a mobile - based communication platform, reached 4,500.

The ACRC analyzed the complaints and policy proposals that were continuously and repeatedly filed and confirmed whether there were unreasonable laws or systems behind them, and it has sought to provide a rational improvement plan that will fundamentally resolve complaints and public inconveniences through a thorough investigation.

In 2018, the ACRC selected four key areas, including strengthening public safety, addressing job difficulties, improving unreasonable regulations, and enhancing convenience in using various administrative services, and established and recommended 17 measures to improve the system.

The ACRC tried to supplement the blind spot that the existing system did not cover, with recommendations such as 'Strengthening safety management against automobile fire' the content of which is a mandatory installation of fire extinguishers for vehicles under five seats and strengthening fire extinguisher condition check for city and express buses, and 'Improvement of the rationality of the management of retirement benefit for construction workers' which pays mutual benefit fund for retirement to day construction workers who fail to meet legal working days (252 days) due to inevitable causes such as death and illness.

The ACRC also tried to improve unreasonable regulations. For example, the ACRC recommended that in addition to the CCTV system, cloud cameras of the latest information and communication technology were installed in apartments so that the existing system could reflect the technological development. It also alleviated the burden of unnecessary document submission through the administrative information sharing network, improving

the inconvenience of having to have a certificate of permission every time a youth facility hired an employee.

Recommended Tasks for Complaint Relief Institutional Improvement

Sector	Task Title	Date of recommendation
Strengthening the public safety	Improvement of environmental liability insurance operation system of pollutant discharge facility	3.26.
	Improvement of transparency of mineral waste storage facility management	6.25.
	Strengthening safety management against automobile fire	10.22.
	Plan to expand housing with compulsory crime prevention building standard	10.22.
	Strengthening food safety by improving the labeling of food allergens	12.17.
Resolving job grievances	Clarifying the date of disqualification for national professional qualification	4.23.
	Enhancing convenience in using the job information website (Worknet)	5.28.
	Raising the management rationality of the mutual benefit fund for retirement of construction workers	9.17.
	Eliminating discomfort and improving fairness for career candidates for civil servants	11.5.
Unreasonable regulation improvement	Introduction of surveillance cameras for ICT-enabled apartments for convenience of residents	4.23.
	Simplification of various closure procedures	7.16.
	Improving the convenience of issuing the results of health checkups for food hygiene workers	9.17.
	Expanding the common use of administrative information for children and youth facilities	10.22.
	Increase efficiency of reporting system for road occupation and use succession	11.5.
Eliminating inconvenience in using administrative services	Protection of the complainant's right to know the result of disposition of a complaint	3.12.
	Improving the convenience of using funeral facilities of local governments	6.11.
	Increasing transparency in refund management of prepaid medical expenses	7.16.

4. Improving the System to be More Life-friendly

All policies should be pursued from the perspective of the people who are consumers. The ACRC has, in 2018, focused its efforts on redesigning the law and system improvement process from the supplier, government-centered perspective to people-oriented way, thereby the public leading the process from finding the task to post-management.

In order to select the improvement project, the ACRC organized a system improvement contest. It has pursued 'improvement of the system led by the people', such as setting up the improvement plan reflecting the content of 2,300 public proposals and discussions through the People's Idea Box. As a result, the Commission recommended 73 improvement measures closely related to people's life.

Through active collaboration with related organizations, the ACRC saw some early achievements. For example, Incheon International Airport Corporation reduced airport parking fee for multi-family homes by 50% from October 2018, and six agencies including the Ministry of Interior and Safety jointly checked the management and operation status of 2,300 children's cafés nationwide.

Key Examples of Improvement Closely Related to People's Life

Sector	Task Title
① Resolving 2030 generation's job issues	<ul style="list-style-type: none"> • Mandatory disclosure of wage conditions to job vacancies • Allowing direct application for reduction of income tax on SME retirees
② Strengthening customized support for childcare inconveniences	<ul style="list-style-type: none"> • Improving the inconvenience of multi-child benefits when using public services such as airport parking lots and KTX • Including children from miscarriage household in all-day class users at daycare centers
③ Improvement of safety management blind spots in daily life	<ul style="list-style-type: none"> • Strengthening the installation criteria and safety management of kids cafes • Establishing safety management standards for new industries such as screen baseball stadiums
④ Strengthening protection for the socially and economically weak	<ul style="list-style-type: none"> • Including the siblings of children with disabilities in nursery school entrance priority • Preparation of a deposit withdrawal regulation for the funeral of dead person without family
⑤ Strengthening the people's right to know through the expansion of information disclosure	<ul style="list-style-type: none"> • Mandatory notification of return applications such as guarantees and deposits related to public contracts • Establishment and disclosure of calculation standards for license plate issuance costs
⑥ Improving the convenience of using administrative services of the public	<ul style="list-style-type: none"> • Expanded Internet application for lump sum payment of automobile environmental improvement levy • Allowing free time changes for rail tickets

5. Reinforcement of Post-management for the Real Effect of System Improvement

Since its launch in February 2008 until 2018, the ACRC recommended 807 cases system improvement for corruption prevention and grievances relief. As such an ever-increasing number of recommendations are actually improved by the relevant agencies, the Commission is pushing for continuous follow-up care so that the people can feel the effects of institutional improvement and the resulting improvement in quality of life.

From March to August this year, the ACRC improved the database of the online 'system improvement management system' opened in early 2017, and strengthened functions for enhancement of use convenience, establishing the basis of systematic implementation management using the computerized system. Based on this, it reviewed the implementation status of 305 institutional improvement projects recommended after 2013 (review period : Aug-Oct 2018).

As a result of inspection, it was confirmed that some lower-level local governments and public organizations affiliated with local governments were passive or having a difficulty in improving laws and guidelines. So, the ACRC held 'strategic meetings to implement system improvement by region' for 109 institutions in five areas, including Incheon, Busan, Gwangju, South Gyeongsang and South Jeolla. In addition, a 'strategic meeting on implementation by agencies' was held to strengthen cooperation with three central government agencies, including the Ministry of Economy and Finance, the Ministry of Interior and Safety and the Environment Ministry, which had many recommended tasks.

Other than these, the Commission has tried to produce results that citizens can benefit from, by, for example, reflecting the result of institutional improvement recommendations in the 2018 'Anti-corruption Initiative Assessment' and 'Comprehensive Evaluation of Complaint Service', and providing implementation consulting for five agencies including Korea National Territorial Information Corporation and Busan National University Hospital.





Chapter 2. Examples of Areas Vulnerable to Corruption

Improving Medical Rebate Practices

Despite increased monitoring and punishment on medical rebates, illegal rebates in the medical field are constantly being reported, which distorts the transparent distribution system of medicines, etc., and causes the burden of the medical expenses of the people and deteriorating the health insurance finances.

The number of complaints on the medical rebate received at the e-People is steadily increasing to 148 cases in 2014, 105 cases in 2015, 213 cases in 2016, and 266 cases in July 2017. According to investigations by the Public Prosecutors' Office, the annual cost of medical care benefits leaked by illegal medical rebates was estimated to be over KRW 1.39 trillion as of 2015.

So far, some pharmaceutical companies have been providing rebates to hospitals by paying a high commission of 30-40% of the amount of drug sales to third parties, such as sales agents, for their drug sales.

For example, prosecutors have found that the 00 drug maker paid 1.2 billion won in kickbacks to hospitals in the name of a drug prescriptions for three years from 2014 and the foreign-invested 00 drug maker paid 2.6 billion won in kickbacks to medical workers through public relations agencies and medical media for six years from 2011. This took advantage of the fact that a third party, including a sales agency, does not belong to a drug supplier under the Pharmaceutical Affairs Act, and thus making it difficult to punish.

So, the ACRC recommended to ensure that the fact that drug companies are also subject to the punishment shall be informed through associations, etc., and that the sales agencies shall also be imposed a duty to compile an 'expenditure report on the provision of economic benefits', which used to be limited to existing drug suppliers (pharmaceuticals, importers, wholesalers).

In addition, some pharmaceutical companies reported the supply of pharmaceuticals to the Health Insurance Review and Assessment Board as if they were selling drugs at wholesalers with an appropriate margin (about 5%), and a large portion of the sales revenue was paid to wholesalers in the name of after-sales discounts (sales incentives, unit price discounts), thus creating funds for rebates. In fact, some wholesalers provided rebates to Daegu-based hospitals after raising funds using post-sale discounts. In the same way, funds were raised to return to pharmaceutical companies, and the pharmaceutical company provided rebates to hospitals in Suwon, which was caught by the law enforcement authorities. Accordingly, the ACRC recommended to include in the medicine supply report, some items that may affect the supply price of medicines, such as post-sales discounts applied to wholesalers after reporting the supply of medicines.

Furthermore, the ACRC recommended that on the medical group's webpage, a notification shall be posted to prohibit medical personnel from encouraging or recommending medical aid devices made by specific companies which may be burdensome to the patients. The provision of free or paid goods that excessively exceeds the scope of the economic benefits allowed by the Medical Law, other than the sales items provided by some medical equipment companies under medical equipment sales terms such as bundled sales (1 + 1) and compensation sales, should be reported in 'economic profits and other details of the provision'. In addition, the recommendation included that the medical personnel ethics education to prevent rebates shall be mandatory, and pharmaceutical associations are required to strengthen the system of self-control, such as the obligation to comply with and participate in the self-cleansing commitment of member companies.



The ACRC expects the recommendation will serve as an opportunity for the medical community to improve the wrong rebate practice on its own, make the distribution order of medicine more transparent and help reduce the burden of the public's medical expenses.

Strengthen Post-management of Local Assembly Budget Execution

Although local governments including local assemblies with 3,702 regional and basic councilors in 243 provincial councils as of December 2017, were required to carry out their own audits or receive external audits in accordance with relevant laws such as the 「Public Audit Act」, the 「Local Autonomy Act」, and the 「Audit Office Act」, budget execution of many local assemblies were left in the blind spot from auditing.

As a result, unfair execution of the budget, which did not meet the purpose of budgeting, has been continuing.

On the other hand, there were 167 local governments that did not include local assembly offices as audited institutions in the 「Audit Rules」 which stipulates matters necessary for local government's own audit. In addition, local assembly offices, which have not received their own audit for the past three years (2015 ~ 2017), reach up to 155 agencies, indicating insufficient audit performed on local councils' budget execution.

In order to enhance the transparency of local assembly budget execution 'Strengthening post-management of local assembly budget execution' was established to include parliamentary office in the scope of the local government's 「Audit Rules」, and advised local governments to conduct periodic audits of the parliamentary offices through audit organizations.



Chapter 3. Improvement Cases of Frequent Complaints

Measures to Strengthen Safety Management against Car fires

In a situation where fire is occurring frequently in the driving vehicles and the anxiety of the people is increasing, the ACRC conducted a survey on the need to expand the installation of fire extinguishers for vehicles through its mobile policy participation platform, People's Idea Box (idea.epeople.go.kr).

Survey results are: ▲ 87.9% of the respondents agreed to expand the mandatory installation of fire extinguishers for cars; ▲ 51.5% answered that they had never used a fire extinguisher; ▲ 65 percent did not even know the mandatory requirement to install fire extinguishers; and ▲ If they have a fire extinguisher for vehicles, 87.9 percent of the respondents said they intend to help actively if they witness another vehicle fire.

According to statistics from the Fire Department, 30,784 vehicle fires occurred in seven years from 2012 to July 2018, with an average of 13 fires per day, and of these, five-passenger cars accounted for 47.1%.

According to the result of survey by the ACRC, although the fire on the vehicle is occurring regardless of the number of passengers, current regulations limit the obligation to install fire extinguishers to cars with more than seven seats, indicating that vehicles with less than five seats driven by more people were mostly burnt down as they failed to make an initial response to a fire.

On the other hand, vehicles with less than 11 passengers are required to install fire

extinguishers, but drivers do not know where the fire extinguisher due to no explicit regulation on the installation location. Therefore it found difficulty to respond promptly in case of fire.

In addition, fire safety inspections for buses and other business vehicles are not carried out properly or are carried out irregularly, revealing that there is a limit to the implementation of fire extinguisher installation obligations. There was no training on vehicle fires for bus operators.

Accordingly, the ACRC and the National Fire Agency held a meeting with related agencies and experts, including the Ministry of Land, Infrastructure and Transport and the Korea Transportation Safety Authority, to come up with the following improvement measures.

First, the requirement for the installation of fire extinguishers was extended to all passenger cars, including five passengers, and the installation of various automobile fire extinguishers approved by the National Fire Agency was allowed. Second, the fire extinguisher should be installed in a position where drivers can reach out for the passenger cars, and the vans should place it in the vicinity of both drivers and passengers. Third, at regular inspections of bus and other business vehicles, a fire extinguisher installation and its status check should be carried out, and operators, not fulfilling the corrective recommendations, can be imposed administrative measures such as fines and improvement orders. Also, the recommendation includes a new session of 'How to prevent and cope with vehicle fire' in the training course for new drivers of driver's licenses and in the maintenance course for passenger traffic operators who are responsible for passenger safety.

In the future, when the recommendations are fulfilled and fire extinguishers are installed in all vehicles, it is expected that the damage will be minimized in the event of a car fire, as it will be possible to swiftly deal with fire in vehicles and to get help from drivers in nearby vehicles.

Enhancing the Management Rationality of the Mutual Benefit Fund for Retirement of Construction Workers

In order to improve the welfare of day-workers who do not receive retirement allowances, the mutual benefit fund for retirement has been operating since 1998. Business entities of construction project with more than a certain size (300 million won for public projects and 10 billion won for private projects) pay 2.3 percent (4,800 won per person) of the direct labor cost for employees, contributing the mutual benefit fund for retirement. If an employee who has worked at a construction site for more than 252 days dies, reaches the age of 60, or retires from the construction industry, the mutual benefit fund for retirement will be paid with interest added to the amount set aside in the name of the worker.

However, some of retirement allowance set aside in the name of the construction worker has not been paid permanently because the payment requirements have not been met, and has continuously accumulated to the Construction Workers' Credit Union. As of 2017, the reserves amount to 3.4755 trillion won.

※ Accumulated amount of retirement fund : 862.4 billion won (2008) → 1.8515 trillion won (2012) → 3.4775 trillion won (2017)

And there have been many complaints from construction workers since it has been difficult to meet 252 working days at construction sites where there have been many temporary and short-term workers.

※ Of the 5.26 million construction workers, only 840,000 (16.1 percent) met the number of working days (as of February 2017).

On the other hand, if an employee who has filled 252 working days dies, it is difficult for the bereaved family to know about the payment requirements so, they often did not receive the retirement allowance because they were not informed of the fact that they could receive it. As of December, 2017, the number of deaths that failed to receive retirement allowance amounted to 22.1 billion won for 15,976 people. In addition, if the initial construction cost differs from the winning amount, the construction company avoids paying the fund installments of the difference, which could cause damage to the construction workers.



Accordingly, the ACRC made recommendation to the Ministry of employment and labor and construction workers mutual aid association as follows: Fund payment requirements shall be improved so that if a construction worker dies, cannot work because of injuries or illness, or has reached a retirement age, thus needs special care, or if a foreign worker actually retires from the construction industry, such as leaving for his home country after his period of stay in Korea, then retirement allowance shall be paid to workers even if they do not meet the 252 working days; and if a worker dies, a notification shall be sent to the bereaved family of the fact that they could apply for the retirement fund.

In addition, the Commission recommended the Ministry of Economy and Finance and the Ministry of Interior and Safety to revise the 'bidding contract execution standards' and 'local government bidding and contract execution standards' so that construction companies pay the mutual benefit fund contributions based on the construction cost instead of the winning bid amount.

Simplification of Various Closure Procedures

Various business related laws and ordinances stipulate that an employer must notify the administrative office and the tax office of business closure in order to close the workplace. Documents and fees to be filed in case of declaration of closure are separately specified in the relevant laws and regulations of each industry.

For those self-employed businesses that were about to close down and happened to lose registration cards, the process of business closure becomes an unreasonable regulation since certain industry laws do not allow exceptions for the case of losing registration cards. Some businesses, such as restaurants, stipulate that if they lose their registration cards, they may substitute registration cards submission with reasons filled up for the loss on the report while most businesses, such as karaoke, were obliged to submit cards only, and there was no exception rule for loss, so it was inconvenient to re-issue the registration certificate and submit it for business closure.

In addition, unnecessary fees were routinely charged for the closure of some industries, while it's not the case for most other industries.

So the ACRC made recommendation to make a system improvement to 12 central administrative agencies including the Ministry of Employment and Labor to allow for a closure of business when proper reason is written in case of the registration certificate loss, and to abolish the fee charged at the declaration of closure.





Anti-Corruption &
Civil Rights Commission

ACRC

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