

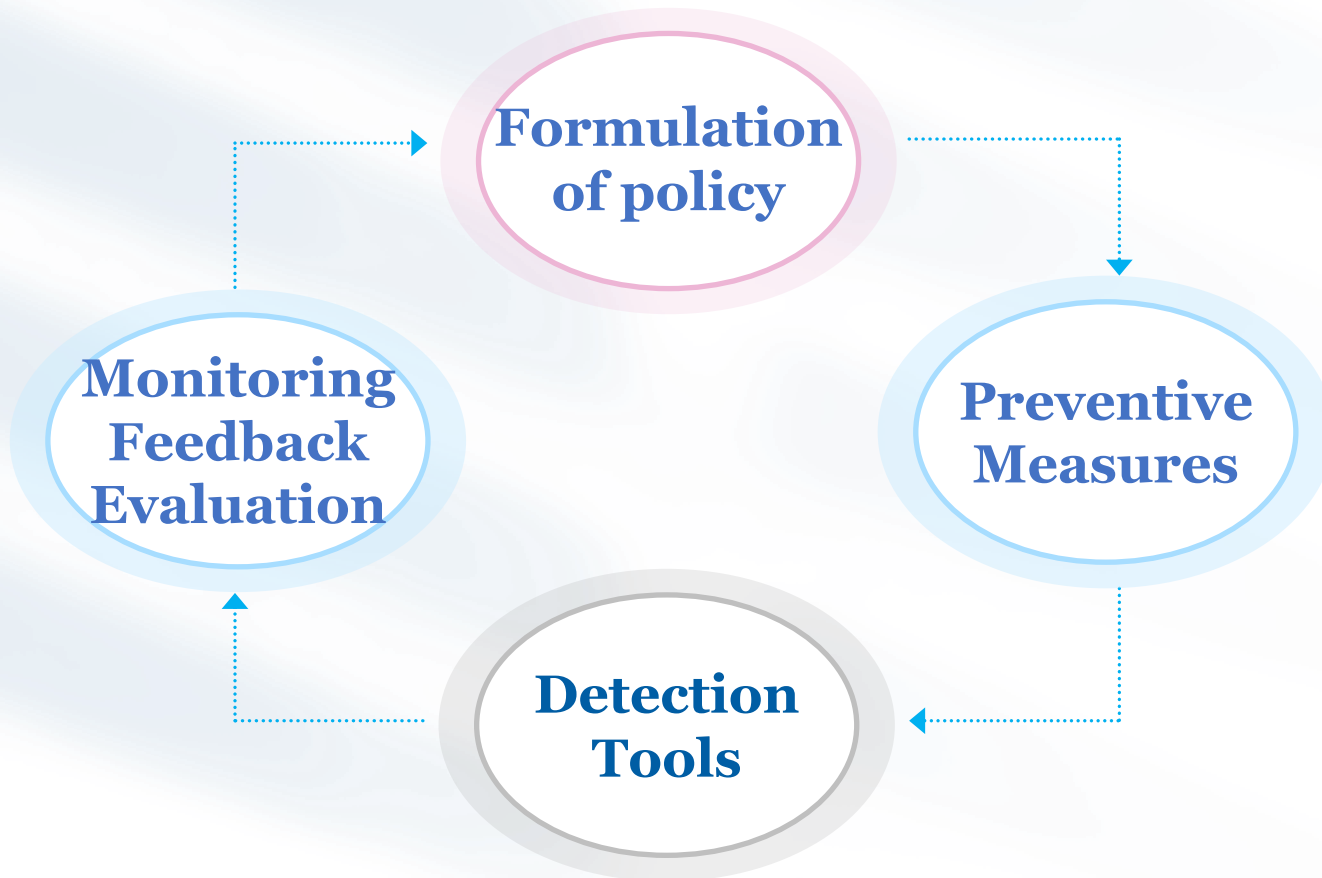
Korea's effort for Integrity risk management

Identifying risks and strengthening controls



Anti-Corruption &
Civil Rights Commission

A full cycle approach against corruption



01. Preventive Measures

Corruption Risk Assessment(CRA)

- **Preemptive corruption control system to remove and improve corruption-causing factors inherent in laws from the stage of drafting through systematic analysis of corruption risks**

Corruption Risk Assessment(CRA)



Scope

- Statutes, local government ordinances and internal rules of public institutions



Standards

- 12 criteria in 4 assessment areas(Compliance, Execution, Procedures, Corruption control)



Case

1. **Risk of granting preferential treatment** : Only for existing designated training institution
2. **Concreteness & objectivity of the basis of decision-making** : Lack of minimum requirements of designation of a dedicated agency
3. **Risk of conflict of interest** : undue influence due to the absence of term limits

02. Detection Tools

Protection & Reward for Whistleblowers

- Handling Reports of Corruption and Public Interest violations
- Reporter protection : ① Protective measures ② Confidentiality
③ Mitigation of Culpability ④ Safety protection
- Rewards, Awards, Relief fund
- Clean portal system

Case of Whistleblower Protection and Rewards

Report 1

Employee B who is working for company A **reported to the Financial Supervisory Service** that CEO C **violated the Capital Market Act** and pursued private interest.

Request

It was acknowledged and **A was sanctioned** for billions of won of fine.
B **asked for protective measures** to ACRC, saying that A **discriminated in their performance evaluation**.

Protection

ACRC acknowledged that **the evaluation result is an adverse action taken as a result of the report, requested to conduct the evaluation again.**

Report 2

A citizen **was tricked** by a voice phishing gang member pretending to be a bank employee and transferred a total of KRW 27M in 11 times. The person **obtained evidence and the gang member's information and reported it to the investigative agency.**

With the report, the head of the gang was arrested and sentenced 3 years in prison, recovered KRW 135M of 72 victims, prevented 234 additional victims

Awards

The citizen was **awarded KRW 50M** in recognition of their efforts to resolve the case and contribution to public interest.

03. Monitoring

Institutional Improvement

- **(Concept)** identifying and reforming laws, regulations, and systems that cause corruption risks or public inconvenience.
 1. Identifying issues
 2. Drafting based on Public Participation
 3. Recommending improvements
 4. Monitoring implementation

Case of Institutional Improvement

Situation

- Public institutions supported by government funds operate performance-based pay systems
- Lack of clear standards led to bonuses being paid to employees involved in serious misconduct

Public Participation

- About 90% of the public supported banning bonuses for severely disciplined employees

Recommend

- It recommended revising guidelines and internal rules to ban performance bonuses for misconduct

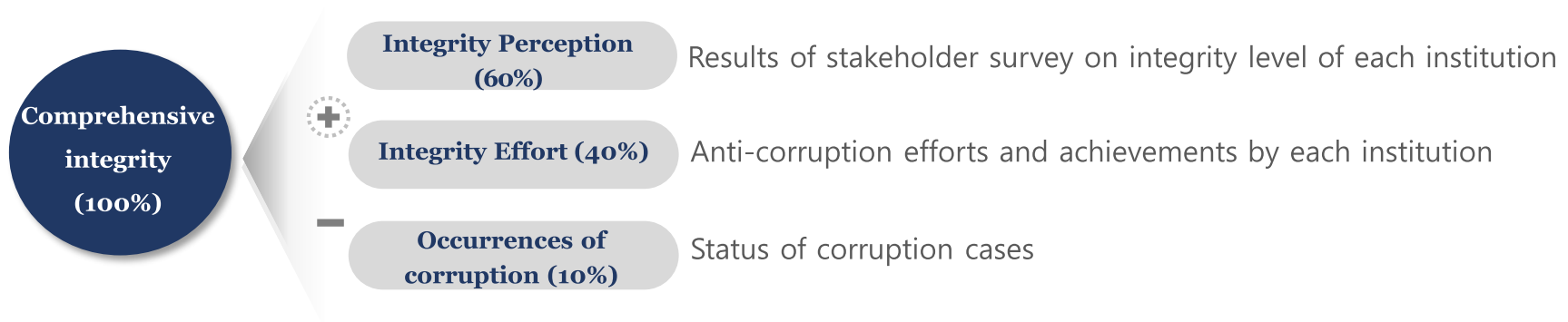
Implementation

- Relevant ministries and around 1,000 institutions completed the revisions
-

04. Evaluation

Comprehensive Integrity Assessment

- **(Concept)** An innovative initiative to encourage public institutions to engage in voluntary efforts to prevent corruption by regularly assessing and disclosing the integrity levels at public institutions



Thank you!

Seokbin Lim

Deputy Director at International Relations Division

ssblim@korea.kr



Anti-Corruption &
Civil Rights Commission