

**G20 Anti-Corruption Working Group**  
**Accountability Report Questionnaire 2014**



**SUMMARY OF NATIONAL PROGRESS**

1. Please provide a high-level summary of the most significant Anti-Corruption measures or initiatives that your country has introduced or implemented since the last progress report. (maximum 1 paragraph).

The 2013 Progress Report can be accessed at [http://en.g20russia.ru/docs/g20\\_russia/materials.html](http://en.g20russia.ru/docs/g20_russia/materials.html)

**Anti-Corruption and Civil Rights Commission of Korea(ACRC)**

The ACRC is promoting the enactment of *the Act on the Prevention of Illegal Solicitation and Conflict of Interest for Public Officials*, in order to eradicate the deeply entrenched corrupt practices in the public sector such as illegal solicitation through influence peddling and receipt of money and valuables and to establish an advanced system to prevent conflict of interest. To this end, the Commission drafted and submitted a bill for the Act to the National Assembly in August 2013, and the bill is currently under review at the competent committee at the National Assembly as of April 2014.

In addition, to encourage the public interest whistleblower protection system which has been in place since 2011, the ACRC widely expanded the range of subjects that can be regarded as public interest whistleblowing, and prepared and submitted a proposed revision of *the Act on the Protection of Public Interest Whistleblowers* to the National Assembly in September 2013. The proposed revision would widen the scope of mitigation of culpability of whistleblower who has been involved in the criminal act.

Moreover, the "Government Welfare Fraud Report Center" was launched in October 2013, which is a hotline for welfare fraud reports regarding all government ministries and agencies, in order to effectively monitor and crack down on illegal payments of government welfare benefits, as well as to receive reports of welfare fraud from the public in a prompt manner. The government-wide system has been established to respond to corruption in a concerted manner to contain the

leakage of government budget, and comprehensive monitoring has been conducted in this area.

### **Strengthening Restrictions on Post-Public Employment**

#### 1. Overview

When *the Public Service Ethics Act* was legislated in 1981, the Ethics and Public Service Bureau of the Ministry of Security and Public Administration of the Republic of Korea adopted employment restrictions of retired public officials in order to make sure that civil servants perform their duties in a fair manner. One of the measures to ensure the fairness is to prevent retired public servants (subject to property registration\* during their public employment) from providing a for-profit institution with preferential treatment in cases where they are hired by the institution after retirement.

- If public duties for 5 years prior to retirement are closely related to work at a for-profit institution, the public official concerned is not allowed to be employed at the business for 2 years after retirement.

(Employment restricted at a total of 3,960 businesses as of Dec 31, 2012)

\* Public officials subject to property registration are about 180,000, most of which are grade 4 or higher government officials. They also include grade 7 or higher officials who work for the police, fire services, audit function, or a license/permission department.

#### 2. Policies to Strengthen the Restrictions

The current administration, launched in 2013, set out a new national agenda—ensuring a corruption-free and transparent government, and one of the top priorities selected in December 2013 was to regulate public-private revolving-door schemes.

- In April 2014, the Government Employees Ethics Committee passed a plan to strengthen post-public employment restrictions.

- Since July 2014, a total of about 22,000 working-group officials in charge of accounting and in the area of nuclear power generation have also been required to register their properties and subject to post-public employment restrictions.

### **Ministry of Justice of Korea**

The Republic of Korea is making comprehensive efforts to prevent corruption, protect the rights and interests of its citizens, and to ensure proper administration. We are establishing systems and practices to improve the integrity and prevent corruption in diverse areas, especially in the fields of legislation, business management, investigation, etc. In terms of legislation, we have amended the *Act on Special Cases Concerning Forfeiture for Offenses of Public Officials* to expand the scope of

execution for forfeiture and confiscation of criminal proceeds and to strengthen the forfeiture and confiscation of criminal proceeds. We have additionally amended the *Act on the Protection of the Public Interest Whistleblowers* to legally protect public officials when they are unreasonably ordered to be engaged in politics. Furthermore, in terms of business management, we have set the foundations for regulations and prevention of corruption by implementing the compliance officer system to have compliance officers reside in each listed company to establish internal control standards. Also, the Federation of Korean Industries (FKI) and the Korea Federation of Small and Medium Businesses are improving anti-corruption awareness by conducting educations related with OECD Anti-Bribery Convention, and the financial sector is strengthening ethical management by announcing the Ethical Management Charter. Lastly, in terms of investigation, we are endeavouring to eradicate corruption and obtain professional expertise in corruption crimes by newly establishing Anti-Corruption Department under the Supreme Prosecutors' Office.

### UNITED NATIONS CONVENTION AGAINST CORRUPTION (UNCAC)

2. Has your country ratified the UNCAC?

YES  NO

If no, is there a process underway to ratify the Convention?

3. Since the last progress report, has your country proposed or implemented any changes to its legislation to comply with the UNCAC?

YES  NO

If yes, please provide details.

Review of implementation has been completed up to Chapter III, IV. (November 2013)

4. Has your country begun the UNCAC peer review process as a country under review?

YES  NO

If yes, please indicate what stage of review your country has completed and the date.

1st review cycle finished, and monitoring report was completed at the end of November 2013

5. If yes, has your country made use of any of the UNCAC peer review voluntary options, or committed to do so (if the review is not already started)?

- |                                 |   |                             |   |
|---------------------------------|---|-----------------------------|---|
| a. Publication of full report   | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |
| b. Involvement of civil society | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |
| c. Involvement of business      | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |
| d. Allowing country visits      | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |

If yes, please provide details (e.g., Web link for published report, how and when civil society / business was engaged during the review process, date of country visit)

Summary report can be seen at (<http://www.unodc.org/unodc/treaties/CAC/country-profile/profiles/KOR.html>)

Transparency International Korea and the Korea Chamber of Commerce and Industry participated in the country visit on 21 March 2013.

6. Has your country taken steps to respond to recommendations identified in its UNCAC peer review report?

YES  YES TO SOME  NO  NOT YET RECEIVED THE REPORT

If yes, please indicate what steps your country has taken / is taking.

The laws of the Republic of Korea, such as *the Act on the Aggravated Punishment, etc. of Specific Crimes*, state appropriate punishments for the acts that the UNCAC recommends to criminalize. Also, the Supreme Court prevented arbitrary exercise of judicial powers by establishing the Sentencing Committee and setting sentencing guidelines for each crime. Furthermore, we have fully implemented the forfeiture and confiscation related laws and systems to recover criminal proceeds obtained via corruption crimes, while legislating the *Crime Victim Protection Act* to pay special attention to the protection of victims. Additionally, during the implementation review of UNCAC Chapter III and IV, evaluation of our country showed that we are extensively cooperating with other countries in terms of Mutual Legal Assistance in Criminal Matters. Internationally, we provided diverse technical assistance to developing countries, etc., in relation to corruption crimes and money laundering.

7. If you have responded to all or some of the recommendations, have you made those responses publicly available?

YES  NO  NOT YET

8. Has your country taken measures to promote, facilitate and support technical assistance in the prevention of and fight against corruption?

If yes, please provide a short overview indicating in which regions and topics you have provided technical assistance.

Thailand(Mar. 2013): Anti-Corruption Initiatives Assessment, Vietnam(Jun. 2013): Integrity Assessment, Corruption Impact Assessment, Whistleblower Protection and Reward, ACRC Training Course for International Anti-Corruption Practitioners(Jun. 2013): Korea's experience for corruption prevention, assessment of current level of corruption, corruption prevention, corruption investigation, prevention of conflict of interest, whistleblower protection, international anti-corruption trends, Mongolia(Sept. 2013): Anti-corruption policies, Indonesia(Nov. 2013): Code of Conduct for Public Officials

The Institute of Justice, under the Ministry of Justice, invited law enforcement officials, jurists, etc., from approximately 70 developing countries within Asia, Africa, Central and South America, etc., and provided technical assistance in relation to the anti-corruption system.

## BRIBERY

Note - questions relating to implementation of the G20 *Principles on the Enforcement of the Foreign Bribery Offence* endorsed by Leaders in 2013 and the OECD *Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* are included in a separate questionnaire. The questions below concern other aspects of bribery not covered by this set of principles.

9. Has your country criminalized the domestic offer or payment of bribes (active bribery)?

YES  NO

10. Has your country criminalized the domestic solicitation or acceptance of bribes (passive bribery)?

YES  NO

11. If no, is your country taking steps to criminalize active and/or passive bribery?

YES  NO

If yes, please provide details.

12. Has your country instituted measures to discourage the solicitation of bribes?

YES  NO

If yes, please provide details.

The Republic of Korea is issuing criminal punishment against acts of demanding bribes pursuant to *the Criminal Act* and *the Act on the Aggravated Punishment, etc. of Specific Crimes*. Also, the article 8 of the *Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission* requires the establishment of the Code of Conduct for public officials, while regulating the act of reporting corruption, and providing protection and compensation for such persons (Articles 55 to 71) in order to eradicate corrupt acts, such as demanding bribes.

13. Does your country provide support for/work with business in resisting solicitation?

YES  NO

If yes, please provide details.

Other than criminally punishing the act of demanding bribes, the Republic of Korea is maintaining a system of reporting corrupt acts, while providing protection and compensation for such persons as mentioned above. Businesses can also utilize the above system to resist illegal solicitation for bribes

and to receive protection.

14. Has your country instituted measures to discourage facilitation payments?

YES  NO

If yes, please provide details.

The definition of bribes mentioned in *the Criminal Act* includes not only material gains such as money or properties, but also tangible and intangible gains which are enough to fulfill one's desire and demand. In this regard, the act of giving facilitation payment is considered bribery as it is related with the duty of the person who receives the payment, unless the payment is made as a formality. Therefore, the act of giving facilitation payment is subject to criminal punishment since it is the act of bribery pursuant to the laws of the Republic of Korea.

Also on March 4, 2013, we have proposed a revision of *the Act on Combating Bribery of Foreign Public Officials in International Business Transactions* to our national assembly to remove the facilitation payment immunity clause in order to eradicate facilitation payments related to foreign bribery crimes. We will be able to eradicate the practice of giving facilitation payments in relation to domestic and foreign bribery crimes upon approval of the above revision.

#### ANTI-MONEY LAUNDERING

15. Since the 2013 progress report, has your country taken any measures to implement the revised FATF standards on anti-money laundering?

YES  NO

If yes, please provide details.

The Korean government revised *the Act on Reporting and Using Specific Financial Transaction Information* on August 13, 2013 in order to implement the FATF international standards. The revised Act came into effect from November 14, 2013.

Principal amendments include:

(1) Abolishing the threshold for suspicious transaction reporting.

Prior to the amendments, the Act set the STR threshold amount at 10 million KRW (5,000 USD). Such standard failed to comply with the FATF international standards (specifically, to report "all suspicious transactions, ...regardless of the amount of the transaction" as required by Recommendation 20) and posed limits to the identification of structured transactions. To solve the issue, the Korean government amended the Act so as to abolish the STR threshold completely, thus requiring financial institutions to file STRs on all suspicious transactions regardless of the amount.

(2) Establishing legal grounds for provision of originator information for wire transfers

The Korean government introduced a wire transfer system based on the Act on Reporting and Using Specific Financial Transaction Information that aids beneficiary financial institutions determine suspicious transactions (structuring through multiple banks) and facilitates implementation of FATF

international standards (Rec. 16: financial institutions should provide beneficiary financial institutions with the required information for wire transfers above the USD 1,000 threshold). As a result, for domestic wire transfers financial institutions are required to provide the originator and beneficiary's name and account number to the beneficiary financial institution for transactions exceeding 1,000,000 KRW. For cross-border wire transfers, financial institutions are required to additionally provide the address or resident registration number of the originator for transactions exceeding 1,000 USD.

16. Since the last progress report, have changes to your country's anti-money laundering legislation been proposed or implemented?

YES  NO

If yes, please provide details.

As stated above (in response to the question 15), the Korean government amended the above-mentioned Act in order to fully implement FATF international standards and is currently in the progress of making further amendments for enhanced customer due diligence by financial institutions, with a bill laid before the National Assembly currently under consideration by the National Policy Committee.

The amendment will require beneficial owner identification where occasional transactions exceed 20 million KRW or whenever there are suspicions of money laundering. Where a customer is a legal person who owns or exercises a controlling interest in excess of 25%, beneficial ownership is identified.

Where financial institutions are unable to carry out CDD due to noncompliance on the customers' part, they will be required to either refuse to carry out the transaction or terminate existing transactions and consider whether an STR should be filed to the financial intelligence unit.

#### **DENIAL OF ENTRY**

17. Have any changes to your country's legislation, regulations or powers to deny entry to foreign officials charged with or convicted of corruption offences been proposed/implemented since the last progress report?

YES  NO

If yes, please provide details.

If no, is such legislation under consideration?

YES  NO

If yes, please provide details.

**INTERNATIONAL COOPERATION**

18. Is your country's administration of mutual legal assistance consistent with the G20 High Level Principles?

YES  NO

If your country's approach is not yet consistent, are you taking steps to implement the Principles?

YES  NO

If yes, please provide details.

19. Are you aware of your country having used one or more of the G20 country Guides to Mutual Legal Assistance?

If yes, please provide details.

Unless otherwise specifically stated in bilateral or multilateral treaties, the Republic of Korea is providing mutual legal assistance pursuant to the G20 country guides for each country.

20. Are you aware of non-G20 members having used the G20 Guide to Mutual Legal Assistance to request mutual assistance from your country?

YES  NO

If yes, please provide details.

21. Have any changes to your country's legislation related to international cooperation been proposed since the last progress report?

YES  NO

If yes, please provide details.

22. Has your country either used UNCAC, or stated that it will allow the use of UNCAC, as the treaty basis for mutual legal assistance (MLA) and/or extradition?

a. Has used as the treaty basis for MLA YES  NO

b. Will allow use as the treaty basis for MLA YES  NO



- c. Has used as the treaty basis for extradition YES  NO
- d. Will allow use as the treaty basis for extradition YES  NO

23. Do domestic authorities in your country cooperate and share information with the integrity offices of international organizations?
- a. Cooperate and share information
  - b. Could cooperate, but has not been asked
  - c. Cannot cooperate

If you cannot cooperate, please provide details.

24. Has your country designated an appropriate authority responsible for mutual legal assistance and law enforcement requests relating to asset recovery (a point of contact)?

YES  NO

If yes, to which organizations:

- a. UNODC
- b. StAR/Interpol Focal Point Initiative
- c. Camden Asset Recovery Network
- d. Other(s)

If yes to 'Other(s)', please provide details.

The Republic of Korea actively participated in Asset Recovery Interagency Network - Asia Pacific (ARIN-AP) that was officially launched in November 2013, and established its secretariat within the Supreme Prosecutors' Office of the Republic of Korea. We also designated a central authority to be in charge of mutual legal assistance and law enforcement requests within ARIN-AP.

**ASSET RECOVERY**

25. Does your country have legislation allowing for asset recovery by foreign authorities or is such legislation proposed?

YES  NO

If yes, please provide details.

The Republic of Korea has diverse laws covering the overall process of asset recovery. The *Criminal Act* and the *Criminal Procedure Act* which are the foundations for asset recovery, define procedures for forfeiture and confiscation as well as procedures for enforcement of relevant court decisions.

Also, the *Act on Reporting and Using Specified Financial Transaction Information* allows the use of financial transaction information, and the act of money laundering is punished by the *Act on Regulation of Punishment of Criminal Proceeds Concealment*. Additionally, the *Act on Special Cases Concerning the Prevention of Illegal Trafficking in Narcotics, etc.*, the *Act on Special Cases Concerning the Confiscations and Return of Property Acquired Through Corrupt Practices*, and the *Act on Special Cases Concerning Forfeiture for Offenses of Public Officials* have been legislated so as to expand the scope of properties subject to forfeiture and strengthen the enforcement.

26. Has your country established a specialist/dedicated unit for the recovery of the proceeds of corruption?  
YES  NO

If yes, please provide the name of the specialist unit and contact details.

Mr. LEE Hae-chun of the Enforcement Division, Criminal Trial and Civil Litigation Department, the Supreme Prosecutors' Office, is in charge of the recovery of the proceeds of corruption.

27. Does your country publish or otherwise make publicly available details of amounts frozen, seized, recovered or returned?  
YES  NO

If yes, please provide details.

28. Is your country providing technical assistance to developing countries aimed at helping the recovery and return of proceeds of corruption?  
YES  NO

If yes, please provide details.

The Institute of Justice, under the Ministry of Justice, invited law enforcement officials, jurists, etc., from approximately 70 developing countries within Asia, Africa, Central and South America, etc., and provided technical assistance under the theme of the current trends of money laundering, counter-measures (investigation, detection, and indictment of money laundering crimes), and the anti-corruption system.

#### **TRANSPARENCY OF LEGAL ENTITIES**

29. Does your country have transparency requirements for legal persons, including companies, bodies corporate, foundations and partnerships?  
YES  NO

If yes, please provide details.

In order to establish transparency for legal persons, the Republic of Korea implemented legal person registration system. The purpose of the above system is to allow non-related third parties to

be able to recognize the detailed information of the legal persons by disclosing such information, since it is difficult for non-related third parties to be well aware of a legal person or its details. Legal person registration is required for its establishment. The representative of the legal person requests its registration at the district court / registry office of the legal person's jurisdiction. Also, when requesting for registration, articles of incorporation, written certificate proving the qualifications of the director, approval by the competent administrative agency, and its property list must be included. The registration information consists of purpose of the legal person, title, office, approved date, total asset value, method of investment, name of the director, address, etc.

30. Does your country require that the beneficial ownership and company formation of all legal persons organized for profit be reported by the legal person?

YES  NO

If yes, to whom is it reported?

• Disclosure of the ownership structure of listed companies is governed by the Financial Investment Services and Capital Markets Act, while unlisted companies shall disclose the information about shareholders based on the audit conducted in accordance with the Act on External Audit of Stock Companies. All companies are required to report information about controlling shareholders and their shares to the tax authorities pursuant to the Corporate Tax Act.

• Details of disclosing a company's ownership structure are as follows:

(1) Listed companies : The Financial Investment Services and Capital Markets Act requires listed companies to report information of those that hold more than 5/100 of the total number of stocks, etc. and his/her specially concerned persons to the FSC and the Korea Exchange which then will review, keep, and list the reported information on their internet homepage, etc. (Article 147 and 149 of the Financial Investment Services and Capital Markets Act)

(2) Unlisted companies : Any company limited by shares with the total asset of no less than KRW 10 billion must receive an accounting audit by an auditor who is independent from the company, and must submit financial statements approved at an ordinary general meeting to the Securities and Futures Commission, as prescribed by the Presidential Decree (Article 2, 8 and 14 of the Act on External Audit of Stock Companies). After the external audit, the company must keep and publicly announce its financial statements, and usually specifies the number and the share of stocks held by major shareholders at the footnote of the financial statements. As such, the information is used to check the current status of major shareholders of the company subject to an external audit.

(3) For all companies : All companies are required to submit a detailed statement of changes in stocks, etc. to the tax authorities that contains information including stocks owned by a controlling stockholder and his/her specially concerned persons. Through this, the tax authorities can obtain information about a controlling shareholder (Article 119 of the Corporate Tax Act).

31. If yes, is this information available to the public?

YES  NO

32. If this information is not available to the public, is it available to law enforcement?

YES  NO

## WHISTLE BLOWER PROTECTION

33. Does your country have legislation to protect whistleblowers:

a. In the public sector YES  NO

b. In the private sector YES  NO

34. Have changes to whistle blower protection legislation been proposed or implemented since the last monitoring report?

YES  NO

If yes, please provide details.

- To strengthen the protection for whistleblowers, the number of acts which are subject to *the Act on the Protection of Public Interest Whistleblowers* would be increased from the current 180 acts to 280 acts, and the provision on the mitigation of culpability of the Act would be applied not only for criminal punishment and disciplinary action but also for administrative actions of government agencies against whistleblowers under the revision bill which the ACRC has been working on. (submitted to the National Assembly on 26th September 2013, and sent to the political affairs committee at the National Assembly for the review on 8th November 2013)

- In cooperation with and support from central government agencies, local governments and public service-related organizations, the ground has been laid for public organizations to operate their own whistleblower protection system such as internal whistleblower protection procedures.

\* The number of organizations with internal whistleblower protection procedures drastically rose from 46 in 2012 to 75 in 2013.

- It has been more accessible and convenient for the public to make a public interest whistleblowing report with diversification of reporting channels.

\* Public Interest Whistleblowing Report Center was opened at e-People(May. 2013), Smartphone application for public interest whistleblowing report(Oct. 2013)

35. Since the last progress report, has your country implemented any measures to protect journalists reporting incidents of corruption?

If yes, please provide details

Any person including journalists can "make a report" of violations of public interest and be entitled to protective measures such as confidentiality of identity under *the Act on the Protection of Public Interest Whistleblowers*. However, as for journalists who "cover" suspected corruption cases, freedom of speech is guaranteed under the related laws the same as the media coverage on other issues.

## PROCUREMENT

36. Does your country publish online any of the following?

a. Procurement laws and policies including any legislation defining the use of exceptions YES  NO

b. Selection and evaluation criteria YES  NO

c. Awards of contracts and modifications of contracts YES  NO

Please provide details.

Primary and secondary laws (Acts, Decrees, Regulations and Instructions) governing the procurement of central government entities and local government entities are available online at Korea Online e-Procurement System ([www.koneps.go.kr](http://www.koneps.go.kr))

n

Selection and evaluation criteria are regulated in detail in Contracting Regulations published by the Ministry of Strategy and Finance, and the criteria for each specific tender are included in each tender notice that are published online through Korea Online e-Procurement System. Awards of contracts are disclosed online on a real time basis, including the selected bidder, award price, list of bidding participants and their bidding prices, and the name and contact information for the public official in charge.

For procurement by central government entities, contract modifications are disclosed online to the public through Korea Online e-Procurement System

37. Since the last progress report, have any new initiatives to promote public procurement transparency and integrity been proposed or implemented?

If yes, please provide details.

In May 2013, Public Procurement Service, the central government procurement agency, began the real-time online broadcasting of technical evaluation process for awarding contracts for design/build projects and technical services.

Public Procurement Service also introduced the Integrity Ombudsmen Program in July 2013.

On this program, citizen ombudsmen are invited to eyewitness and monitor the technical evaluation process for awarding contracts for large public works contracts and IT projects with potential integrity risks or social dispute.

38. Are there regulations and procedures for public procurement officials to govern conflicts of interest?

YES  NO

If yes, please provide details.

39. Are companies that have been found to be involved in corrupt contracting practices excluded from future participation in public tenders?

YES  NO

If yes, please provide details.

Pursuant to *the Enforcement Decree of the Act on Contracts to Which the State is a Party*, companies that have been found to be involved in corrupt practices are debarred from public tenders for the period of 1 to 24 months. Debarment is imposed for illegal practices such as bribery, collusion, and fraud. It can also be imposed for violation of regulations or contractual terms.

40. If yes, is the debarment list of International Financial Institutions taken into account?

YES  NO

41. Are the names of companies excluded from future participation in public tenders made publicly available?

YES  NO

If yes, please provide details.

The list of debarred companies are made available to public entities, but not to the general public.

#### DISCLOSURE BY PUBLIC OFFICIALS

42. Does your country require disclosure by public officials of:

- |                          |   |  |
|--------------------------|---|--|
| a. Income                | YES <input type="checkbox"/>            | NO <input checked="" type="checkbox"/> |
| b. Assets                | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/>            |
| c. Conflicts of interest | YES <input type="checkbox"/>            | NO <input checked="" type="checkbox"/> |
| d. Gifts                 | YES <input type="checkbox"/>            | NO <input checked="" type="checkbox"/> |
| e. Other                 | YES <input type="checkbox"/>            | NO <input checked="" type="checkbox"/> |

If yes, please provide details.

#### PUBLIC OFFICIALS' IMMUNITIES

43. Does your country provide immunities from prosecution to individuals holding public offices for corruption related offences?

- |   |   |                             |
|---|---|-----------------------------|
| a. All public office holders                        | YES <input type="checkbox"/>            | NO <input type="checkbox"/> |
| b. Certain public office holders                    | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| c. No immunities available to public office holders | YES <input type="checkbox"/>            | NO <input type="checkbox"/> |
| d. While in office                                  | YES <input type="checkbox"/>            | NO <input type="checkbox"/> |
| e. Permanently                                      | YES <input type="checkbox"/>            | NO <input type="checkbox"/> |

If yes, which public office holders are immune and if immunity is limited, please explain.

Article 84 of *the Constitution* of the Republic of Korea states, "The President shall not be charged with a criminal offense during his tenure of office except for insurrection or treason." As such, the president in his tenure of office cannot be indicted unless it is for insurrection or treason. However, the aforementioned provision of the Constitution does not provide the president with the immunity for a crime, and the President can be indicted and punished after his/her term is finished.

### EDUCATIONAL INITIATIVES

44. Is your country involved in any of the following international anti-corruption educational initiatives?

- |   |   |  |
|---|---|--|
| International Anti-Corruption Academy                         | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/>            |
| UNODC Anti-Corruption Academic Initiative                     | YES <input type="checkbox"/>            | NO <input checked="" type="checkbox"/> |
| Other international anti-corruption educational initiative(s) | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/>            |

If yes, please provide details.

The ACRC launches an annual training course for anti-corruption practitioners from all over the world from June 17 to 28, 2013. This training course is intended to help build the capacity to develop and implement effective anti-corruption policies and measures.

The course has been conducted annually since 2013, and it fully reflects opinions of participants in such ways as conducting demand survey for program topics, as of 2013, participants consist of 13 international public officials at anti-corruption agencies including 7 from Asia and 6 from Africa.

45. Does your country provide anti-corruption educational/training programs for officials, including public office holders?

YES       NO

If yes, please provide details.

The ACRC launches an annual training course for anti-corruption practitioners from all over the

world from June 17 to 28, 2013. This training course is intended to help build the capacity to develop and implement effective anti-corruption policies and measures.

The course has been conducted annually since 2013, and it fully reflects opinions of participants in such ways as conducting demand survey for program topics. as of 2013, participants consist of 13 international public officials at anti-corruption agencies including 7 from Asia and 6 from Africa.

Government agencies in Korea are providing anti-corruption training program at the agency level to their workers. In particular, in order to provide specialized and systematic anti-corruption education, the ACRC opened the Anti-Corruption Training Institute, which is a specialized anti-corruption/integrity training institute, by expanding and overhauling the previous anti-corruption education division of the ACRC in Oct. 2012.

The Anti-Corruption Training Institute provides education programs and cyber courses to public officials, and supports anti-corruption training programs of each government agency by creating and distributing education materials.

Moreover, to enhance effectiveness of anti-corruption education, training courses tailored for each participating agency are provided from 2014, where both high-ranking and working-level officials can participate.

46. Does your country or business associations in your country promote anti-corruption training for the private sector?

YES  NO

If yes, please provide details.

The Korean government has been operating business ethics capacity building programs for executives and staff of private companies since 2009 to systematically support the efforts to spread business ethics across the private sector. The program consists of experts lectures on latest issues in the business ethics area such as ISO26000(CSR) and IFRS, case-study of best practices of companies in exercising business ethics, and introduction of implementation process of business ethics. Recently, a separate program has been launched to share know-how of the public sector on anti-corruption policies.

In addition, 「OECD Anti-Bribery Convention Guidebook」 has been distributed to participants since 2011, and we are putting focus on explaining the issue of liability of legal person regarding the convention and asking for cooperation from companies in implementing the convention in order to raise awareness of liability of legal person in violation of the OECD Anti-Bribery Convention.

The Federation of Korean Industries(FKI) published and distributed "Business Ethics Best Practices Casebook" to identify and share best practices. In addition, it regularly holds "Business Ethics School" for companies (3 sessions in 2013) to provide education on anti-corruption issues. The FKI also offered an opportunity for business people to share opinions with business ethics experts by hosting "Issues Seminar" in June 2013.



The FKI also adopted "Five Principles on Business Ethics for Partnership" for SMEs in May 2013, and hosted "Business Ethics School" in September 2013 to share the importance and values of business ethics through partnership with SMEs.

The Ministry of Justice of the Republic of Korea is providing anti-corruption education to the private sector. The Ministry of Justice offered education to the Federation of Korean Industries (FKI) and the Korea Federation of Small and Medium Businesses to improve their awareness about the OECD Anti-bribery Convention and the *Act on Combating Bribery of Foreign Public Officials in International Business Transactions*. Furthermore, the FKI is operating "Business Ethics School ABC" for companies to strengthen ethical management.

47. Has your country disseminated G20 products and documents developed by the group with relevant domestic authorities?

YES  NO

If yes, please provide details.

Major documents have been summarized in Korean, fully translated into English, and distributed to related agencies.

## JUDICIARY

48. Has your country taken any measures to promote and disseminate the Bangalore Principles for Judicial Integrity?

If yes, please provide details

The Republic of Korea is implementing diverse measures to improve the integrity of its judicial branch. When a judge resigns from his/her position and becomes a lawyer, the *Public Service Ethics Act* limits him/her from working at private firms beyond the scale designated by the law, based on set conditions. Furthermore, the *Attorney-at-Law Act* prohibits such lawyers from accepting cases handled by the government organization he/she belonged to from one year prior to the person's resignation up to his/her resignation. Judges are also obligated to register and disclose their properties as public officials.

49. Has your country taken other measures to promote the accountability and independence of the Judiciary?

If yes, please provide details

Major documents have been summarized and fully translated into Korean, and distributed to related agencies.

The Republic of Korea is implementing diverse measures to improve the independence and responsibilities of its judicial branch.

In relation to the independence of the judicial branch, the Constitution of the Republic of Korea protects the independence of the judge based both on his/her position and duty. In order to protect

the judge's independence based on his/her position, the qualifications for a judge are designated by the law, thereby preventing the executive branch from infringing upon judicial authority. The disqualifications for a judge are also designated by the law to prevent a person who has the authority to appoint judges from abusing his/her power so as to influence the judges. Furthermore, the judge's independence is recognized during his/her duties, and therefore the chief judge cannot interfere with or issue orders in relation to a specific case.

In order to enhance the responsibilities of the judicial branch, the Supreme Court established the Sentencing Committee and set the sentencing guidelines for each crime to ensure consistency. Also, the court is currently fully disclosing the judgments for criminal cases to the public, and plans to disclose the judgments for civil cases by next year.

### SECTOR-SPECIFIC TRANSPARENCY INITIATIVES

50. Is your country supporting or implementing any sector-specific initiatives?

Extractive Industries Transparency Initiative (EITI)

Implementing

YES

NO

Support

YES

NO

Construction Sector Transparency Initiative (CoST)

Implementing

YES

NO

Support

YES

NO

Other (specify below)

Implementing

YES

NO

Support

YES

NO

Please provide details on other sectoral initiatives supported by your country, or domestic measures taken in relation to specific sectors.

51. Does your government have integrity pacts with the business sector?

YES  NO

If yes, please provide details.

"The Act on Contracts to Which the State is a Party" provides the legal ground for Integrity Pact, and sanctions are imposed for violation of Integrity Pact such as cancellation or termination of contracts.

In the past, most of public organizations have introduced Integrity Pact, but there was no clear legal ground for Integrity Pact itself and sanctions for violation. Therefore, it was difficult to cancel or terminate contracts even if contractors violated Integrity Pact, undermining the effectiveness of Integrity Pact.

Against this backdrop, the ACRC conducted Corruption Impact Assessment\* and established legal ground in the form of an act to give legally binding force to Integrity Pact to effectively prevent corruption.

Moreover, it made a recommendation for the Ministry of Finance and Strategy and the Ministry of Security and Public Administration to revise the relevant law to make it mandatory to cancel/terminate contracts when there is a violation of Integrity Pact.(30 December 2009)

Corruption Impact Assessment has been implemented since 2006, and with the assessment the ACRC identifies corruption-causing factors lying in the existing laws and regulations and makes recommendations for the relevant ministries and agencies to improve the laws.

The Act on Contracts to Which the State is a Party and the Act on Contracts to Which a Local Government is a Party have been revised to reflect the ACRC's recommendations. The revision of the Act on Contracts to Which the State is a Party was proposed by Lawmaker Kang Gilbu and passed at the National Assembly. It was announced on 18 December 2012 and took effect on 19 June 2013. And the revision of the Act on Contracts to Which a Local Government is a Party was proposed by the Ministry of Security and Public Administration and passed at the National Assembly. It was announced on 6 August 2013 and took effect on 7 February 2014.

#### **FISCAL AND BUDGET TRANSPARENCY**

52. Has your country taken steps to implement the IMF Good Practices in Fiscal Transparency?

YES  NO

If yes, please provide details.

We have calculated and published the general government finance statistics under the GFSM 2001(IMF's guideline) since FY2011.

We provide the public with fiscal information on revenues, expenditures and central government debt, etc. through a 'Monthly Public Finance' report.

53. Has your country taken steps to implement the OECD Best Practices on Budget Transparency?

YES  NO

If yes, please provide details.

The Korean government has similar systems that function as the Pre-Budget Statement and the Mid-Year Review.

The pre-review function of the National Assembly has been strengthened by requiring the finance ministry to submit a "Guideline for budget planning" to the Assembly before submitting a budget bill every year.

Instead of the Pre-Budget Statement, the Korean government has introduced a pre-report system

to submit the direction for establishing a 5-year mid-term fiscal plan, called “National Fiscal Management Plan,” to the National Assembly.

(According to the revision of the National Finance Act in May 2010, the Minister of Strategy and Finance is required to report the direction for establishing the “National Fiscal Management Plan,” including the amount of finances, fiscal balance of revenues, and allocation of resources, to the competent Standing Committee of the National Assembly before submitting the plan to the National Assembly.)

In addition, Korea is issuing some reports including “Monthly Fiscal Report” to serve as Mid-Year Reviews.

**Thank you for your time in completing this questionnaire.**