

I - Information requested from States parties in relation to conflicts of interest, reporting acts of corruption and asset declarations, particularly in the context of articles 7 – 9 of the Convention

1. Has your country adopted and implemented articles 7 – 9 of the UN Convention against Corruption?

States parties are encouraged to focus in particular on their implementation of policies and measures relating to conflicts of interest, the reporting of acts of corruption and the use of asset declarations.

Republic of Korea has introduced and implemented following policies and measures in accordance with Article 7-9 of the UNCAC.

A. Policies and measures to prevent conflicts of interest

- Enacting and implementing Public Service Ethics Act
- Enacting and implementing Code of Conduct for Public Officials
- Planning to enact Act on Prevention of Illegal Solicitation and Conflict of Interest
- Conducting Corruption Impact Assessment

B. Policies and measures to promote corruption reports by public officials

- Enacting and implementing Act on Anti-Corruption and the Establishment and Operation of the Anti-Corruption & Civil Rights Commission
- Operating Corruption Report Center

C. A measure to register (disclose) property of public officials

- Implementing Property Registration System for Public Officials

2. Please cite, summarize and, if possible, provide copies of the applicable policy(ies) or measure(s):

In particular, the Secretariat would be grateful for information regarding policies or measures that:

- o *identify and address potential conflicts between the professional duties and personal interests of civil servants or elected public officials.*
- o *allow and encourage members of the civil service to report acts or suspected acts of corruption. States parties are encouraged to provide specific examples such as training, publicity campaigns, information on the existence and operation of whistleblower hotlines, etc.;*
- o *require asset declarations from civil servants or those elected to public office (States parties are encouraged to provide examples of asset declaration forms where used).*

Policies or measures that identify and address potential conflicts between the professional duties and personal interests of civil servants or elected public officials

A. Enacting and implementing Public Service Ethics Act¹

Republic of Korea enacted Public Service Ethics Act to guide public officials to meet their obligations

¹ Refer to attachment #1,2

by preventing corruption and securing fairness of the public sector.

Article 2-2 of the Act prescribes that conflicts of interest should be prevented preliminarily and public officials should not pursue their private interest abusing their authority. Articles following the Article 2-2 provide concrete initiatives such as Property Registration, Blind Trust of Stocks, Gift Declaration and Employment Restrictions of Retired Public Officials.

(Property Registration for Public Officials prescribed in Articles 3 through 14-3 will be described later.)

The initiative of Blind Trust of Stocks prescribed in Article 14-4 through 14-10 has been introduced to eliminate the connection between public officials' duties and stocks they hold. Under this initiative, elected and politically appointed officials, officials above 'A(Ga)'-rank of SES and chairs of public service related organizations are supposed to dispose or entrust their stocks valuing over 30 million KRW.

Gift Declaration initiative prescribed in Article 15 and 16 requires public officials to declare any gifts they receive from foreign governments, other organizations, or individuals. However, gifts under 100 thousand KRW and personal gifts from foreign individual do not have to be declared.

Articles 17 through 19 prevent inappropriate connection between public officials and private companies by restricting retired officials to be employed to certain companies. For 2 years, public officials above rank-4 and officials above rank-7 working in law enforcement, auditing, and issuing license are limited to get a job of private companies which are related to their former duties of last 5 years. This initiative was introduced to prevent retired public officials from exercising inappropriate influence on their former government agencies in favor of their new companies.

B. Enacting and implementing Code of Conduct for Public Officials²

The ACRC(Anti-corruption and Civil Rights Commission) of Korea enacted and has implemented the Code of Conduct for Public Officials, in order to set appropriate value and behavioral standards to help public officials not to be corrupted in conflict situations, including conflicts of interest, while carrying out their duties.

The Code of Conduct was created for public officials for the first time in 2003 in the name of "Code of Conduct for the Maintenance, etc. of Public Official's Clean-Handiness," based on the "Anti-Corruption Act" which was enacted on July 24, 2001. The application of the Code of Conduct has been extended to the executives and employees of public service related organizations since 2006.

Moreover, the Code of Conduct for Local Councilmen was separately enacted and promulgated as a presidential decree on November 2 in 2010, and has been implemented since February 3, 2011, particularly for local councilmen among local public officials, reflecting distinct characteristics of their status.

In order to prevent public officials from facing conflicts of interest while carrying out their duties, the Code of Conduct for Public Officials set 16 behavioral standards such as "Recusation for Conflicts of Interest (Article 5)," and "Prohibition of the Improper Use of Public Position (Article 10-2)." It also defines disciplinary measures for the violators. Details of the Code of Conduct for Public Officials regarding conflicts of interest are as follows:

² Refer to attachment #3,4

< Table 1. Behavioral Standards (Code of Conduct for Public Officials) >

Fair Performance of Duties (6 Articles)	Prohibition of Giving and Receiving Unfair Profits (7 Articles)	Creation of Healthy Climate of Civil Service (3 Articles)
<ul style="list-style-type: none"> ▶ Handling of Instructions that Hinder Fair Performance of Duties (§4) ▶ Recusation for Conflicts of Interest (§5) ▶ Exclusion of Preferential Treatment (§6) ▶ Prohibition of Use of Budget for Unspecified Purposes (§7) ▶ Handling of Unjust Request from Politicians (§8) ▶ Prohibition of Illegal Solicitation for Personnel Affairs (§9) 	<ul style="list-style-type: none"> ▶ Prohibition of Influence Peddling (§10) ▶ Prohibition of the Improper Use of Public Position (§10-2) ▶ Prohibition of Illegal Solicitation (§11) ▶ Restriction of Use of Duty-related Information for Financial Transactions (§12) ▶ Prohibition of Personal Use of Public Property (§13) ▶ Restriction of Receiving Money or Other Valuables (§14) ▶ Prohibition of Giving Money or Other Valuables (§14-2) 	<ul style="list-style-type: none"> ▶ Report on Outside Lecture or Conference (§15) ▶ Prohibition of Borrowing Money (§16) ▶ Restriction on Notification of Festivities and Funerals and on Receipt of Money Thereof (§17)

C. Planning to enact Act on Prevention of Illegal Solicitation and Conflict of Interest

The ACRC is planning to enact a new law, so-called “Act on Prevention of Illegal Solicitation and Conflict of Interest” which deals with “conflict of interest,” currently stipulated in the Code of Conduct for Public Officials (Presidential Decree), and penalties for the violation, in order to more effectively prevent and manage conflict of interest situations facing public officials.

To this end, the Commission has prepared to draw up this new law, by studying foreign legislation cases such as the U.S. or Canada, collecting opinions of experts, and holding open discussions since last year. Furthermore, it has made and distributed “Guidelines for Conflict of Interest” as a practical guide for public officials to fairly carry out their duties and to effectively respond to conflict of interest situations.

The “Guidelines for Conflict of Interest” suggests 4-step measures (self-diagnosis check list – counseling about conflict of interest situations – managing conflict of interest – monitoring conflict of interest & taking disciplinary measures against violation) so that public officials themselves can assess corruption possibilities and resolve conflict of interest through the ethical counseling system.

D. Conducting Corruption Impact Assessment³

³ Refer to attachment #5,6

The Corruption Impact Assessment was designed as a preventive measure to review and remove corruption-causing factors out of laws and regulations when the bills are drafted. This assessment has been carried out since April 2006. When public organizations enact or amend laws and regulations, they are required to prepare a draft and relevant materials and to request the ACRC to conduct the Corruption Impact Assessment on the draft, right after they start consultations with concerned agencies. The ACRC reviews and assesses corruption-causing factors of the draft and recommends improvement measures and detailed examples of enactment so that they can reflect the recommendations into their draft before legislative examination.

The Commission has prepared its specific criteria for items to be reviewed and assessed when detecting corruption-causing factors out of laws and regulations. Currently, however, as some corruption cases related to conflict between private and public interests have been revealed, the ACRC revised its “Guideline for Corruption Impact Assessment” (Sep. 28, 2011), adding “possibility of a conflict of interest” into the specific criteria, and the revised criteria has been applied since January 1, 2012.

<Table 2. Improvement of Corruption Impact Assessment Criteria>

- Current criteria -			- Revised criteria -	
Assessment item	Assessment criteria		Assessment item	Assessment criteria
Ease of compliance	Appropriateness of the burdens of compliance		Ease of compliance	Appropriateness of the burdens of compliance
	Appropriateness of discretionary regulation			Appropriateness of discretionary regulation
	Possibility of preferential treatment			Possibility of preferential treatment
Appropriateness of discretion	Clarity of discretionary regulation	⇒	Appropriateness of execution standards	Concreteness and objectiveness of discretionary regulation
	Appropriateness of discretionary range			Appropriateness of the standards of consignment and entrustment
	Concreteness and objectiveness of discretionary regulation			Clarity of financial support standards
Transparency of administrative procedures	Accessibility and openness		Transparency of administrative procedures	Accessibility and openness
	Predictability			Predictability
	Corruption control tool			Possibility of a conflict of interest

Policies and measures that allow and encourage members of the civil service to report acts or suspected acts of corruption

A. Enacting and implementing Act on Anti-Corruption and the Establishment and Operation of the Anti-Corruption & Civil Rights Commission⁴

Republic of Korea has a system for “corruption report and protection of corruption whistleblowers” based on the Anti-Corruption Act which was enacted in 2001. In addition, in order to strengthen corruption report by public officials themselves, they are required to report any corruption act they get to know or are forced/ asked to do, while carrying out their duties.

The ACRC, a representative anti-corruption agency in Korea, has made its various efforts to successfully establish the system, since the “Anti-Corruption Act” was enacted. In 2002 when the act was first implemented, the ACRC requested all public organizations to post “the system of corruption report and protection & reward of whistleblowers” on their bulletin boards and websites to promote the system. Also the Commission asked the organizations to set up a link on their websites to the KICAC (→ACRC) online reporting center so that the corruption report and protection of corruption whistleblower system could be established in all public organizations successfully.

Furthermore, in the beginning of every year, the Commission recommends all public organizations to take measures to promote corruption reports and protection/reward of whistleblowers in its “Guidelines for Anti-corruption & Integrity Policies,” as well as holds meetings with compliance officers of central government agencies, local governments, offices of education, and public service related organizations, in order to share basic directions of the government’s anti-corruption & integrity policies and jointly implement major policies with other public agencies. In addition, by conducting “Anti-corruption Initiative Assessment,” the ACRC evaluates public agencies whether they are implementing the guidelines or not and supports the agencies to implement the concerned measures and guidelines in a practical way.

In the meantime, the Commission has maintained its institutional efforts to encourage public officials to report corruption by continuously revising and supplementing provisions of Anti-Corruption Act regarding corruption report and protection & reward of whistleblowers. For example, it expanded the definition of a corrupt act up to even indirect behaviors such as an act of forcing, recommending, or encouraging someone to engage in or concealing the acts (§2). Also the law stipulates that if a person suffers disadvantages or discrimination for his/her report of corruption or if there are reasonable grounds to assume that the reporter may experience such disadvantages or discrimination, from Articles of the “Protecting Those Who Report Specific Crimes Act” shall apply *mutatis mutandis* to the investigation and the criminal procedures in connection with the reported act of corruption (§ 64) so that the identity of the reporter cannot be revealed. In addition, to encourage corruption reports, the ACRC is making efforts to improve and enhance the Anti-Corruption Act, for example, by adding provisions regarding awards and raising the amount of rewards (§ 71 of the president decree)

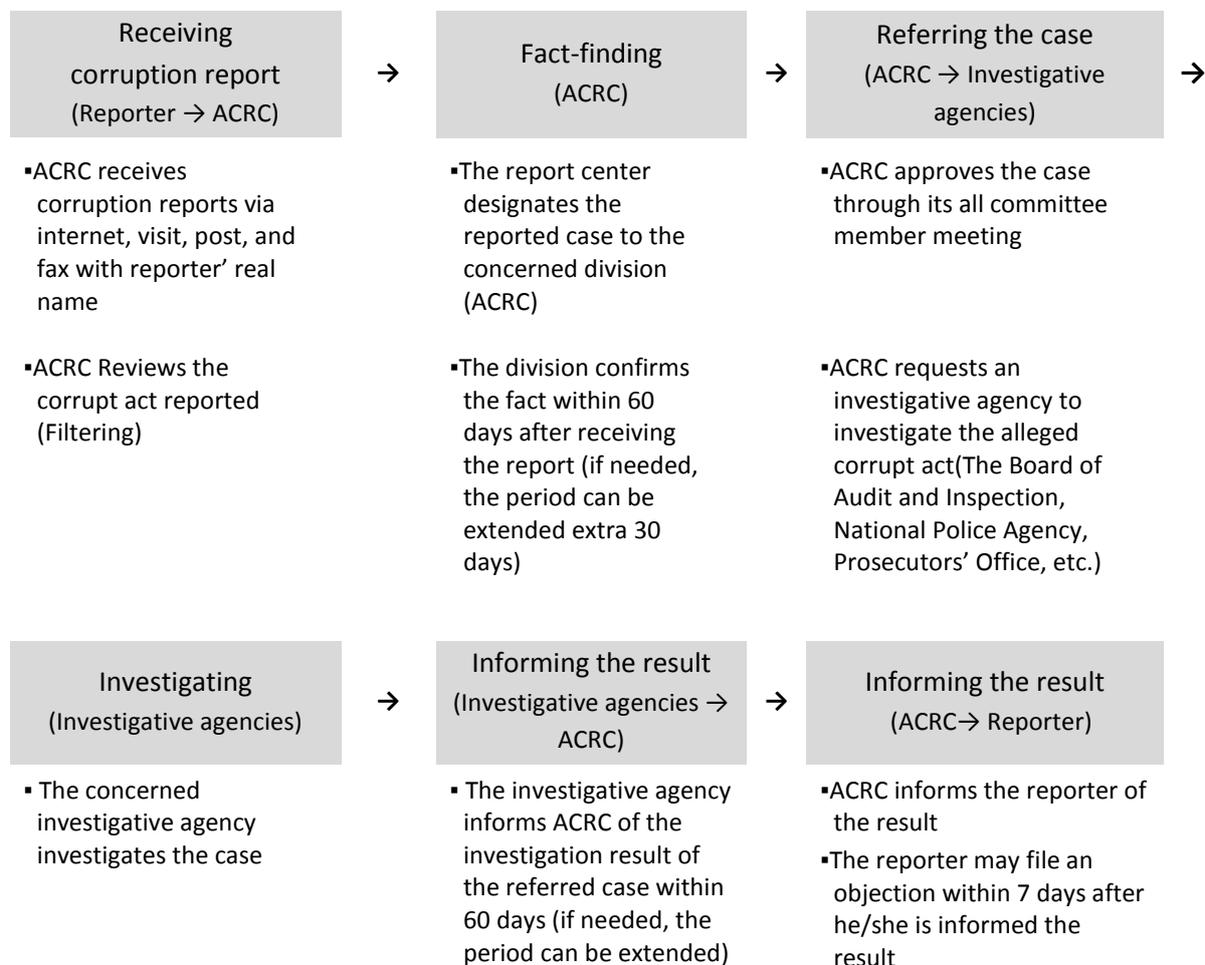
B. Operating Corruption Report Center

The ACRC is running “Corruption Report Center (off-line)” to protect identity and confidentiality of whistleblowers (corruption reporters) as much as possible. The center provides various forms of

⁴ Refer to attachment #7

counseling for corruption report, through a visit, call, internet, or outcall. To provide better counseling, retired public officials and counselors with abundant experience are designated in the center. Particularly, to facilitate corruption reports, the center opens a hot-line for corruption report counseling twenty-four seven.

<Chart 1. Corruption Report Handling Process >



<Table 3. Status of Whistleblowing by Public Officials among Corruption Report >

year	total	Refer to Investigative Agencies				Corruption Detection Rate(②/①)
		Informing Result			Under Investigation	
		Sub-total①	Corruption Detection ②	acquittal		
2007	36	36	27	9	-	75.0
2008	26	26	18	8	-	69.2
2009	43	43	33	10	-	76.7
2010	52	46	33	13	6	71.7
2011	49	15	12	3	34	80.0
Total	206	166	123	43	40	74.1

(Unit: case, %)

Policies and measures that require asset declarations from civil servants or those elected to public office

Implementing Property Registration System for Public Officials

Property Registration System has been introduced to prevent illegal property accumulation of public officials by regularly requesting them to disclose information on property status of themselves and their family members.

A legal basis for the system lied in the enactment of Public Service Ethics Act in 1981, and the first registration for 644 high-rank officials was made in 1983. In 1993, voluntary asset declaration of the president Kim Young-Sam drove reinforcement of the Property Registration and System. As a result, the Public Service Ethics Act was revised with extension of the number of target officials above Grade-4 and officials above Grade-7 working in such as taxation, auditing, and law enforcement areas.

After some additional revisions, about 180 thousand public officials are registering their property status as of December of 2011 and 5,400 high-rank officials such as President of Korea, members of the National Assembly, rank-‘A(Ga)’ of SES, and chairs of public service related companies are registering and disclosing their property status, promoting transparency of the government.

<Table 4. Overview of the Property Registration System>

Target officials	Elected and politically appointed officials, public officials above rank-4 (above rank-7 working in certain areas), judges, prosecutors, presidents/deans of universities, military officers above colonel-level, chairs of public service related organizations
Target properties	Cash, deposits, securities, and real estate of public official oneself, spouse, and lineal descendants and ascendants
Reviewing body	Public Ethics Committee
Penalties against corrupt officials	If a false disclosure or illegal accumulation of property is acknowledged: - taking warning or corrective action, - making the false disclosure public - imposing penalties such as disciplinary measures or dismissal

3. Please provide examples of the successful implementation of domestic measures adopted to comply with articles 7 – 9 of the Convention:

States parties may wish to include case studies or specific examples of the following:

- o the successful identification of conflicts of interest between the professional duties and personal interests of public officials and the process used to resolve such conflicts.*
- o the reporting by a public official of an act of corruption through mechanisms established in accordance with the provisions of the Convention.*
- o the identification of potential conflicts of interest through the use of an asset declaration form and action taken as a result.*

Cases of the successful identification of conflicts of interest between the professional duties and personal interests of public officials and the process used to resolve such conflicts

Case 1: The ACRC, through 2011 inspection for Code of Conduct, found out that 14 local state-owned companies abused their authority to hire employees for personal interest. It was found out that they abused their authorities over personnel affairs and distorted employment process, influenced by external pressure and solicitations: for example, hiring a specific person only with interview and resume after leaving out written tests, setting a very short period for a job opening to give only specific persons interview opportunities, or hiring an unqualified person for the job requirements. The ACRC confirmed the facts and requested the concerned public companies to come up with countermeasures to prevent recurrence of such violation, and informed the Ministry of Public Administration and Security of its opinions about institutional improvement concerned.

Case 2: It has been found that regarding subcontracts in construction area, public officials frequently selected unqualified or unlicensed subcontractors or connived in making low-price contracts violating appropriateness of subcontracts in return for bribery, etc. Accordingly, the ACRC conducted its Corruption Impact Assessment on Enforcement Decree of the Framework Act on the Construction Industry and made a recommendation to the Ministry of Land, Transport and Maritime Affairs to create measures to prevent conflict of interest, such as excluding private examiners out of its subcontract reviewing committee as they might directly and indirectly influence results of committee's reviews (on subcontractor's construction capability or appropriateness).

Case 3: Even though corporate credit cards of public organizations are supposed to be used for public purposes, they have often been used for personal interests including entertainment or luxury goods. For example, it was detected that senior officer A of a public organization charged golf goods worth 1500USD on his corporate card at a department store, while senior officer B charged a beef gift set and expensive liquors on his corporate card at an airport duty free shop on his business trip for his personal purpose. Accordingly, to prevent personal use of public funds, the ACRC introduced "Clean Card System" to establish a regularly monitoring system, designate more categories of business and goods a corporate card cannot be used to pay for, and open the breakdowns of corporate credit cards.

Cases of the reporting by a public official of an act of corruption through mechanisms established in accordance with the provisions of the Convention

Case 1: Mr. B, a contract worker of a state-owned company A, reported a manipulation of the company in a customer satisfaction survey in 2008. The company A mobilized its employees to disguise themselves as ordinary customers and to participate in the survey. As a result, the company was selected as the best company in management performance, receiving 500% incentives and 200% incentive for employees and the CEO of the company, respectively. Thanks to this whistleblowing, 3.98 billion KRW(3.5 million USD) was returned to the national budget, and Mr. B was provided 345 million KRW(305,000 USD) as a reward from the ACRC.

Case 2: Mr. B, a public official of a public organization A, received an illegal order from his immediate superior to make a private contract with a specific company, in the process of purchasing goods for its bachelors' dormitory. But he refused to follow the order and reported the fact to the ACRC that over 1 billion KRW (884,000 USD) had been wasted by such practices of the organization. As a retaliation against his whistleblowing, the A organization took an unfair personnel shift of Mr. B, and the ACRC requested the organization to delete unfair rating about Mr. B and cancel its measure to

suspend salary increase for 6 months. This whistleblowing case was reported in the media, raising public awareness in Korean society on the need to protect whistleblowers. Also, Mr. B was provided 30 million KRW (27,000 USD) as an award from the ACRC, taking credit for his contribution to corruption prevention.

Case 3: Mr. A, a serviceman, suspected one of his colleagues, Mr. B of embezzling military goods. So, Mr. A marked military goods with a specific symbol and found out that those marked goods were supplied back to the military. Mr. A reported this fact to the ACRC with evidence. Later, he resigned due to severe mental pain as his whistleblowing was revealed. But six months later, he requested to cancel his resignation, and the ACRC required the Minister of Defense to restore him to his position, as protection of a whistleblower.

4. Have you ever assessed the effectiveness of the measures adopted to implement articles 7 – 9? Please outline (or, if available, attach) the results of such an assessment including methods, tools and resources utilized.

States parties may wish, in particular, to provide information in relation to assessments of the effectiveness of measures aimed at:

- o identifying and resolving conflicts of interest in the public sector,*
- o the facilitation and promotion of the reporting of acts of corruption by public officials and*
- o the identification of potential conflicts of interest by requiring the completion of asset declarations by public officials.*

A. Anti-corruption Initiative Assessment⁵

The ACRC conducts “Anti-corruption Initiative Assessment (AIA)” against public organizations to evaluate how government’s anti-corruption & integrity policies (ex: preventing conflict of interest, facilitating corruption report by public officials, etc.) function in the public sector in reality.

In the beginning of every year, the Commission delivers anti-corruption & integrity initiatives to all public organizations so that they can establish and implement their annual anti-corruption basic plans based on the initiatives. The AIA assesses the effectiveness of their anti-corruption policies for the year, and identifies and disseminates best practices to all public organizations. The number of target organizations of AIA has been significantly increased to 208 in 2011 from 74 in 2002 when it was first conducted.

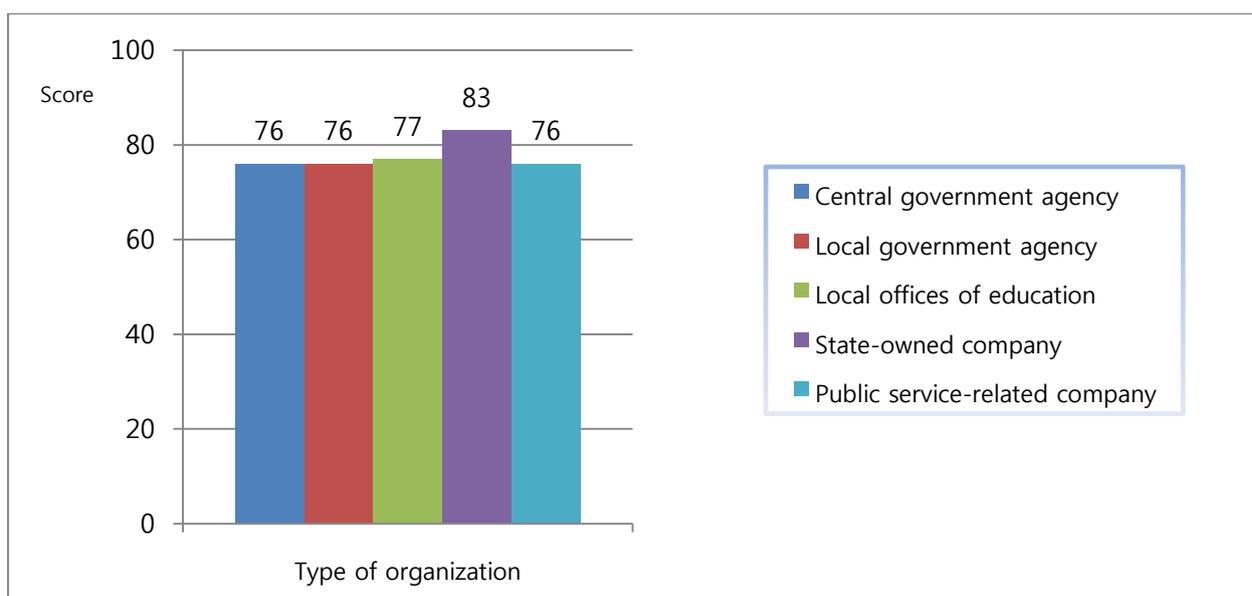
The AIA consists of the two parts of “common initiatives” focusing on basic initiatives of public organizations (a. Establishment and management of anti-corruption systems, b. Leaders’ determination to fight corruption, c. Comprehensive measures for institutional improvement, d. Corruption Impact Assessment, e. Compliance with the Code of Conduct for Public Officials and the promotion of whistleblowing, and f. Anti-corruption training and promotional activities) and “voluntary initiatives” assessing public organizations’ voluntary efforts considering unique

⁵ Refer to attachment #8,9

characteristics of their duties. Among them, public officials’ efforts to prevent conflict of interest and to promote corruption whistleblowing are assessed in “Compliance with the Code of Conduct for Public Officials and the promotion of whistleblowing” of AIA.

The AIA is conducted by the ACRC and experts with the submitted anti-corruption performance by public organization every year. If detailed inspection and checks are needed, on-site inspection is also conducted. By assessing the performance of each public organization and opening the results, the AIA encourages public organizations to make voluntary efforts.

<Chart 2.Result of “compliance with the Code of Conduct for Public Officials And the promotion of whistleblowing” category of AIA in 2011>



B. Corruption Perception Survey

The ACRC conducts “Corruption Perception Survey” every year. This survey is conducted by a professional polling company against 1,400 adults, 1,400 public officials, 700 businessmen, and 200 foreigners through phone-call or e-mail survey. The ACRC analyzes the result of survey and makes it public.

Corruption Perception Survey includes questionnaires asking “effectiveness of Code of Conduct for Public Officials,” “appropriateness of protection and reward system for whistleblowers,” or “Will you report a corrupt behavior of your colleague if you witness it?” to public officials so that the effectiveness of the Korean government’s anti-corruption policies (regarding prevention of conflict of interest and corruption report by public officials) can be assessed within the government.

C. A survey on the effectiveness of Property Registration System

According to the survey of 191 members of Public Ethics Committee in 2009, 39.2% of the respondents agreed that the system contributes to the settlement of public ethics and fights against

corruption, while only 16.2% disagreed. In the survey, 44.8% among 514 managers and registrants of the system said the system was effective.

5. Which challenges and issues are you facing in (fully) implementing articles 7 – 9 of the Convention?

States parties may particularly wish to provide details of challenges faced when implementing practices or policies relating to conflicts of interest, reporting acts of corruption and the use of asset declarations including:

- o technical challenges such as the design, development or drafting of new policies, practices and measures.*
- o communication challenges such as the ability to disseminate, publicise and promote the new policy or practice both to public officials and the public more broadly.*
- o implementation challenges such as the ability to enforce or otherwise encourage adherence to new or existing policies or practices by public officials.*

Technical challenges such as the design, development or drafting of new policies, practices and measures

A. Prevention of conflicts of interest and Corruption report by public officials

In Korea, Anti-Corruption Act was enacted and an independent anti-corruption body, the KICAC (Korean Independent Commission against Corruption→ACRC) was established in 2001 based on strong support from Korean people, especially civil society and academia. Therefore, legal and institutional foundation has been well formed to establish anti-corruption policies in Korea. Furthermore, with accumulated legislation cases in foreign countries regarding conflicts of interest and corruption report, there have been little technical difficulties for the ACRC to prepare and design new policies.

B. Asset declarations of public officials

Most of registrants (91%) are registering with accuracy owing to a web-based system, PETI (Property Ethics Total Information). With the PETI system, property registration and review can be processed at the same time, linking HR, finance and real estate data together. Therefore, it has become more important to analyze the flow of annual asset changes and gather unidentified information on property. Also, diversification of techniques for asset examination is required as circumstances of property registration change.

Communication challenges such as the ability to disseminate, publicise and promote the new policy or practice both to public officials and the public more broadly

A. Prevention of conflicts of interest and Corruption report by public officials

As mentioned above, Korea has a strong foundation of people's support that helped establish Korea's anti-corruption systems. Therefore, Korean people have given full support and cooperation to the

government in introducing its anti-corruption & integrity policies

In the public service sector, however, there had been some misunderstanding or prejudice among public officials that such new policies, including “Code of Conduct for Public officials,” “Code of Conduct for Local Councilmen,” and “Act on Protection of Public Interest Whistleblowers,” were only regulative measures, or that introduction of such policies itself meant public officials were corrupt. However, the ACRC explained that introduction of those systems would protect public officials from facing conflicts of interest situations or falling in corruption as well as that the new systems and policies were parts of the anti-corruption efforts of the international community such as UNCAC and OECD Anti-Bribery Convention. Thanks to such efforts to persuade public officials, it was not much difficult to introduce those systems and policies.

B. Asset declarations of public officials

The Property Registration Declaration System for public officials has been implemented over the last 20 years and well known to public officials and ordinary citizens. Accordingly, there are little difficulties in distributing and promoting this system.

Implementation challenges such as the ability to enforce or otherwise encourage adherence to new or existing policies or practices by public officials

A. Prevention of conflicts of interest and Corruption report by public officials

In Korea, we have some problems related to cultural uniqueness rather than technical ability in implementing anti-corruption policies. The Korean society has been affected by Confucianism in large part, emphasizing harmony and order of rank as well as valuing one’s primary group such as relatives, friends and colleagues rather than others.

In such a culture with paternalism, it is easy to put more emphasis on personal relationships rather than public interest in a conflict of interest situation, and whistleblowing about colleagues’ corruption is sometimes blamed as an immoral behavior. Such paternalism and nepotism in Korean society are regarded to detract from the effectiveness of those systems to prevent conflicts of interest and to promote whistleblowing.

B. Asset declarations of public officials

The Property Registration System for public officials was established based on the Public Service Ethics Act, securing legal grounds and force. Since it was first introduced in 1983, the system has taken its deep root in the Korean government system over the last 20 years. Accordingly, there are little difficulties in encouraging and forcing the implementation of this system.

6. Do you consider that any technical assistance is required in order to allow you to fully implement this provision? If so, what specific forms of technical assistance would you require?

States parties are encouraged to provide a description of any such assistance already being provided and by

whom.

Republic of Korea already has introduced systems concerned in a successfully way, so does not need technical assistance, and has not been provided any technical assistance from foreign countries before.

II - Information requested from States parties in relation to implementation of article 12 of the Convention (Private sector), including the use of public private partnerships

1. Has your country adopted and implemented article 12 of the UN Convention against Corruption?

States parties may wish to focus in particular on policies and measures which were implemented in collaboration with private sector entities (e.g. in the form of public-private partnership, corporate social responsibility or other cooperation models).

Republic of Korea has introduced and implemented a following measure in accordance with Article 12 of the UNCAC.

- Operating Policy Council for Transparent Society

2. Please cite, summarize and, if possible, provide copies of the applicable measure(s) or policy(ies):

Please note that paragraph 2 of article 12 offers different examples of how corruption involving the private sector can be addressed, but does not limit the use of other approaches such as sector specific initiatives etc.

Policy Council for Transparent Society

The ACRC pushed forward setting up the Policy Council for Transparent Society to send a message at home and abroad that the Korean government is working hard to eradicate corruption as well as to make cooperative networks with diverse sectors of society in order to enhance the national brand, the level of integrity and trust which are core competitiveness in the global arena.

The Policy Council for Transparent Society was launched December 12, 2009 with 26 organizations and groups in 9 sectors such as public service, politics, economy, civil society, state-owned companies, academia, media, and local governments. The council is taking a role to facilitate communication and cooperation between the public and private sectors. The four main functions of the council as follows;

First, the council develops policy agenda by sector to create a clean and faithful society, so that the

public sector carries forward anti-corruption policies, while the economic sector supports companies to establish and disseminate ethical management, and the political sector pushes ahead with a culture of clean election.

Second, the council facilitates cooperation among various sectors by sharing project plans by sector and revitalizes networks by discovering and disseminating best practices. At the beginning of each year, each sector makes presentations on their project plans so that other sectors can share the contents and jointly carry forward the projects after collecting various opinions from other related sectors.

Third, the council discovers anti-corruption policy agenda at policy symposiums and makes efforts to upgrade the level of national integrity, as well as to change the awareness on national credit ratings.

Fourth, the council collects various opinions on improvements of laws and regulations which undermine transparency and trust and supports the institutional improvements utilizing the functions of the ACRC to make corrective recommendations for institutional improvements.

The committee for transparent society is making continuous efforts to enhance the level of anti-corruption and integrity of the nation as a cooperative body of all social sectors in order to enhance the national brand. Many social groups and organizations such as feminist movement groups, civil societies, and professional associations agree on the purpose of the committee and are actively participating in joint efforts.

The committee also signed an MOU with Korea Broadcasting System (KBS) to strengthen the ties with the media sector and jointly pushed forward various events to enhance integrity, such as conducting "World of Integrity" campaigns and holding joint symposiums. The ACRC also will do its best to enhance integrity and social trust as a responsible government agency.

3. Please provide examples of the successful implementation of domestic measures adopted to comply with article 12.⁶

States parties are encouraged to provide examples of anti-corruption initiatives carried out together with the private sector.

States parties may wish to include information on lessons learnt during the planning and/or implementation process as well as specific factors which led to the success of an initiative.

Moreover, the Secretariat would be grateful for information regarding the form of collaboration with the private sector (e.g. steering structure and processes, communication, financial aspects) and the main partners (e.g. private sector representative organizations, networks, individual companies, SMEs).

Five leading economic organizations in Korea and the economic consultative group led by the Korean Institute of Certified Public Accountants played their essential role in leading success of the "Policy Council for Transparent Society" by conducting public - private discussions on cooperative projects of the council and encouraging private players to participate in their concerned projects through effective promotion.

With the cooperation of the consultative group, ethical management educations for private companies have been carried out, twice in 2010 (74 participants from 69 companies) and 5 times in 2011 (246 participants from 160 companies), following a pilot test in 2009. Moreover, the ACRC has published an web-magazine, "Corporate Ethics Brief" which deals with the latest trends at home and abroad, best practices, and articles of prominent figures regarding ethical management, and distributed it to

⁶ Refer to attachment #10

1,577 (as of December 2011) people of public and private companies, economic organizations, and academia. By doing this, the Commission has contributed to raising anti-corruption awareness and disseminating the importance of ethical management to domestic companies and the whole society.

Working with its main partner, the Korean Institute of Certified Public Accountants, the ACRC also has conducted educations about IFRS and co-hosted "Symposium for Transparent Accounting to Realize Fair Taxation" and "Symposium to Evaluate Accounting Transparency in Private and Public Sector," making its efforts to enhance transparency in the economic sector.

4. Have you ever assessed the effectiveness of the measures adopted to implement article 12? If so, please outline (or, if available, attach) the results (intended/unintended/positive/negative) of such an assessment including methods, tools and resources utilized.

States parties may wish, in particular, to provide information in relation to the effectiveness of measures implemented jointly with private sector entities.

There is no experience of assessing effectiveness.

5. Which challenges and issues are you facing in (fully) implementing the provision?

The Policy Council for Transparent Society consists of 25 organizations and groups, but most of them are economic groups rather than civil groups. In order to raise anti-corruption awareness among people, however, persistent activities of civil groups are required. But due to lack of foundation to include many parties through enough discussions and coordination, the policy council was formed only with the networks of representative organizations and groups of each sector.

Therefore, it is needed to establish public-private governance going beyond a cooperative network and including various civil groups. To this end, policy and financial supports are needed for the council to establish its secretariat and to secure finance so that it can strength is practical functions and induce various anti-corruption civil groups to participate in the council to keep their anti-corruption activities.

6. Do you consider that any technical assistance is required in order to allow you to fully implement this provision? If so, what specific forms of technical assistance would you require?

States parties are encouraged to provide a description of any such assistance already being provided and by whom it is being provided

Republic of Korea already has introduced systems concerned in a successfully way, so does not need technical assistance, and has not been provided any technical assistance from foreign countries before.