

ACRC Korea Transparency Newsletter (Apr. 2024)

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Long-standing Grievances of 34,000 People Resolved in One Year Since the Establishment of "Collective Grievance Investigation Team"

- *35 cases mediated and consulted in a year by preemptively identifying long-standing collective complaints*
- *In 2023, ACRC resolved collective complaints of 120,000 people, including cases resolved by the Collective Grievance Investigation Team*

(25, April. 2024, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) established a "Collective Grievance Investigation Team" in March 2023 and resolved 35 cases of grievances of 34,000 people through mediation and consultation in a year by actively endeavoring to resolve long-standing or intense collective complaints.

The number of collective complaints filed in 2023 reached 7,000 nationwide. Such complaints are usually difficult to be addressed by involved parties alone, which delays the resolution of complaints, causing considerable amount of social conflict expenses.

With regard to this, in March 2023, ACRC established a designated team specialized in collective complaint mediation. Since then, the team has been promptly resolving complaints that are challenging to be addressed by first-line agencies through ACRC's "mediation."

The "Collective Grievance Investigation Team" adopted handling methods that ensure preemptively identifying collective complaints that are difficult to resolve due to different opinions among agencies and initiating investigations. Based on these methods, the team received 104 cases in the past year, handling 68 of them, among which 35 were resolved through mediation and consultation.

Major types of complaints resolved are as follows: ▲ long-standing regional grievances that were difficult to address due to interests among agencies or parties involved, ▲ environmental issues, such as noise and bad smell, ▲ inconveniences in living due to lack of infrastructure, and ▲ civil complaints regarding children's safety.

For example, abandoned and neglected deer in Anma-do, Yeonggwang-gun, Jeollanam-do have been damaging crops owned by nearby residents for more than 30 years. This was addressed by coordinating different opinions among relevant agencies, leading to the allocation of roles of each agency and the amendment of relevant laws.

In addition, a crosswalk could not be built on the road in front of a shopping center in Dongdaemun, Seoul for 17 years due to different opinions within merchant associations, resulting in jaywalking by pedestrians, causing danger of accidents. This issue was addressed by the arbitration by the "Collective Grievance Investigation Team," resulting in a decision to build a crosswalk while ensuring mutual benefits of merchants, which led to a clue to resolve a long-standing grievance of 7,963 residents.

There are also other mediated cases, such as ▲ preparing noise reduction measures for residents living around the Daejeon Geumgang Bridge No.1, ▲

creating a new area for boarding and alighting at Goyang Deokeunhangang Elementary School to ensure the safety of children, and ▲ building an urban planning road in front of the main gate of Goyang Deokee Elementary School.

In 2023, ACRC resolved a total of 230 collective complaints filed by 120,000 people, including cases resolved by the "Collective Grievance Investigation Team." It is assumed that a greater number of citizens may have benefited, taking into account residents, parents, and users of facilities, such as roads, who did not file grievance complaints.

ACRC Vice Chairperson Kim Tae Gyu said, "By establishing the "Collective Grievance Investigation Team,"we have made significant achievements of resolving various long-standing collective complaints. We will remain committed to promoting the identification of civil complaints and systemizing the operation of the team to resolve grievances in living faced by more citizens."

Violations of Code of Conduct by Local Council Members to be No Longer Tolerated

- *ACRC to investigate the operational status of the Code of Conduct for Local Council Members until Sep. 2024*
- *Intensive inspection into areas vulnerable to corruption such as private contracts of family members of local council members and private use of business operating expenses, etc. to be conducted in parallel with inspection into the execution of local public finance, including rewards for collection of local taxes and clothing expenditure budget*

(30. April, 2024, ACRC)

Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) conducts inspection into the operational status of the Code of Conduct for Public Officials targeting local councils and local authorities starting this month until Sep. 2024.

For the past years, the number of acts of corruption or violating the Code of Conduct for Public Officials by public institutions has decreased a lot, but some local council members or local authorities are still found to be involved in such irregularities as illicit signing of private contracts, private use of business operating expenses, fraudulent claims for business trip expenses, unlawful execution of rewards for collection of local taxes, and illegal use of clothing payments.

ACRC plans to conduct inspection into the implementational status of Code of

Conduct by individual institutions from this month, targeting a total of 112 public institutions including 28 local councils (5 upper and 23 lower level councils), 17 municipal governments, and 67 basic local governments, in order to remove these deep-seated corrupt practices.

The inspection will be proceeded until Sep. this year through documentary examination and field check-up for intensive investigation into private contracts of family members of local council members, private use of business promotion expenses, rewards for collection of local taxes, and unlawful execution of clothing expenditure.

In cases of public institutions found to have violated the Code of Conduct for Public Officials including personal use of public finance as a result of the inspection, ACRC plans to take necessary measures such as disciplinary measures, recovery of unlawfully executed public expenditure and institutional improvements, etc.

ACRC Vice Chairperson and Secretary General Chung Seung Yun said, "We will strive to fundamentally address the problem of waste of finances of local councils and governments through comprehensive fact-finding inspection."

Unpaid Travel Expenses for Voluntarily Enlisted Social Service Workers with Foreign Permanent Residency — "They Should be Paid the Same as Conscripts"

- ACRC expressed its opinion that "Both conscripts and social service workers with foreign permanent residency should be provided with travel expenses when they complete their military service and return home."

(24, April. 2024, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) interpreted that travel expenses should be provided to social service workers who voluntarily enlisted and fulfilled their national defense duty, ensuring that they can return to their families.

ACRC expressed its opinion that the Military Manpower Administration should improve its relevant system to provide travel expenses to voluntarily enlisted social service workers with foreign permanent residency upon their completion of duties, as it does for conscripts with foreign permanent residency.

Person A's two sons are both green card holders in the US. The eldest son voluntarily enlisted through the "Voluntary Enlistment by Permanent Residents*" and served as an active-duty soldier. He received support for his return flight ticket and returned to his family. The second son also applied for voluntary enlistment and was classified as a 4th-grade supplementary service personnel and served as a social service worker.

*Individuals who wish to voluntarily enlist themselves, including those who have moved and been residing overseas for three years or more and overseas

Koreans who are living abroad with their parents

Person A believed that his second son would also receive travel expenses after fulfilling his military service just like the eldest son. However, Person A was informed that social service personnel are not eligible for travel expenses, which Person A considered unfair, and filed a grievance complaint to ACRC.

According to the Instructions on Payment of Vacation Allowance during the Military Service and Traveling Expenses after Completing the Military Service for People with Foreign Permanent Residency of the Ministry of National Defense, if naturalized citizens or people with foreign permanent residency who voluntarily enlisted as a conscript wish to depart for their country of citizenship or permanent residency, they can receive expenses for a one-way ticket for up to three times during regular military leaves and one time upon their completion of military service.

However, in the case of social service workers, the government agency in charge is different, which is why they cannot apply the aforementioned instruction and can receive round-trip tickets only when they visit the relevant country to maintain their stay in order to prevent their permanent residency from expiring due to their military service in accordance with the Regulations on Payment of Airfare for Social Service Personnel, including Persons with Foreign Permanent Residency of the Military Manpower Administration.

ACRC considered that social service workers are also military personnel resources for national security, and they perform their public duties in various public areas, such as welfare, health, education, and safety, to fulfill their military service obligations imposed by the country. The Commission determined that their commitments to military service are not different than those of other voluntarily enlisted soldiers.

Therefore, ACRC expressed its opinion that social service workers with foreign permanent residencies who live alone in Korea away from their families

should be provided with travel expenses when returning to their families after completing their military service. The Commission recommended improvements of relevant regulations to provide airfare for their return ticket to home upon their completion of military service, just like conscripts.

ACRC Vice Chairperson Kim Tae Gyu emphasized by saying, "All people with foreign permanent residencies who faithfully served their military service voluntarily should be provided with active support by the country."

"Launching a Policy Journal titled Rights and Interest": Anti-Corruption Policies Studied through Academic Research

- *ACRC will launch a policy journal, Rights and Interests, specializing in the prevention of corruption and protection of rights and interests in September this year*
- *For the next 3 months starting from May 1, manuscripts including various research papers on the prevention of corruption, handling grievances, and administrative disputes*

(1, April. 2024, ACRC)

The Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) will launch a policy journal on the prevention of corruption and protection of rights and interests with the aim of sharing new theories through studies on the prevention of corruption and protection of the rights and interests of citizens and utilizing them in policies.

The title of the journal is Rights and Interests which represents ACRC and covers the work of the Commission, which was selected through a public naming contest held in January 2024.

Rights and Interests is scheduled to be launched in September this year and the initial print run will be approximately 1,000 copies, which will be distributed to the National Assembly, universities, public service-related organizations, and national/public libraries.

※ Submission of manuscripts will open from April 1st to June 30th for three months.

The fields of manuscripts contributed to Rights and Interests will be research papers about the rights and interests of citizens, including ▲ prevention of corruption*, ▲ administrative disputes systems and cases, such as administrative appeals, and ▲ citizens' grievance handling systems for and resolved cases. Along with these fields, people can also contribute critiques (reviews), international materials, and policy working papers. A manuscript fee of up to 2 million won will be paid.

* Corruption detection and prevention policies, corruption and public interest violations reporting and protection and rewards, prohibition of solicitation and prevention of conflict of interest, public fund recovery, integrity and ethical management, etc.

Papers published in Rights and Interests will be utilized as policy materials, such as for improving laws and institutions related to the prevention of corruption and protection of the rights and interests of citizens. In addition, they will be utilized as the theoretical foundation to enhance transparency within public offices by applying them in research on the curriculum at the Anti-Corruption Training Institute (ACTI), a specialized institute for integrity education provided to public officials.

Further details, such as how to write and contribute the manuscript to the journal Rights and Interests are available at the websites of both ACRC (<https://www.acrc.go.kr>) and ACTI (<https://edu.acrc.go.kr>).

ACRC Chairperson Ryu Chul Whan said, "We are launching Rights and Interests, bearing in mind that it is necessary to expand the academic base in order to fundamentally enhance the prevention of corruption and protection of the rights and interests of citizens in Korea. We anticipate that Rights and Interests will serve as an opportunity for professional policy studies on the rights and interests of citizens and hope that many researchers will participate.

Management of Public Institution Safes Becoming Transparent

- ACRC recommended improvements of the management system for public institution safes to the Ministry of Economy and Finance, Ministry of the Interior and Safety, Ministry of Education, and Financial Services Commission, minimizing cooperation project costs received from banks through safe designation

(18, April. 2024, ACRC)

In the future, it is expected that public institutions will establish criteria for selecting safes* and cooperation project costs received through safe designation will be transparently disclosed.

* Typically referred to as "main bank," which is a financial institution designated by the head of a local government through a form of contract to handle tasks, such as the receipt and disbursement and storage of cash and securities, collection of revenues, and payment of expenses

On April 17, the Anti-Corruption and Civil Rights Commission (ACRC, Chairperson Ryu Chul Whan) formulated measures to "enhance the transparency in the management of public institution safes" and recommended them to the Ministry of Economy and Finance, Ministry of the Interior and Safety, Ministry of Education, and Financial Services Commission.

According to the results of a fact-finding survey conducted by ACRC, state-owned enterprises and local state-owned enterprises, unlike offices of education and local governments, have concluded long-term private contracts of up to 7 years without grounds for the designation of the institution's safes

and selection criteria.

※ 17 out of 30 state-owned enterprises and 12 out of 24 local state-owned enterprises that submitted materials designated safes through private contracts.

Some state-owned enterprises and local state-owned enterprises have designated the same safe as the local governments where the institution is located without legal or internal regulatory grounds or received preferential interest rates for employees, condominium stay vouchers, and scholarships in the name of cooperation project costs.

Meanwhile, the scale of cooperation project costs received in exchange for safe designation by 41 local governments and 18 national or public universities that submitted materials to ACRC amounted to approximately 900 billion won over the past 4 years.

If the competition for the payment of cooperation project costs among banks becomes overheated, it may act as a factor raising costs, leading to increased loan interest rates and usage fees, which could be passed on to the burden of general customers.

In particular, university safes can attract freshmen as lifelong customers, making competition even fiercer. The criteria for allocating cooperation project costs in the selection process of safes of national or public universities were twice as high as those of local governments, exerting a greater influence on safe selection.

In addition, although public institutions have an obligation to transparently disclose the details of cooperation project costs received from safes, it was found that they continue not to disclose the details on the grounds of confidentiality clauses in their contracts with banks.

Moreover, in cases where cooperation project costs provided by banks exceed

1 billion won over 5 years, the details must be disclosed in accordance with Article 29-3 of the Regulation on Supervision of Banking Business. However, the names of the institutions receiving them were not specified, making it difficult for outsiders to recognize them.

In this regard, ACRC recommended that the Ministry of Economy and Finance and the Ministry of the Interior and Safety guide and supervise public institutions, including state-owned enterprises, to establish and operate criteria for transparent selection of safes.

Furthermore, the Commission recommended minimizing the proportion of cooperation project costs received by public institutions and prohibiting their use for private interests, such as the welfare of internal staff and executive members. ACRC also recommended gradually reducing the evaluation points for cooperation project costs received by local governments through their designation of safe banks to encourage interest rate-oriented competitions.

In addition, ACRC recommended that banks specify the names of institutions receiving cooperation project costs provided to public institutions when disclosing them, ensuring that citizens can easily understand.

ACRC Vice Chairperson Kim Tae Gyu said, "With this institutional improvement recommendation, we anticipate that various benefits obtained by depositing precious taxes paid by the people can be transparently operated and return to the public interest."