

# Practitioner's Note No.1



## Strategic Approaches to Corruption Prevention:



A Practitioner's Perspective Based on the Experience of  
the Republic of Korea and UNDP Missions

# ANTI- CORRUPTION





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## Foreword

Poor governance and entrenched systems of corruption remain a major challenge for human development today around the world. For UNDP, the work on Anti-Corruption is highlighted in our Signature Solution #2 on strengthening effective, inclusive and accountable governance. Without creating accountable and transparent institutions in the public sector, in particular, no country will be able to achieve the Sustainable Development Goals (SDGs) of the Agenda 2030.

Since 2015, UNDP Seoul Policy Centre (USPC) has been partnering with the Anti-Corruption & Civil Rights Commission (ACRC) of the Republic of Korea to share Korea's experience and lessons learned in the area of Anti-Corruption. Our SDG Partnership programme on Anti-Corruption supports partner countries in their corruption prevention efforts through the systematic utilization and application of Korea's tested-and-proven policies. While there is no universal 'magic bullet' for addressing a complex challenge such as corruption, our experience has proven the value of peer-to-peer knowledge exchange between Korea and other countries.

In this context, I am pleased to publish our very first practitioner's note based on decades of experience, practical insights and wisdom of Mr. Euy-Whan Kim, Commissioner of ACRC. During his service in UNDP Headquarters on secondment (2017-2019), Mr. Kim made contributions to strengthen the capacity of developing countries to fight corruption through triangular cooperation between UNDP, ACRC and developing countries. This paper summarizes the highlights of what he shared with several countries during this period. I would like to thank Commissioner Kim for generously imparting his most valuable insights with UNDP and our partner countries; and I also thank my team for their editing and publication work.

Stephan Klingebiel



Director of the UNDP Seoul Policy Centre



## About the Author



Euywhan Kim returned to ACRC (Anti-Corruption & Civil Rights Commission) in May 2019 after his secondment in UNDP New York as a Senior Advisor on Anti-Corruption. After his UNDP mission, he became a Commissioner in ACRC on July 2019. At UNDP, he made outstanding contributions to strengthen the capacity of developing countries to fight against corruption through triangular cooperation between UNDP, ACRC and developing countries.

During his 18+ years of work as a Director and Director-General in the Korean Anti-Corruption Agency since 2002, he has been deeply involved in implementing Korea's Anti-Corruption policy and enforcing the law not only in the area of preventing corruption such as policy making, integrity assessment (IA), corruption risk assessment (CRA) and integrity training, but also in investigating corruption cases.

In terms of promoting international cooperation, he conducted several technical assistance programmes to share Korea's various measures in fighting against corruption with developing countries. He also created both the Anti-Corruption Agency Forum in 2002 and the APEC Anti-Corruption Task Force in 2004 to enhance partnerships with Anti-Corruption agencies in the Asia-Pacific region. He was also deeply involved in drafting the United Nations Convention against Corruption (UNCAC) in Vienna from 2003 to 2005. In addition, he had an abundance of international exposure while he worked for Korea's Anti-Trust Commission, enhancing multilateral cooperation with OECD, WTO (UNCTAD) and many bilateral partnerships with USA, Japan, EU, Germany, Russia and France, among others.

When he was the Director-General of the Bureau of Anti-Corruption of ACRC in 2011, he was responsible for developing and coordinating Korea's Anti-Corruption policy. In particular, he took a leading role in enacting Korea's new anti-bribery Act (Improper Solicitation and Graft Act) which had a huge impact on prohibiting corrupt behavior not only in the public sector, but also in the private sector since its later enactment in 2016. He accumulated his own unique know-how on the success and failure factors of Anti-Corruption policy throughout his career, which can prove valuable to the Anti-Corruption efforts of many countries.

He also contributed to enhancing transparency and accountability in the private sector, focusing on providing policy support for corporate ethics and compliance as well as preventing corporate and accounting fraud. Before he joined the field of Anti-Corruption, he worked for the Korea Fair Trade Commission (KFTC) and was in charge of establishing anti-trust and competition policies for the corporate sector. One of the major tasks during his work at the KFTC includes the merger between Hyundai Motor and Kia Motor in 1997.

Born in 1960, he is married with one daughter. He earned degrees in Sociology (BA) from Korea University and Public Policy and Management (MA) from the Ohio State University, USA.



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# Importance of Preventive Measures for Anti-Corruption

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1.

## Corruption and its Implications

Anti-Corruption must be the essential groundwork of any government, serving as the basis for all administrative, judicial and legislative procedures of the state.

If Anti-Corruption is not prioritized, corruption will present major risks to development, adversely affecting the effectiveness of the government's policies. For instance, if corruption prevails throughout the government's procedures and activities, the implementation of many potentially good policies will eventually fail. Furthermore, government agencies and public institutions are unlikely to function properly if their members do not recognize the importance of Anti-Corruption, and as a result, engage in bribery, fraud and other corrupt activities. This can ultimately lead to the inefficient usage of public budgets.

Estimates show that the cost of corruption equals more than 5% of global GDP (US\$2.6 trillion) with more than US\$1 trillion paid in bribes every year (World Economic Forum).<sup>1</sup> Corruption increases the cost of doing business by up to 10% on average.<sup>2</sup> With corruption intruding potential growth across all sectors, Anti-Corruption should be prioritized in the national agenda. Moreover, the existence of corruption and bribery in the recruitments and promotions of public officials will curtail talented and competent candidates from entering the government workforce, which will then lead to a waste of human resources and low capacities in the public sector as a whole.

2.

## Need for Effective Corruption Prevention Policies

We need to have effective corruption prevention policies as countries will not succeed in decreasing corruption risks in the long run without putting preventive policies in place. In an effort to prevent the risks described above, many Anti-Corruption policies call for 'Zero Tolerance.' However, this would be empty rhetoric if it is not accompanied by strong political will and actual action. For instance, it would be very discouraging for the public to witness the avoidance of legal punishment for bribery even though Anti-Corruption laws and policies are in effect. In addition, Anti-Corruption policies that operate in favor of certain persons or interests will render the rule of law futile and eventually break the trust between the government and the public, resulting in the loss of public support.

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<sup>1</sup> World Economic Forum. "Network of Global Agenda Councils Reports 2011-2012". [http://reports.weforum.org/global-agenda-council-2012/councils/anti-corruption/?doing\\_wp\\_cron=1553840437.4626851081848144531250](http://reports.weforum.org/global-agenda-council-2012/councils/anti-corruption/?doing_wp_cron=1553840437.4626851081848144531250)

<sup>2</sup> OECD. "Boosting Integrity, fighting corruption". <https://www.oecd.org/competition/50350066.pdf>



3.

### **Why Many Anti-Corruption Policies Do Not Function Well**

The combination of strong Anti-Corruption strategies and measures, political will, and depoliticization results in effective implementation of Anti-Corruption policies. In the author's view, an over-emphasis on investigation, rather than prevention, of some Anti-Corruption agencies' strategies may be a factor in malfunctioning.

Corruption is a very sensitive issue because it can lead to criminal investigation, persecution and punishment. This poses threats to high-level public officials who may have to be held responsible for corruption cases in their respective organizations. Therefore, while heads of public institutions agree with the importance of Anti-Corruption, they may be reluctant to prioritize Anti-Corruption policies in practice. Without addressing these concerns, Anti-Corruption efforts will therefore be met with resistance and opposition within the public sector.

In other words, while factors such as the lack of independence and limited expertise of Anti-Corruption agencies are often regarded as malfunctioning, Anti-Corruption policies cannot succeed without addressing this "people factor (genuine political will of the heads of public institutions)."

Moreover, when Anti-Corruption strategy is used as a political 'tool' to suppress or attack political opponents, its original purpose (i.e. increasing transparency and integrity of the government) becomes vague. This can make the public question the integrity and performance of Anti-Corruption policies, thereby reducing the political support for Anti-Corruption policies.



4.

## Fight against Corruption: Korea's Experience

Korea is one of the few countries that has successfully built a vibrant democracy and forged socio-economic development after World War II. It also transformed itself from an Official Development Assistance (ODA) recipient to a donor country. However, Korea suffered for decades not only from extreme poverty, but also from entrenched and prevalent corruption.

Bribery was wrongly regarded as a part of culture, and public awareness on corruption was almost non-existent for a long time. Then, how did Korea manage to overcome such challenges? There are several key explanations for this:

### 1 *Enhancement of accountability through corruption-free recruitment system*

First and foremost, the corruption-free recruitment system of public officials enabled the Korean government to have the most competent people in its organizations. The government established a highly competitive recruitment procedure in which candidates must take written exams to be eligible for employment in all government agencies. As candidates were shortlisted solely based on their exam score, corruption risks were minimized. Consequently, the number of proficient employees increased in the public sector and this contributed to Korean government's ability to achieve positive economic outcomes in a short period of time. At the same time, the government could embark on various infrastructure projects to build and improve highways, the public transportation system, communication networks and more.

### 2 *Information and Communication Technology (ICT) utilization*

Korea's initiative on ICT and other advanced technologies that began as early as in the 1980s contributed to the increased efficiency and transparency of the government.

By introducing ICT into the government work system and communication channels, the Korean government effectively reduced corruption cases that mainly occurred during face-to-face interactions of administrative processes.<sup>3</sup> Moreover, using ICT to publicize and distribute government information and data enhanced transparency.

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<sup>3</sup> Korea was ranked first on the E-Government Development Index in 2010, 2012 and 2014 and also on the E-Participation Index in 2018. For more information, please refer to:

[https://www.unescap.org/sites/default/files/E-Government%20Survey%202018\\_FINAL.pdf](https://www.unescap.org/sites/default/files/E-Government%20Survey%202018_FINAL.pdf)



### 3 *Effective implementation of Anti-Corruption law and policy*

With support from the civil society, the Korean government implemented systematic Anti-Corruption laws and policies. In 2001, the Anti-Corruption Act was passed, followed by the establishment of Korea's first Anti-Corruption watchdog, the Korea Independent Commission Against Corruption (KICAC), in 2002. The government also exerted strong political will to implement the Anti-Corruption policies at the national level.

In terms of tackling corruption, the Korean government has consistently strived to improve not only transparency but also efficiency and capability of the nation as a whole. By doing so, socio-economic development of Korea could be accelerated, establishing a range of corruption prevention policies.

As demonstrated by the linkages between the International Institute for Management Development (IMD)'s world competitiveness rankings and Transparency International's Corruption Perception Index, Anti-Corruption is closely related to national competence.





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# Recommendations for Effective Corruption Prevention Strategies

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1.

## Establish a Sound Framework for Corruption Prevention

The previous chapter highlighted the importance of corruption prevention and presented the author's view on the key causes of successful Anti-Corruption policy implementations, followed by an analysis of Korea's case. Taking these factors into account and learning from Korea's experience, the following are four steps to take in building a basic framework on corruption prevention:

Step  
1

### Establish a strong legal and institutional framework in line with international standards

The most important groundwork that must be laid before implementing any Anti-Corruption policy is the legal and institutional framework. Corruption preventive strategies often fail despite the existence of an Anti-Corruption agency due to the absence of the relevant laws necessary for its success.<sup>4</sup>

Agencies are unlikely to succeed in enforcing their Anti-Corruption policies without strong and clear legal backing which is also in accordance with international standards. Therefore, the government is recommended to enact a set of laws which includes:

- A comprehensive Anti-Corruption law which entails the definition of corruption and scope of application (public/private sector) and provides a legal basis for the establishment of an Anti-Corruption agency, procedure of corruption report and investigation, and instructions on corruption prevention and education.
- In addition, specific laws and regulations as United Nations Convention against Corruption (UNCAC) which include provisions on conflicts of interest, asset declaration (Financial disclosure- FD), whistleblower protection, and code of conduct for public officials.<sup>5</sup>

<sup>4</sup> John R. Heilbrunn, "Anti-Corruption Commissions Panacea or Real Medicine to Fight Corruption?" (2004)

<sup>5</sup> For some of RoK reference on this, please visit ACRC's resources at: Whistleblower Protection: <http://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchDetailViewInc&menuId=020504&confId=64&conConfId=64&conTabId=0&currPageNo=1&boardNum=53330>  
Code of Conduct for Public Officials: [https://elaw.klri.re.kr/kor\\_service/lawView.do?hseq=49321&lang=ENG](https://elaw.klri.re.kr/kor_service/lawView.do?hseq=49321&lang=ENG)



Step  
2

### Establish a competent and independent Anti-Corruption agency

Article 6 of the UNCAC states the need for each country to establish a “preventive Anti-Corruption body in accordance with the fundamental principles of its legal system.” The Anti-Corruption agency should be a permanent government-funded agency that prevents and combats corruption. It is essentially separate from other government agencies but should still report to the Parliament. Its main role is to centralize information on domestic corruption which is circulated to the media and other law enforcement agencies, and is recognized by, and accessible to, the public. As an important institutional pillar of national Anti-Corruption strategy, the Anti-Corruption agency must act as an independent watchdog that investigates all corruption cases impartially, without fear or favor, regardless of the position, status or political affiliation of those being investigated. In addition, the Jakarta Principles for Anti-Corruption Agencies and the Colombo Commentary provide clear guidance on establishing or strengthening Anti-Corruption agencies.

Step  
3

### Develop practical approaches and feasible measures

It is impossible to eradicate corruption all at once. Hence, it is necessary to employ a practical approach with feasible measures that will not overburden the Anti-Corruption agencies. In other words, it is effective to develop corruption prevention actions which Anti-Corruption agencies, using the existing budget and human resources, can introduce and implement.

Step  
4

### Launch a national-level initiative and a control tower (intergovernmental coordination mechanism) for Anti-Corruption

While Anti-Corruption agencies have an important role in eradicating corruption, the role of the national government remains crucial. To be sure, differences in institutional structures and contextual specificities across countries would need to be taken into account. In order to push the Anti-Corruption agenda with strong political will, it is best for government to build a national-level intergovernmental coordination mechanism (i.e. National Corruption Control Committee - NCCC), with the President as the Chair. Meetings should be held regularly, with representatives from key government agencies present to discuss, review and provide feedback on their respective Anti-Corruption efforts. At the same time, all agencies must be required to recruit integrity inspection officers to follow up on and execute NCCC's decisions. Lastly, it should initiate partnerships with the private sector to encourage Anti-Corruption efforts in their corporate social responsibility (CSR) strategies.



2.

## **Make Integrity and Anti-Corruption a Performance Indicator for Public Officials**

For Anti-Corruption efforts to succeed, it is critical to have the commitment of high-level officials. However, generating political will is not always easy. Based on Korea's experience, the government can build political will by promoting Anti-Corruption policies as a means of enhancing the reputation and evaluating the performance of high-level officials. If high-level officials send clear and consistent messages to their subordinates that their integrity is being monitored for their performance and promotion, government employees will pay attention to Anti-Corruption because it will affect them personally. With this chain of corruption awareness, the notion of Anti-Corruption can more easily spread throughout the government and public institutions.

Furthermore, integrity evaluation should be conducted during the review of candidates for promotion. Employees should be informed that it is virtually impossible to be promoted if there is any record of corrupt behavior. In particular, departments that have comparatively greater authority must conduct the annual integrity evaluation of all candidates. Furthermore, as a part of the learning and development scheme, new recruits, who have been employed for less than a year, should be required to participate as assessors to evaluate candidates for promotion. The new employees can gain more practical insights by participating in the process and learn that their career depends on their level of integrity.

3.

## **Employ Measures that Reduce Organizational Resistance and Increase Incentives (Measures of Anti-Corruption Agencies)**

Once the basic framework for Anti-Corruption is established, the next step is to sustain the effort to prevent corruption by adopting strategic measures to ensure continued progress.

To increase the efficiency and impact of Anti-Corruption policies, the agencies should prioritize strategies that seek to reduce the resistance of target organizations. As illustrated in the previous chapter, Anti-Corruption strategies that only focus on heavy investigation and prosecution will be difficult to implement due to the fear of high-level officials in target organizations. The objective should be to improve integrity, not to send another official to prison. Therefore, Anti-Corruption strategies that emphasize prevention over accusation must be planned at the initial stage.

At the same time, agencies should make strategic use of publicity to exert their influence without direct involvement. A useful strategy for the agency is to focus on fact-finding of corrupt practices in the public sector, inform the relevant organization of its corruption issues accordingly. As corruption issues become widely publicized, the agency can also fight corruption with stronger support.

Another effective strategy is to employ evaluative mechanisms. With the cooperation of all of the government and public institutions, the Anti-Corruption agency can use various assessment methods to encourage the organizations to make voluntary efforts in enhancing integrity and minimizing corruption risks. Below are two suggested assessment tools based on Korea's tested-and-proven experience:



## 1 Integrity Assessment (IA) <sup>6</sup>

The Anti-Corruption and Civil Rights Commission (ACRC) of Korea has conducted the Integrity Assessment (IA) for more than 19 years to evaluate the level of integrity in the government and public organizations. The results highlight areas where corruption is the most severe, and the scores are disclosed to the public through the media, leading the target organizations to make voluntary efforts in Anti-Corruption. At the same time, in contrast to investigations by the prosecutors or police, IA is not legally binding and thus reduces resistance from the target organizations.

A high integrity score is regarded as a great achievement by the heads of the target organizations who wish to receive a positive evaluation during their tenure. Elected officials of the local governments are also very motivated to receive high scores in order to win the next election. With less burden to the heads of the organizations, IA effectively raises awareness on corruption and encourages the target organizations to embark on strategic Anti-Corruption initiatives.

In conducting IA, target organizations are first categorized into different groups based on organization type. The categorization is further subdivided to take into account the size and characteristics of target organizations. These organizations are then evaluated separately, with the criteria and indicators applied differently. For instance, organizations with relatively less power will be categorized in the same group, while organizations with higher authority such as the Prosecutor's Office, Police Office and Tax Office will be categorized in another group to be compared with other more powerful organizations.

At the same time, IA can be conducted by the target organizations themselves to evaluate their sub-agencies and internal divisions. This will be especially useful for the heads of target organizations who fear losing their own position and reputation because of their subordinates' corrupt actions. For example, in the Public Procurement Service, IA can be conducted in its regional offices. Each division officer can implement a strong Anti-Corruption strategy to enhance the integrity of his or her division. The police and prosecutors can also directly conduct an integrity assessment of the local police offices, the local public prosecutors' offices, or inter-police and prosecutors' offices in various regions.

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<sup>6</sup> More information is available at:

<http://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchList&menuId=0203160302>



IA is a useful strategy with high impact at low cost. In order for IA to succeed, it is necessary to prevent illegitimate actions such as the manipulation or concealment of the evaluation results. In addition, IA should be conducted mandatorily for government (including local government) and public institutions, national and public universities, and general hospitals. The private sector may be involved as well. In particular, large-scale construction companies involved in public infrastructure projects along with privatized electricity, gas and water companies must be considered for evaluation.

It is more effective to conduct the assessment of selected organizations by announcing the target organizations only later in the year. This will make the assessment process harder to predict, which will keep all the organizations “on their toes”. In other words, the anti-corruption agency could announce at the beginning of the year that the evaluation would be targeted at all the public organizations. However, the agency would not reveal which organizations exactly they would select and roll out the actual evaluation process until the second half of the year. Therefore, all the organizations will continuously make efforts to receive a positive evaluation on their integrity level. This strategic selection can efficiently reinforce IA's ultimate goal, which is to encourage all of the government and public institutions to proactively plan and carry out their own anti-corruption initiatives and raise awareness on anti-corruption, rather than to focus on the evaluation result itself.

## 2 Corruption Risk Assessment (CRA)<sup>7</sup>

Corruption Risk Assessment is a useful tool to prevent corruption by identifying and removing corruption risks in bills, laws and regulations. CRA entails a comprehensive evaluation in all stages of policymaking, which includes planning, enforcing and managing. All central administrative departments are subject to CRA when enacting or revising laws, presidential decrees or departmental ordinances.

ACRC analyzes corruption risk factors with 11 different criteria (Rationality of compliance costs, Adequacy of disciplinary regulations, Risk of granting preferential treatment, Concreteness and objectivity of the basis of decision-making, Transparency and accountability of entrustment/commissioning, Risk of misallocation or misuse of government support, Accessibility, Openness, Clarity in public service delivery and administrative processes, Risk of conflict of interest and Necessity of enhancing Anti-Corruption mechanisms) and specific checklist questions from the stage of developing a bill for legislation, then recommends the relevant government departments to amend provisions that have the potential of causing corruption.

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<sup>7</sup> For more information, please see:

<http://www.acrc.go.kr/en/board.do?command=searchDetail&method=searchList&menuId=0203160304>



CRA also helps the government to enhance the transparency of administrative processes within the public sector. CRA results can be publicized regularly to put pressure on ministries with low compliance. CRA, like IA, can effectively prevent corruption without causing resistance from the target organizations.

However, it also requires close cooperation by the target organizations, as CRA will be ineffective without the target organizations actually accepting the recommendations made by ACRC.

## 4.

### **Undertake Preventive Measures for System-Wide Anti-Corruption (Measures for the Government and Public Institutions)**

Along with the measures that can be employed by the Anti-Corruption agency, there needs to be effective Anti-Corruption measures which involve systematic changes in government and public institutions.

#### 1

#### ***Transparent recruitment system***

As can be seen in the case of Korea, the recruitment process of public officials needs to be transparent and corruption-free to ensure that competent people can enter the government workforce. By eliminating corruption risk factors such as patronage, nepotism and favoritism from public officials' recruitment procedures and simplifying it to include only written exams, improper solicitation of employment through bribery or personal connections could be prevented in Korea from the 1960s to 1990s. Interviews have become part of the recruitment process of public officials only recently after most corrupt behaviors of the public officials had diminished as a result of the economic development. At the same time, the competitiveness and transparency of the procedure will appeal to many qualified candidates, especially in countries where the wage level is similar in both the public and private sectors.

Benchmarking such an open and competitive system, the government can remove corruption risks by implementing open competitive written examinations to ensure equal opportunities for all citizens, followed by interviews. When reforming the recruitment system, every effort must be made to ensure that corruption does not permeate examination and interview processes. As the interview process is especially prone to corruption risks due to its subjective nature, institutional devices must be arranged to completely prevent the corruption of interviewers in advance.

Transforming the structure and process of the recruitment system must be prioritized for governments that wish to combat corruption. Hiring 20 new employees who are not tainted by corruption is much more effective than working with 1,000 corrupt officials.



## 2 *Integrity education and training*

After recruiting new employees through a transparent process, intensive integrity education and training must follow. While it is clear that education and training programs on Anti-Corruption for public officials is important, many people believe them to be superficial and thus doubt their effectiveness. In general, Anti-Corruption education is a long-term strategy that may not always have an immediate impact. Moreover, while educated employees may be equipped with Anti-Corruption knowledge, they may not change their behavior accordingly. Therefore, Anti-Corruption education programs must operate more strategically in terms of content, method and utilization.

First, Anti-Corruption education should be mandatory. It should be conducted at least four times a year – but the more, the better. The frequency of education can be determined in accordance with the country's state of corruption. The mandatory integrity education will help the public officials grasp the importance and necessity of corruption prevention.

Second, integrity education must be considered a prerequisite for promotions and other forms of evaluation of employees. Those that have not completed the required number of training courses should not be considered for promotion or given any sort of advantage.

The third and most important strategy in integrity education is the training of new employees on the importance of integrity and the causes of corruption. The effectiveness of training new employees will be much greater than training those who have 10-20 years of experience. This will create a consensus among the new employees on the importance of integrity which can influence their entire career in the public sector. Ultimately, the success of Anti-Corruption policies and the integrity and transparency of the government and public institutions depend on the new employees, who will shape the future of their organization.

## 3 *Protection of whistleblowers*

Protecting whistleblowers is an essential element in addressing corruption. As the retaliation against whistleblowers and internal rapporteurs is prevalent, relevant laws must include provisions on the protection of whistleblowers. At the same time, the government and public institutions must ensure that whistleblowers are not given any sort of disadvantage or discrimination (i.e. layoff, denying promotion, reassignment to a less desirable position) at the workplace. Their identity and personal information must be kept confidential, and they should be guaranteed continued employment. In addition to the protection mechanism, ACRC has also been granting awards and monetary rewards to whistleblowers, along with financial compensation for any damages caused in the process of whistleblowing.



5.

## Utilize Information and Communication Technology for Enhanced Transparency in Public Service

Since corruption is often caused by individual people, the power of ICT in public administration can increase the transparency of public service to the extent that it makes corruption “very difficult” for people. Automating and digitizing many of the procedures that reduce face-to-face contact is also crucial to preventing corruption. This may require a considerable amount of budget. If necessary, transferring some amount of budget allocated for recruitments to establish a foundation for ICT could be considered, as it would be more effective in the end to have such system than having corrupt public officials.

The International Telecommunication Union (ITU) assesses the ICT Development Index (IDI) annually to monitor and compare the level of ICT development among countries. As illustrated in Table 1, most of the ICT powerhouses that are in the top 10 of the IDI have been positively evaluated in the Corruption Perceptions Index (CPI) developed by Transparency International (TI), which assesses countries by their perceived levels of corruption in the public sector. The Index uses a scale of 0 to 100, with higher scores given to countries with less corruption. For instance, in 2017, Switzerland ranked third in both IDI and CPI, with a CPI score of 85. Similarly, Denmark, which ranked fourth in IDI, ranked second in CPI with a score of 88.

Table 1. The Interrelation between IDI and CPI

Country	2017		2016	
	IDI Ranking	CPI Ranking	IDI Ranking	CPI Ranking
Iceland	1	13	2	14
Korea	2	51 <sup>8</sup>	1	52
Switzerland	3	3	4	5
Denmark	4	2	3	1
United Kingdom	5	8	5	10
Hong Kong	6	6	6	15
Netherlands	7	10	10	8
Norway	8	7	7	6
Luxembourg	9	9	9	10
Japan	10	20	11	20

Source: ITU (2017<sup>9</sup>) and TI (2016<sup>10</sup> - 2017<sup>11</sup>)

In this context, the research by IMF suggests that governments actively apply technology to fight corruption, using an e-Procurement system as an example.<sup>12</sup> In fact, the IMF highlighted Korea as a country that has shown the effectiveness of its e-Procurement system to increase transparency. The following sections will discuss Korea's different ICT initiatives in transforming the civil service and elaborate on the strengths of ICT as a tool to prevent corruption.

<sup>8</sup> From the author's perspective, Korea's CPI score and ranking may not accurately reflect the level of integrity in Korea as well as the IDI. While CPI is based on measuring perceptions rather than actual cases of corruption, IDI uses more quantitative indicators. As illustrated in Table 1, Korea is the only country with low CPI ranking among all highly ranked countries of IDI, implying that Korea's efforts and accomplishments in enhancing transparency through ICT may not be adequately recognized.

<sup>9</sup> ITU, "ICT Development Index 2017." ITU.int. <https://www.itu.int/net4/ITU-D/idi/2017/index.html#idi2017comparison-tab>.

<sup>10</sup> TI, "Corruption Perceptions Index 2016." transparency.org. [https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2016](https://www.transparency.org/news/feature/corruption_perceptions_index_2016)

<sup>11</sup> TI, "Corruption Perceptions Index 2017." transparency.org. [https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2017](https://www.transparency.org/news/feature/corruption_perceptions_index_2017)

<sup>12</sup> Campos, "Corruption Costs \$1 Trillion in Tax Revenue Globally-IMF"



## 1 *ICT in the government system: Korea's case*

As previously mentioned, Korea's utilization of ICT contributed to preventing corruption. Introducing ICT into the government system can dramatically increase transparency and accountability in the public sector. ICT can diminish the risk of corruption by facilitating online contact instead of direct face-to-face communication. For instance, ICT made the petition process much easier by eliminating the need for petitioners to meet the officials at each stage of the petition application process. Box 1 illustrates the different ICT-based government systems in Korea that have minimized corruption risk factors in various administrative processes.

Since 2011, the Korean government has implemented eleven representative projects to facilitate the electronic processing of government affairs and public services. The government is constantly improving the speed and quality of ICT-based platforms to provide faster and more accurate administrative services.

### **Box 1. ICT-based government systems in Korea**<sup>13</sup>

#### **e-People**

Korea's online government civil petition handling system, e-People, received and handled 2.3 million cases of complaints, appeals and requests from citizens as of 2016. The updates on each case are shared regularly on a real-time basis through the internet. The petition results are also notified to the petitioner promptly through a transparent process.

#### **KONEPS**

KONEPS is the Korean government's online procurement system that dramatically enhanced the transparency of the public procurement process. Bid results are publicized online on a real-time basis in order to minimize the risks of public officials making arbitrary decisions. As of 2016, 93% of all procurement contracts were processed through e-bidding.

#### **Government 24**

Through Government 24, an online government portal, citizens can easily request and receive official documents and certificates from the government without having to visit the government agency in person.

<sup>13</sup> For more information on these platforms:

<https://www.epeople.go.kr/foreigners/pps/pps.npaid> (e-People)

<https://www.pps.go.kr/eng/jsp/koneps/overview.eng> (KONEPS)

<http://www.minwon.go.kr/main?a=AA041Request000IndexApp&LANGUAGE=eng> (Government 24)



## 2 *Strengths of ICT in corruption prevention*

Although there may not always be a correlation between ICT adoption and corruption prevention, it should be noted that ICT can contribute to improving the overall transparency of public administration services. For example, Korea's e-Government aimed at improving the values of responsiveness, accountability and transparency.<sup>14</sup> The below examples illustrate the Korean experience of public services before and after adopting ICT.

### ▪ **Action-at-a-distance**

In the past, since the public officials were given considerable discretion, various corrupt activities such as demands for money were prevalent during face-to-face interactions between public officials and the citizens. ICT eliminated this risk by enabling the citizens to go through online administrative processes at home, without having to visit the relevant government agencies.

### ▪ **Agility**

The slow administrative procedure itself was the cause of corruption. Because of the numerous documents required, along with the complicated and non-transparent nature of the process, the administrative procedure was very slow and unclear. As a result, the public officials frequently demanded a facilitation fee from the citizens to speed up the process. Today, with ICT implemented, all procedures can now be completed with just a few clicks and are open to the public, eliminating the risk of any facilitation fee or any kind of bribery.

### ▪ **Openness**

An administrative process that lacked transparency led the citizens to distrust the administration. In order to access the information provided by the government, people had to resort to all kinds of means, including bribery. Since the adoption of ICT, all government data became open to the public with the exception of state secrets. All government agencies now post policy guidelines and related major documents on their website, providing content that can gain people's trust and interest. The agencies even compete to provide more information to the public.

<sup>14</sup> Jin-wook Choi, Jonghoon Park, and Ahjung Lee, "Anti-Corruption Policies and Institutions in Korea and Singapore: A Comparative Perspective and Lessons Learnt on Corruption Prevention and Control for Developing Countries," Development Think Piece Series 2 (July 2017).



- **Propagation**

When information was only open to a few, it became often monopolized and abused. With ICT facilitating information sharing, many people now have access to different kinds of information that only one person used to be able to access in the past.

Moreover, news on corrupt actions by public officials spread faster than before with the development of investigative journalism, preventing those involved in corruption from planning countermeasures in advance.

- **Cost-saving**

The greatest advantage brought by ICT utilization is cost efficiency. Thanks to the development of ICT, incidental costs associated with the administrative process have been eliminated. It also enabled citizens to pay less fees for issuing simple certificates by using their own computers and printers at home or the workplace. Opportunity costs such as waiting and travel times have been greatly reduced as well.



# Practitioner's Note No.1

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## Conclusion

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## Conclusion

When transparency and accountability mechanisms are not institutionalized with respective checks and balances in place, governments are susceptible to corruption and it affects the overall effective functioning. To prevent this, Anti-Corruption should be understood as a priority, a crucial factor and an essential groundwork in a country's development.

Anti-Corruption policies are, in other words, a strategy to restructure a nation. It should be promoted and implemented at full scale throughout the entire nation. Ultimately, it should aim to build a new governance system. The key to building a new system is ensuring that all areas are redesigned to minimize corruption, followed by implementing new management and operation principles. With the right systems established and new principles settled, existing practices and cultures may gradually change.

In a nutshell, the prevalence of corruption indicates that the government is at the center of such corruption. A building that is about to collapse must be completely dismantled – its frame, pillars and walls must be torn down to be newly designed and built. Likewise, a country suffering from corruption cannot survive with only partial measures.

Based on the author's experience, here are final 9 Anti-Corruption action points for policymakers from a practitioner's perspective.

- **Do what you can do and concentrate on attainable goals**

If you continue to blame your strategy's failure on factors such as the lack of budget, you will not be able to expect any positive outcome. There are lots of tasks you can carry out within the given budget and human resources. Set proper targets and focus on one urgent goal at a time. In other words, start with a small but attainable goal. It will be difficult to make the first successful achievement against corruption – but once you succeed once, it will be much easier to make another.

- **Concentrate on preventing corruption to reduce resistance**

Stop relying on prosecution only. One of the main reasons of malfunctioning of Anti-Corruption strategy stems from its heavy emphasis on investigation, prosecution and punishment rather than on preventive measures. Increasing the number of prosecutors and police officers is not the solution to corruption. Corruption will only be further intensified if you abuse the power of the investigative agencies. Hence, it is important to strike a balance between corruption prevention efforts and law enforcement ones.



- **“Weaponize (Institutionalize)” preventive measures**

Typical examples of Anti-Corruption policies include Integrity Assessment (IA) and integrity training and education. If these two components can be used widely, it will surely result in positive outcomes to prevent corruption. The results of IA can be used to compare and evaluate the organizations and the high-level management's performance, effectively pressuring the target organizations to improve their integrity level.

Integrity training and education will raise the awareness of individual public officials on corruption and integrity. It can be used as an important criterion in reviewing employees for promotion. At the same time, incentives should be provided to those who have completed and excelled in the training course.

- **Demonstrate concrete results for public support**

There are many areas that need to be improved in order to have a successful Anti-Corruption strategy, but the first thing to consider is selecting an area that you can excel at. Continuous progress is the key. The existence of Anti-Corruption agencies depends on its ability to produce a concrete result so that it gains trust and support from the public. Only with public support can Anti-Corruption policies succeed.

- **Emphasize integrity in promotion**

The organization should reinforce the idea that only those with awareness of corruption can be promoted and thrive in their careers. If you continue to promote competent people who understand the value of integrity and Anti-Corruption, everyone will surely recognize integrity as the organization's top priority. Therefore, the consistent emphasis on integrity by the high-level officials will spread the importance of integrity.

- **Focus on changing your own subordinates first**

Related to the earlier point, make every effort to ensure that your subordinates are not corrupt if you are in a managerial position. Reinforce the importance of Anti-Corruption by actively promoting integrity as a crucial component of promotion. If your subordinates become clean, then their subordinates are more likely to have integrity later as well.

- **Focus on entry level employees**

For Anti-Corruption policies to be successful, all organizations should employ people who are free from corruption. However, existing employees who are already familiar with the organizational culture are unlikely to change fundamentally. They should be thoroughly monitored and regulated to prevent further corruption. Therefore, focus on the new employees. Educate them on the importance of integrity and the causes of corruption. This will be much more effective than educating public officials with years of experience. New employees equipped with Anti-Corruption knowledge and awareness will be able to shape the organization's future more positively.



- **Fill the government with competent people through an open and competitive recruitment system**

Highly qualified officials can achieve great outcomes. Encourage them and make sure they are highly satisfied with and proud of their work in the public sector. This will make it easier to sustain the government's competence and efficiency. With the best people working in the government, Anti-Corruption policies can be planned and implemented with more ease. In order to achieve this, ensure that the civil service recruitment process is transparent and fair. The success of the Korean government largely owes to its transparent recruitment system, which resulted in a lot of talented people joining the government workforce.

- **Provide big Incentives for the high performers**

Give rewards to the government and public institutions that have achieved excellent outcomes in terms of integrity. For example, ACRC has utilized various incentive mechanisms (e.g. government prizes, overseas training) to promote Anti-Corruption efforts by the public institutions. It will be more effective than punitive measures that could possibly be perceived as a threat. At the same time, the organizations can provide incentives internally during the process of job assignment, department transfer and promotion by giving advantages to the employees who prioritize integrity and Anti-Corruption.

## **“1g of Experience is More Important than 1t of Theory”**

- Euywhan Kim

Around the world, Anti-Corruption organizations have been established and Anti-Corruption laws have been enacted. There is also an overflow of various in-depth corruption diagnostic programs and indicators, analyses of causes of corruption in response to monitoring results, and alternative proposals. While many countries still heavily rely on traditional investigations rather than corruption prevention policies, these punitive approaches, in the author's view, have had limited successes in fighting corruption. In this paper, the author draws on 18 years of his experience at the Anti-Corruption & Civil Rights Commission (ACRC) of Korea and emphasizes the importance of implementing Anti-Corruption strategies and approaches that are designed to effectively prevent corruption across the public institutions. He also emphasizes that it is necessary to prioritize practical measures for corruption prevention that are implementable within the current limits of budget and human resources. Overall, this practitioner's note seeks to share the author's experience and provide practical guidance to Anti-Corruption practitioners on how to devise a tangible roadmap to prevent corruption.









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