

GOVERNANCE AND CHARACTERISTICS OF ANTI-CORRUPTION POLICY IN KOREA AND MONGOLIA

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Abstract: As an initial output of the joint research between the Korean Institute of Public Administration (KIPA) and the National Academy of Governance (NAOG), this article provides overviews of the Korean and Mongolian legislative environment, governance and characteristics of the anti-corruption policies.

The history of Korea's anti-corruption policy is long, and currently, Anti-Corruption & Civil Rights Commission (ACRC) oversees comprehensive anti-corruption policies in an independent and neutral manner. The commission is responsible not only for anti-corruption policies but also for handling administrative appeals, ombudsman services, planning anti-corruption policies, conducting integrity-related research and evaluation, and education. A prominent feature of Korea's related anti-corruption laws is the effort to define corruption as objectively as possible, minimizing subjective perceptions. Furthermore, Korea's anti-corruption policy tools, including the Corruption Impact Assessment, Comprehensive Integrity Survey, and the Policy Name Disclosure System, are significant in that they take a comprehensive and multidimensional approach, covering all elements that may directly or indirectly cause corruption.

Similarly, Mongolia has set up the legislative environment since 1996 and has gradually strengthened laws and regulations especially after 2005 when the Mongolian parliament ratified the United Nations Convention against Corruption. Since the amended Law on Anti-Corruption (2006), several major improvements occurred in terms of the legislation and governance of the anti-corruption policy. The second part of this article summarizes the Mongolian anti-corruption legislation, stakeholders and corruption indexes defined by both international and national institutes. Moreover, the NAOG team presents the initial findings of the public corruption perception survey done in the same format as the KIPA survey.

Keywords: Anti-corruption, Anti-corruption governance, Policies, Corruption Impact Assessment, Integrity survey, Perception of Public Corruption survey, Korea, Mongolia

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Introduction

Anti-corruption policies are essential in every country, and the presence of a corruption-free, integrity-driven civil service organization is a basic factor in national development. Corruption within government organizations negatively impacts various aspects of national development. Government corruption primarily undermines the efficiency and effectiveness of all policies and programs overseen by the government. However, the most critical impact of corruption is that it hampers people's trust in the government.

Both the Mongolian and Korean governments have consistently pursued anti-corruption policies, and KIPA (Korea Institute of Public Administration) and NAOG (National Academy of Governance) have been conducting joint research since June 2024 to examine the characteristics of anti-corruption policies in both countries and to identify strategies for improving Mongolia's anti-corruption efforts. This article provides the overview of the Korean government's anti-corruption policies and features, and some initial findings of Chapter 1 and Chapter 2 of the research report on the Mongolian government's anti-corruption legislative environment, governance, and perception survey results. It is divided into two main parts, each focusing on two countries' anti-corruption legal environment, policies and public perception surveys done by KIPA and NAOG according to the same format. The joint research report will be completed in December 2024.

1. Anti-corruption policy governance in Korea

Although the history of Korea's anti-corruption policies is extensive, the establishment of a formal organization emerged with the 2002 Anti-Corruption Commission. This commission merged with the Ombudsman (established in 1994) and the Administrative Appeals Commission (established in 1985) to form the Anti-Corruption and Civil Rights Commission (hereinafter referred to as ACRC) in 2008. Therefore, Korea's anti-corruption government organization can be described as an independent commission with multiple functions. Additionally, the anti-corruption policy paradigm in Korea underwent its most significant change with the introduction of the "Improper Solicitation and Graft Act" (commonly known as the Anti-Solicitation Act) in 2016. This act marked a significant event, as it sought to objectify the perception and concept of corruption, ensuring that the idea of anti-corruption would be shared not only by public officials but by all citizens in their daily lives.

1.1. Structure of Korea's Anti-Corruption Policy Organization

Currently, the organization responsible for Korea's anti-corruption policies is the ACRC. This commission was formed in 2008 through the consolidation of three organizations: Anti-Corruption Commission (established in 2002), the Ombudsman (established in 1994), and Administrative Appeals Commission (established in 1985). The ACRC is composed of 15 members, including one chairperson (with a separate 70 committee members dedicated to administrative appeals). Additionally, there is an administrative office that handles the commission's tasks. This office is responsible for overseeing the three main



functions and operates the Government Complaints Counselling Centre and Anti-Corruption Training Institute. Thus, the key characteristics of the ACRC, which oversees Korea's anti-corruption policies, can be summarized as follows:

First, the ACRC not only performs anti-corruption functions, but also handles ombudsman and administrative appeals. It oversees and manages all public complaints and is responsible for training and educating public officials on anti-corruption matters, making it a comprehensive and inclusive organization.

Second, commission places great importance on independence and neutrality as core values in its operations. To ensure this independence and neutrality, the ACRC has the following features.

- The Chairperson, Vice Chairpersons, and commissioners are appointed or commissioned based on qualifications prescribed by the law, and they must be individuals recognized as capable of performing ombudsman and anticorruption tasks fairly and independently.
- The term of the Chairperson and commissioners are set for three years, with the possibility of a single reappointment. If a vacancy occurs, a new commissioner must be appointed or commissioned without delay, and the newly appointed commissioner will begin a fresh term.
- Commissioners cannot be dismissed or removed against their will, except in cases of disqualification as defined by law, ensuring their independence and job security.

Third, the ACRC functions as both a planning body that formulates comprehensive anti-corruption plans and an executing body that conducts integrity surveys.

1.2. Changes in Korea's Anti-Corruption Law

The legal framework governing Korea's anti-corruption policies is highly diverse including the Anti-Solicitation Act, Act on the Prevention of Conflict of Interest, and Act on the Public Funds Recovery. These laws play a critical role in ensuring the objectivity and specificity of anti-corruption policies, defining the roles of both the suppliers and recipients of corrupt activities, as well as the nature of their corrupt behaviours.

The Anti-Solicitation Act is a representative law aimed at objectifying the subjective perception of what constitutes corrupt behaviour. The Act on the Prevention of Conflict of Interest seeks to minimize ambiguity in the procedures and methods of public officials' duties. Meanwhile, the Act on the Public Funds Recovery contributes to enhancing the comprehensiveness of anti-corruption policies by imposing sanctions on improper acts by the public.

• Anti-Solicitation Act (2016)

The formal name of this law is the "Improper Solicitation and Graft Act," and its purpose is to ensure the fairness of public officials' duties by preventing them from abusing their public positions and authority for personal gain. The law establishes a system allowing public officials to refuse improper solicitations and gifts, breaking the vicious cycle where such practices lead to corruption.

Legislative efforts for this law began in 2011, and it was finally enacted in 2016.

The scope of this law is comprehensive, applying to nearly all public sectors in Korea, including constitutional institutions such as the National Assembly and courts, central administrative agencies, local governments, provincial and city education offices, public service-related organizations, all public institutions, schools of all levels, school foundations, and media organizations. This extensive application underscores the law's broad coverage of the public sector and its employees.

The law prohibits anyone from making improper solicitations to public officials, either directly or through a third party, and bans public officials from performing duties based on such improper solicitations. This effectively sets both public officials and citizens—i.e., the providers and recipients of administrative services—as the targets of anti-corruption policies. To provide clear guidelines on prohibited improper solicitations, the law specifies 14 detailed types of improper solicitation activities that are common in areas prone to corruption. This high level of specificity ensures clarity and precision in identifying and preventing corrupt practices.

Moreover, the law stipulates that if a public official receives more than 1 million KRW at once or more than 3 million KRW in total per fiscal year from the same individual, regardless of the connection to their duties or the nature of the gift, they will face criminal charges. Additionally, for gifts valued at less than 1 million KRW related to official duties, fines are imposed. This highlights the law's strict approach to preventing corruption.

• Act on the Prevention of Conflict of Interest (2021)

This law aims to prevent conflicts of interest from influencing the performance of public officials by requiring the disclosure and recusal of private interests. It establishes reasonable guidelines for interpreting potential conflicts that may arise during the execution of public duties.

The Act sets out 10 behavioural standards that public officials must follow, divided into two categories: five reporting and submission obligations that they must comply with, and five prohibitions and restrictions that they must not violate.



Table 1. Ten behavioural standards for public officials to adhere to

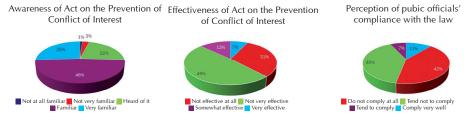
Reporting, Submission Obligations	Restricted, Prohibited Behavior				
☐ Obligation to Report and Avoid Private	☐ Restrictions on External Activities Related				
Interests	to Duties				
☐ Reporting the Ownership or Acquisition					
of Real Estate Related to Public Duties	☐ Restrictions on Solo-Source Contracts				
☐ Submission of Private Sector Employment	☐ Prohibition on Personal Use or Profit				
Records for Senior Public Officials	from Public Institution Property				
☐ Reporting Transactions with Job-related	☐ Prohibition on the Use of Confidential				
Parties	Information Related to Duties				
☐ Reporting Private Contacts with Former					
Employees					

Source: Act on the Prevention of Conflict of Interest (2021)

The ACRC uses this law to provide clear legal interpretations regarding conflicts of interest and educates all public institutions on its application. The ACRC also performs authoritative interpretations to ensure the objectivity of conflicts of interest that may arise in the course of public duties.

As shown in the survey results (see figure below), the level of awareness and perceived effectiveness of the Act has been steadily improving, indicating positive changes.

Figure 1. Results of the Survey on the Conflict-of-Interest Prevention Act



Source: ACRC Korea Annual Report (2023:58)

Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits (Public Funds Recovery Act, 2020)

The Public Funds Recovery Act is designed to prohibit fraudulent claims related to public funds and to recover and manage any profits gained through such claims, thereby enhancing fiscal soundness. A key feature of this law is that it mandates the recovery of any funds obtained through improper means by individuals receiving public financial support, ensuring that they are subject to legal penalties.

The law targets four types of fraudulent claims, including improper or excessive claims for subsidies, compensation, and contributions, as well as the misuse or incorrect receipt of public funds against their intended purpose. Administrative bodies are required to recover the full amount of any improper profits and related interest under this law. Additionally, for false or excessive claims and improper use, penalties can include the imposition of sanctions up to five times the amount of the improperly received funds. Moreover, administrative

authorities are obliged to publicly disclose the names of individuals or organizations that repeatedly or significantly engage in fraudulent claims. The ACRC is also tasked with monitoring the recovery of improperly received funds, the imposition of sanctions, and overall enforcement. To encourage reporting of fraudulent claims, the law provides comprehensive protection for informants, including guarantees of anonymity and physical safety, as well as rewards for those who report misconduct.

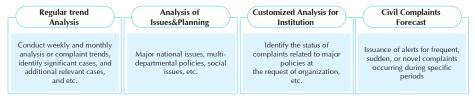
• Anti-Corruption Policy Utilizing ICT for Public Engagement

The ACRC also serves as a specialized public communication agency that oversees various digital participation and communication platforms, such as e-People, and People's Idea Box.

In 2020, e-People underwent a complete overhaul to become a more convenient and efficient platform. This system integrates and connects complaint centres from 1,163 administrative and public institutions, and by 2023, it had received a total of 12.4 million petitions.

People's Ideas Box is a digital policy participation platform that allows citizens to directly engage in policy proposals and improvements. The number of participants in the People's Panel increased from 9,200 in 2021 to 22,000 by the end of 2023. In the same year, a total of 65,000 policy issues were discussed through People's Ideas Box, with citizens participating 710,000 times. The process and key content for identifying current issues through the analysis of petition big data are shown in the figure below.

Figure 2. Procedure for Analysing Big Data in Public Complaints



Source: ACRC Korea Annual Report (2023:318)

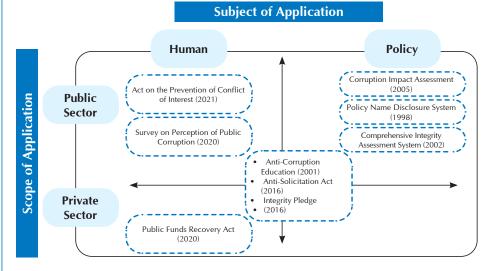
1.3. Anti-Corruption Policy Tools in Korea

Structure of Anti-Corruption Policy Tools

Policy tools refer to deliberately designed techniques or technologies used by the government or public actors to achieve policy goals or solve collective problems. In anti-corruption policy, the design and use of appropriate policy tools are crucial in determining the success of these policies. In Korea, as the government-led economic growth policies have been pursued, the public sector's influence has significantly impacted the private sector. Consequently, various anti-corruption policy tools have been introduced to eliminate corruption in the public sector and establish and spread a culture of anti-corruption throughout society from multiple perspectives.



Figure 3. Framework for Analysing Korea's Anti-Corruption Policy Tools



Source: Research team

The figure below illustrates the various anti-corruption policy tools currently employed in Korea. The horizontal axis distinguishes between tools targeting individuals such as public officials and those targeting government policies, while the vertical axis represents the application of these tools to members of the public sector versus the private sector.

1.4. Policy Tools for Anti-Corruption

• Corruption Impact Assessment System

This system involves systematically analysing and evaluating all institutional regulations in Korea to identify any factors that may induce corruption. If such factors are found, the system provides for their revision and the development of comprehensive improvement measures as part of the corruption prevention framework. Specifically, the system evaluates the potential for corruption, ease of compliance, and transparency of administrative measures.

Policy Name Disclosure System

This system records and manages the names and opinions of those involved in the decision-making and implementation of key policies established and executed by administrative agencies. It is characterized by not only documenting the names and opinions of participants in the policy process but also including this information in public materials, such as press releases, to enhance transparency throughout the policy-making process.

Anti-Corruption Education and Integrity Pledge

Anti-corruption education aims to raise awareness among public officials and the public about the importance of eradicating corruption. It covers topics such as corruption prevention, the prohibition of improper solicitation, and the prevention of conflicts of interest. Specifically, mandatory legal education for

public officials was introduced in 2016. This includes training on the Conflict-of-Interest Prevention Act, the Anti-Solicitation Act, and codes of conduct, which must be conducted at least once a year for a minimum of two hours.

• Comprehensive Integrity Assessment System

This system was introduced to enhance the effectiveness of anti-corruption policies and improve integrity by accurately diagnosing each institution's level of integrity and identifying corruption-prone areas. Based on this diagnosis, the system aims to drive proactive anti-corruption improvements. It was specifically designed to address the limitations of anti-corruption policies in the public sector, which often focus on detection and punishment as reactive measures. Since 2002, the integrity levels of public institutions have been objectively assessed annually, and the results are publicly disclosed. This encourages public institutions to autonomously improve areas vulnerable to corruption and fosters public interest in the integrity of the public sector, creating a consensus for anti-corruption efforts and integrity improvements.

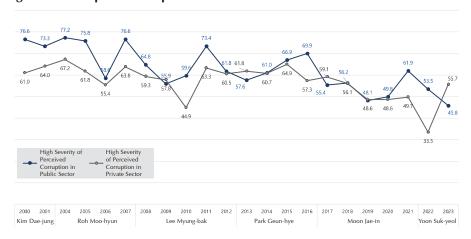
• Survey Research on the Level of Perception of Public Corruption in Korea

In addition to the ACRC anti-corruption efforts, contributions to anti-corruption policies also come from the private sector. A notable example is the Survey Research on the Level of Perception of Public Corruption, conducted by KIPA. As a national research institute, KIPA has been conducting this survey since 2000 to assess the public sector's corruption perception. A key feature of this survey is that it targets businesses, with a 2:3 ratio set between companies with fewer than five employees and those with five or more employees. The survey aims to validate academic discussions on corruption issues through real-world data and use the findings to help guide the direction of government anti-corruption policies.

In contrast to the ACRC's investigations, which directly assess the integrity of individual institutions, the KIPA survey provides a significant difference by using time-series data to track and identify trends in the level and patterns of perceived public sector corruption as recognized by businesses (the public).



Figure 4. Corruption Perception: Public Sector and Private Sector



Source: Survey Research on the Level of Perception of Public Corruption in Korea (2023:32)

The survey also gathers direct responses from business owners about their personal experiences with corruption, its impact, the factors that cause corruption, and potential solutions. This data significantly contributes to the design of government anti-corruption policies and provides valuable research material for academic experts studying corruption.

2. Governance of anti-corruption policy in Mongolia

2.1. Legal and policy environment

The Mongolian anti-corruption policy is implemented within the framework of the international agreements ratified by the Mongolian parliament, the Mongolian laws, long-term development policies, and national programs. The Parliament approved the Anti-Corruption Law in 1996 and the National Anti-Corruption Program in 2002. At the international level, the United Nations adopted the Anti-Corruption Convention in 2003. The part-time National Council began working with the aim to ensure the implementation of the national program, and the national anti-corruption system of Mongolia began to work actively from that time. In 2005, Goal 22 of the policy document called "Millennium Development Goals of Mongolia" put forward the issue of "Creating an atmosphere intolerant of corruption in all spheres of society", which had a significant impact on the fight against corruption at the national level (State Great Khural, 2005).

The adoption of the United Nations Convention against Corruption by the UN General Assembly Resolution No. 58/4 of October 31, 2003, consolidated many effective and practical steps taken within institutional and legal spheres since the 1990s to combat corruption at the international level. The main purpose of the convention is to support and strengthen measures to effectively prevent and combat corruption, develop international cooperation, and promote fair and responsible management of public sectors and public funds (UN, 2004). The Convention was ratified by the Parliament of Mongolia in

October 2005, and the policies and laws were amended accordingly since then. The Anti-Corruption Law (2006) and the Law on Regulation of Public and Private Interests and Prevention of Conflict of Interest in Public Service (2012) were approved based on the principles of the convention.

Laws, that have a significant impact on anti-corruption activities in Mongolia, are the United Nations Convention against Corruption (2003), Anti-Corruption Law (2006), Criminal Law (2015), the Law on Regulation of Public and Private Interests and Prevention of Conflict of Interest in Public Service (2012), Civil Service Law (2017), Civil Servant Code of Conduct (2023) and Offshore Regulation (2017).

Figure 5. Anti-corruption legislations and policies



Source: Independent Authority against Corruption

In addition to these laws, development policies also have targets to improve anti-corruption activities. For example, the "Vision 2050" long-term development policy of Mongolia (2020), the "National Anti-Corruption Program" (2016, 2023) and the medium-term development policies include anti-corruption policies.

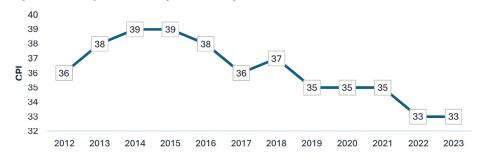
Objective 5.6 "Governance without corruption" of "Vision-2050" was put forward as "To reduce corruption and official crimes by strengthening the national justice system". This objective is reflected in the medium-term development policies, such as the New Recovery Policy (2021), the five-year development direction of Mongolia for 2021-2025, and the Action programs of the Government of Mongolia for 2020-2024 and 2024-2028. However, since the National Anti-Corruption Program, which is the main medium-term policy document, was implemented in 2 phases between 2016-2023. Thus, the new program was approved by the Parliament in 2023 and will be implemented in 2023-2030.

2.2. Indicators of corruption

To determine the corruption index, there are 16 sources in the world and 8 sources for Mongolia are used. For example, according to the 2023 Corruption Perceptions Index (CPI) published by Transparency International, Mongolia ranks 116th out of 180 countries.







Source: Transparency International (2023). Corruption perception index

In 2017, Mongolia scored 36 points and ranked 103rd out of 180 countries in CPI. In 2023, it was ranked 121st out of 180 countries.

In addition, a comparison of the corruption index from several sources is shown as follows.

Table 2. Comparison of Mongolia's corruption index (2018-2023)

N°	Surveys of International Organizations	2018	2019	2020	2021	2022	2023	Change 2018-2023
1	World Economic Forum- Executive Opinion Survey	31	28	28	34	30	33	2↓
2	World Justice Project- Rule of Law Index	36	36	33	35	35	33	3↑
3	Varieties of Democracy (V-Dem) Project	33	31	34	34	28	25	8↑
4	Bertelsmann Stiftung Transformation Index	41	37	37	37	37	37	4↑
5	Economist Intelligence Unit Country Risk Service	37	37	33	33	37	37	\rightarrow
6	Global Insights Country Risk Ratings	47	47	35	35	35	35	12↑
7	IMD World Competiveness Yearbook	30	28	32	29	30	33	3↓
8	The PRS group International Country Risk Guide	32	35	41	37	32	33	1↓
9	World Bank Country Policy and Institutional Assessment	43	35	35	-	-		
10	Transparency International: Corruption perceptions index ³⁵	37	35	35	35	33	33	4↑
10	TI: CPI index ranking among 180 countries	93	106	111	110	116	121	28↓

Source: Compiled by the Research team

Although there has been some progress, international and national studies on corruption have concluded that grand corruption is *still prevalent* in

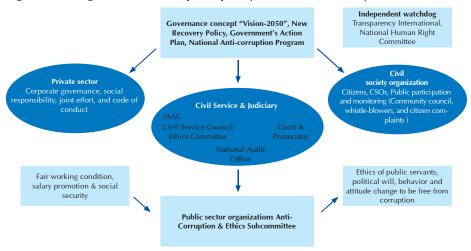
^{35 13} data sources were used to construct the Corruption Perceptions Index (CPI) 2023. Source: Transparency International, Corruption Perceptions Index 2023: Full Source Description

Mongolia. Since the implementation of the rules and regulations that set the standards of justice for political officials is still weak, it is necessary to actively, systematically and consistently implement the laws and regulations for high-level political officials, and to make the declaration of assets and income of those officials in an objective manner with the proper verification (OECD, 2019, p. 8). This indicates that it has become a social problem that needs to intensify the anti-corruption policy and achieve results through multi-stakeholders' participation.

2.3. Key institutions and their participation

The responsibilities and participation of stakeholders are important in improving the results of anti-corruption activities. In addition to government, civil service committee and judicial institutions, the stakeholders of the anti-corruption policy include citizens, civil society organizations, the private sector, and international organizations.

Figure 7. Mongolia's anti-corruption policy and institutional system



Source: Research team

The implementation of anti-corruption laws and policies will be effective, and the risk of corruption will be reduced in the conditions of improved cooperation and coordination of the stakeholders. The main participant of anti-corruption activities in Mongolia is the Independent Authority Against Corruption (IAAC).

After the new anti-corruption law passed in 2006, the IAAC as a special anti-corruption organization has been established in 2007. The IAAC oversees raising anti-corruption public awareness and education, and preventing corruption, and carrying out under-cover operations, inquiries and investigations in detecting corruption crimes, and reviewing and inspecting the assets and income declarations of those officials required by this law.

The organizational structure and staffing of the IAAC is approved by the Parliament, and it has departments with functions of corruption prevention, research and analysis, inspection, inquiry, investigation, executive activities

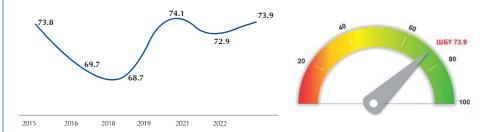


and public administration (State Great Khural, 2006). IAAC has a public council besides its structure. The purpose of the council is to actively lead the public engagement in the fight against corruption, to convey their opinions, and to make recommendations about corruption and the implementation of anticorruption laws. The public council has 15 members. The President appoints a citizen, who has no convictions of crime and who can represent the civil society as a member of the council for 4 years' period.

One of the important structural units of the IAAC is the Research and analysis division. This division regularly conducts baseline research, such as corruption risk assessment, integrity assessment, children's integrity research, corruption perception surveys in political and law-enforcement organizations, and corruption perception index. In addition, a journal called "Justice" on a theory, practice and methodology is published semi-annually. This journal aims to prevent corruption and conflicts of interest, to fight against corruption, to introduce sectoral policies, and to share best practices and activities.

According to Article 18.1 of the Anti-Corruption Law, the IAAC performs seven main functions to educate the public and prevent corruption. The Corruption Index is unique in that it is calculated based on the perception indicators supplemented by the research data. In this context, the IAAC contracted with an independent research organization to conduct the "Integrity Assessment" survey participated by more than 10,000 citizens, 2,000 civil servants, and more than 2,000 policy experts to identify corruption perceptions at ministries, agencies, provinces, and capitals. The survey has been conducted 6 times between 2015 and 2022 with 3 main indicators and 62 sub-indicators: external integrity assessment (EIA)³⁶, internal integrity assessment (IIA)³⁷ and policy participants' assessment (BPA)³⁸.

Figure 8. Results of the integrity assessment survey (2015-2022 and 2022 results)



Source: IAAC (2023). "Integrity Assessment Survey" research report

According to the survey, the integrity rating has not changed much between 2015 and 2022, at about 74 percent. As for the 2022 survey, the scores given by citizens (70.5) and policy environment experts (69) were much lower than the scores evaluated by civil servants (82). The equality and accessibility of government services provided to citizens by local governors' offices was slightly

³⁶ EIA means that the organizational integrity was assessed by its service recipients (citizens, enterprises and organizations)

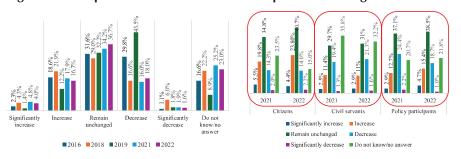
IIA is estimated by scores given to the organizational integrity by its employees/public servants

BPA is identified by scores given by the participants and experts engaged in policy planning

lower (71.1) than the those by ministries (74.4) and agencies (75.6) and as a result an average score was 73.9.

In addition to the integrity, the survey gave the following answers to clarify how the level of corruption in Mongolia will change in the next 2 years.

Figure 9. Perception of how the level of corruption will change in 2023-2024



Source: IAAC (2023). "Integrity Assessment Survey" research report

According to the survey participants, 56.7% of participants replied either the level of corruption will increase (20.7%) or will not change (36.7%), whereas only 19.6% replied it will decrease. Compared to civil servants and policy actors, citizens were more pessimistic evidenced by 69% of them replied that corruption either will increase or will not change, while only 16% were optimistic regarding corruption decrease. This indicates that public perception of corruption is pessimistic in society.

The IAAC survey was conducted among citizens, civil servants, and policy participants, while the NAOG perception survey was conducted among business enterprises to clarify the corruption perception of the private sector participants who often stayed behind from the corruption survey, but who often become a victim of the corruption in the public sector.

2.4. Corruption perception survey in the public sector

Based on the survey design of KIPA's "Perception survey of Public Sector Corruption in South Korea", the research team of the NAOG conducted a pilot study among randomly selected sample of 196 small and medium-sized enterprises (SMEs). This part presents the interim results of the survey conducted among 129 enterprises (or 65.8%) of the total sample. The selection of the enterprises followed the below legal conditions based on Clause 5.1 of the Mongolian law on "Support of Small and Medium-sized Enterprises and Services" (2019). It includes:

- "Micro-enterprise and service provider" means an enterprise with up to 10 employees, operating in the field of production, trade, and services, with an annual sales income of up to MNT³⁹ 300.0 million.
- "Small industry and service provider" means an enterprise with 10-50 employees, operating in the field of production, trade, and services, with an annual sales income of MNT 300.0 million to 1.0 billion.

³⁹ MNT or Mongolian Tughrik is the currency of Mongolia



 "Medium-sized enterprise and service provider" means an enterprise with up to 50-200 employees, operating in the field of production, trade, and services, with an annual sales income of up to MNT 1.0-2.5 billion.

In terms of the economic sectors of survey participants, they are in transportation and warehousing (26.3%), wholesale and retail trade and maintenance (18%), agriculture and forestry and hunting (4.7%), and the processing industry (5.4%). According to the legislative classification, 54.4 percent of the surveyed enterprises are categorized as "micro enterprises and service providers", 40.4 percent are "small enterprises and service providers", and 5.3 percent are "medium enterprises and service providers".

The enterprises were asked to score on a scale of 1-6, where the score closer to 6 is more severe corruption incidence. They also asked to reply to some questions from two points of views including their own position and the position of civil servants. The results showed that their scores in both positions are mutually reinforcing. For example, the survey participants said that while running their business and overcoming daily challenges, actions such as "giving money, entertaining and providing comfort to government officials" are at the most serious level (with the score of 5.23) and this action is unnecessary (1.83 points) (Figure 10).

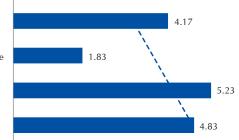
Figure 10. Views of the business enterprises on the public sector corruption

How much does the act of giving money/entertain/ comfort to a CS of the public organization during the process of solving the problem?

Do you think that citizens need to give money/entertain/comfort to the public organizations when they are trying to solve their problem?

How serious do you think giving money/entertain/comfort to CS?

How common do you think it is for people to give money/entertain/confort to CS when they managing their work?



Source: NAOG survey results

On the other hand, actions and attitudes such as receiving money, entertainment, and comfort while performing duties have reached a serious level (5.21 points) and taking requests and favour from people while performing duties has become a common phenomenon (4.96 points).

Figure 11. Evaluation of the actions and attitudes of civil servants

How do you think corruption has changed compared to a year ago?

How common do you think it is for a CS to forward people's requests to another CS while performing their duties?

How common do you think it is for the CS to receive requests from people while performing their duties?

How serious do you think the act of getting money/entertain/comfort while a CS is performing the duties?

4.08

4.08

4.08

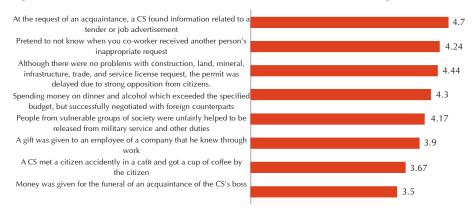
4.7

5.21

Respondents were asked "How serious do you think corruption is in the public and private sectors?". Most of them (76.8%) replied that there is a serious level of corruption in the public sector, especially in public administrative institutions, which is twice as much as the response of corruption in the private sector (36.7%).

The participants of the study were asked "Would the actions and responses of the civil servants be considered as corruption under the following circumstances?". The 8 cases mentioned as examples were considered as corruption in some way, and the total average score was 4.1 (out of 6), and the case of "Finding information related to a tender or job advertisement at the request of an acquaintance" scored the highest (4.7), which is the most corrupt situation.

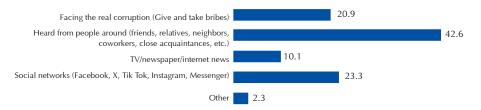
Figure 12. Civil servants' actions that can be considered as corruption



When the survey participants were asked "From which news channel do you usually find out about the seriousness of corruption?", they replied that it is common to get information from relatively informal sources, such as people around them and social networks. On the other hand, 20.9% of the respondents expressed that they felt that corruption had reached a serious level after facing reality (Figure 4). This answer is based on Question 25 of the survey, "How serious do you think corruption is in the following private organizations?" of which response is associated with a score of 4.4 on serious corruption in the media sector. In other words, trust in the media is relatively weak, so it is observed that people get more information about the corruption situation from the sources they know.



Figure 13. Which channel do you usually find out about the seriousness of corruption?



When they were asked "How serious do you think corruption is at each administrative level of the government?", the reply was that corruption at the capital and districts is severe (4.61) and the corruption at the primary local administrative unit is also serious (4.17 points). The average value is 4.46 (or a slightly serious level).

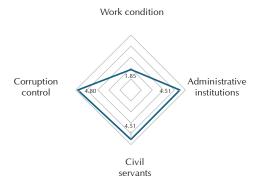
Figure 14. How serious is corruption at each level of government administration?



If we compare the questions regarding corruption in society, more than half (57.4%) of the participants stated that detection of corruption cases involved by political officials is not satisfactory and punishments for those officials who received or gave bribe are very weak in our country.

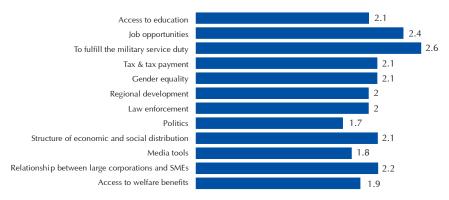
To combat corruption, we need to identify key factors causing corruption in the public sector and organizations, thus the survey asked SME respondents to score the factors and determine the causes of ethical issues leading to corruption. In the survey, the respondents were asked 4 general factors and 10 sub-factors related to the causes of corruption. They scored "Control over corruption" as the most influential general factor with an average score of 4.80, including the factor such as "lenient punishment for corrupt government officials", which was considered as the main influencing factor. However, the general factor related to "Working environment" with an average score of 1.85 was the least influencing factor.

Figure 15. Comparison of mean scores on general factors affecting public service corruption



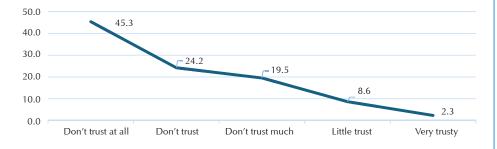
When the respondents were asked how fair the following process is in our society, they scored them from 1.7 points to 2.6 points indicating that they consider them "unfair" which is a very unsatisfactory indicator (Figure 16).

Figure 16. How fair do you think the following process is in our society?



Finally, it is noteworthy that 69.5 percent of the respondents replied that they do not believe in the government (Figure 17).

Figure 17. Level of citizens' trust in the government





Based on the interim results of this pilot study, the following brief conclusions can be drawn that the respondents as representatives of SMEs, which contribute considerable amounts to the national budget, GDP, and the labour market, do not trust much in the public sector, and their perception of corruption in the public sector is considered to be at a risky level.

Conclusion

This article was written with the purpose of presenting initial findings of the joint research of KIPA and NAOG. In this context, it provided the overviews of legal framework, institutions and policy tools of the anti-corruption policies of the Republic of Korea and Mongolia. In addition, the interim results of this pilot survey from the representatives of the Mongolian SMEs were presented as well. The survey is based on the format of the KIPA survey on the "Level of perception of public corruption" that has been conducted since 2000.

First part of the article examined the Korea's anti-corruption policies and activities by focusing on two dimensions: governance (organization, structure, etc.) and policy tools (evaluation, investigation, laws, systems, etc.). Since 2005, Korea's anti-corruption agencies have been consolidated under the Anti-Corruption & Civil Rights Commission (ACRC), which not only handles anti-corruption activities but also administrative appeals, grievance handling, ombudsman functions, integrity surveys, and corruption impact assessments. This indicates that a single organization is responsible for planning and executing almost all areas that may affect corruption. The ACRC also incorporates various mechanisms to ensure its independence and neutrality, enabling a comprehensive approach to anti-corruption.

Additionally, a review of changes in Korea's anti-corruption laws reveals that the most important aspect among these various laws is the effort to objectify and specify subjective experiences and perceptions related to corruption and integrity as much as possible. This effort extends beyond direct corruption, such as improper solicitations, to more ambiguous areas like conflicts of interest in the course of official duties. These efforts to ensure objectivity have played a major role in aligning and enhancing the understanding of corruption among the public and public officials in Korea.

Moreover, several policy tools are employed to advance anti-corruption efforts, including the Corruption Impact Assessment System, the Policy Name Disclosure System, integrity education, and integrity evaluations. While these tools serve different purposes and roles, the most noteworthy aspect is that they are designed to enable a multidimensional and comprehensive approach to anti-corruption.

For Mongolia, the anti-corruption legal framework has been in place since 1996, but with the adoption of the UN Convention against Corruption in 2003 the Anti-Corruption Law amended in 2006 resulting in significant improvements in the legal framework and governance of anti-corruption policies. The causes, types, responsibilities and appropriate punishments for corruption cases are determined by this law and by other laws. Within the framework of this law,

the IAAC was established in 2007. The IAAC oversees raising anti-corruption public awareness and education, and preventing corruption, and carrying out under-cover operations, inquiries and investigations in detecting corruption crimes, and reviewing and inspecting the assets and income declarations of those officials required by this law.

Although Mongolia has created a legal framework for combating corruption, defined policies, and implemented certain policy tools, corruption has not decreased successfully evidenced by the deteriorating corruption index since 2012. Therefore, it is necessary to combat corruption in a more specific, comprehensive and inclusive manner at the policy level like the Republic of Korea, and to gradually eliminate the social culture that encourages corruption.

According to the results of the "Integrity Assessment Survey" of the IAAC and the interim results of the pilot survey conducted by the joint research team of the KIPA and NAOG, the trust of citizens and businesses in the public sector is weak, and they do not believe that corruption will decrease in the next few years. These results urge that policy institutions and governance need to be strengthened and anti-corruption policies shall be implemented on a wider scale.

Next, the findings from Mongolia's research will be linked with Korea's experiences to explore strategies for designing effective anti-corruption policies for the Mongolian government. The full research report is expected to finish in December 2024.

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