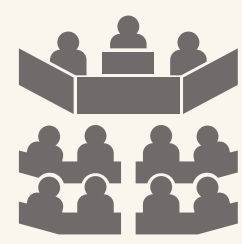


# National Audit of State Administration

The **2021 National Audit** will be conducted for **21 days**, beginning **1 October**. The current administrations's policy initiatives and the government budget for the year 2022 will be discussed, during **the last National Audit** of the Moon Jae-in administration.

## Overview

The **National Audit** refers to the annual audit of **overall state affairs**, carried out by **the National Assembly's standing committees**.



### National Assembly

The National Assembly conducts the audit as the main entity of Korea's legislative branch



### Annual session

National Audit is conducted every year, from early October, during the NA's regular session



### 17 Standing committees

Committees examine the performance and compliance of ministries, agencies, and municipalities



### Session length

The total duration of the audit may not exceed a total of 30 days



### Uniquely Korean proceeding

The National Audit is an intensive version of 'regular parliamentary inspections,' which is unique to Korean



### Party agenda

Political parties select key policy issues to spotlight, in line with the parties' main interests

## What is the overall process?



## Summoning Process

### Listing of witnesses

Each National Assembly member delivers to the party's secretary a list of witnesses to be summoned

### Discussion between secretaries

Secretaries of different parties discuss the proposed witnesses and settle on the final list

### Committee approval

Chairs of each standing committee approve the final list

### Finalization

Party leadership may also be involved in the final discussions to reach consensus between parties

## Why is the National Audit important to companies?



**Data requests** or **summoning of company/industry representatives as witnesses** may significantly affect companies' interests

**Corporate interest**

Even **legally compliant companies** may be summoned as witnesses to the National Audit, driven by **political motivation** or **public interest**

**Political interest**

If a company **refuses to attend** the National Audit without good reason, the National Assembly can **accuse** it of breaching the law

**Difficult to evade**

The National Audit is a period when the National Assembly receives **the greatest attention** from the media and public

**Careful and tailored communication** is needed to reduce reputation risks for companies, if summoned as witnesses to the National Audit

**Reputation risk**