

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

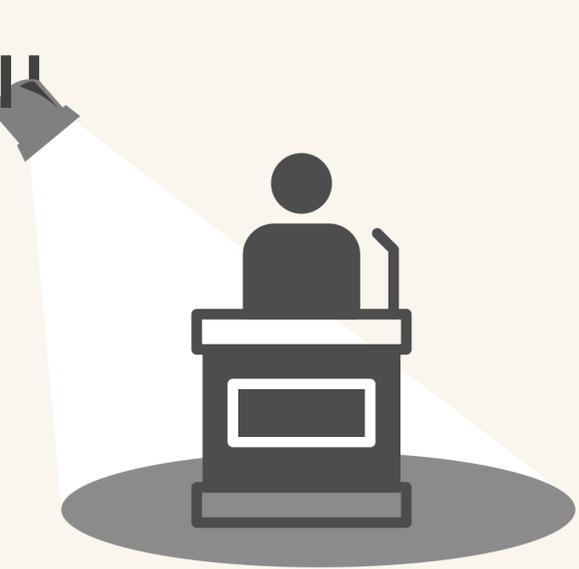
What is the overall process?



Summoning Process



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