

POLICIES
TO
TRANSFORM
S E O U L



Citizens Shaping Seoul



The Seoul Institute



서울연구원
The Seoul Institute

Citizens Shaping Seoul

Policies to Transform Seoul

Citizens Shaping Seoul

The Seoul Institute

Translated by Ju-Hea Jang (Translation Cooperative)

Proof read by Jay R. Fraser

First edition printed on February 23, 2018

First edition published on February 28, 2018

Published by Wang-Jin Seo, The Seoul Institute

137-071 Nambusunhwan-ro 340-gil, Seocho-gu, Seoul, Korea

Tel +82-2-2149-1234

Fax +82-2-2149-1019

www.si.re.kr

Edited by Kyung-Hye Kim, Mal-Sook Jeon, Do-Sook Song and So-Jeong Lee

Designed by Seok-Woon Lee and Mi-Yeon Kim

Printed by Hyunmun Printing

Written with the help of Gyun-Oh Ahn, Hee-Jeong Cho and Won-Young Lee

ISBN 979-11-5700-253-5 04300

979-11-5700-113-2 (SET)

©The Seoul Institute, 2018

- Book price indicated on the rear cover page.
- All rights reserved by the Seoul Institute.

POLICIES
TO
TRANSFORM
S E O U L

Citizens Shaping Seoul

The Seoul Institute



The mayoral by-election held in October 2011 made Won-Soon Park, a former lawyer-turned-civil rights activist, into the 35th Mayor of Seoul. Park also easily won the next election held in 2014 to continue his term. Co-governance, communication, and innovation are the three keywords central to Mayor Park's administration and have been the three core principles that have guided the administration's policymaking so far. Now that Park's second term as mayor of the Korean capital city is halfway through, the Seoul Institute has set out to review, assess, and summarize the major policy initiatives of the Park administration and the philosophy underlying them. The endeavor of reviewing, archiving, and publicly sharing how the innovative policy initiatives have been transforming Seoul is significant for a number of reasons. In the short run,

such an endeavor will encourage the Park administration to continue to work hard during the remaining two years of its term. In the longer run, the endeavor will help consolidate the drive and the philosophy for better policymaking by the Seoul Metropolitan Government (SMG).

This book consists of five chapters. Chapter 1 outlines the SMG's achievements, with Mayor Park at the helm, in the areas of the social economy, economic infrastructure development, and tourism under the vision of "Creating Sustainable and Secure Jobs." Chapter 2 discusses the SMG's achievements over the recent years in welfare, women's issues, and labor policies as matters of citizens' rights rather than privileges. Chapter 3, entitled "Urban Planning for the Next Century: Putting Human Beings First," summarizes the SMG's achievements in the areas of urban planning, urban renewal, safety, transportation, pedestrian convenience, and environmental protection. Chapter 4 discusses the SMG's achievements in housing, education, culture, the environment, and civilian exchange between South and North Korea, emphasizing the paramount importance of investing in people. Chapter 5, maintaining communication as the start of change, sums up the philosophy underlying policymaking at the Park administration across the areas of social

innovation, public innovation, local self-governance, and communication and co-governance.

This book forms the first installment of Policies Transforming Seoul, an ambitious series planned by the Seoul Institute with the purpose of providing an overview of recent policy initiatives that have begun to transform the lives of citizens in Seoul. The three main themes running through the series are “A Humane Life,” “A New City,” and “A Hopeful Future.” The installments in “A Humane Life” discuss the recent policy changes in the areas that are directly related to citizens’ everyday lives, such as the provision of 80,000 new public housing units, the introduction of a Seoul-style labor policy, the measures addressing the failures of the past “New Town” development policies, the creation of 1,000 more national and public daycare centers, the introduction of citizen-friendly community centers, new policy programs for retirees and near-retirees, and the innovative measures for ensuring women’s safety. The installments in “A New City” introduce policy measures designed to strengthen civic participation and self-government, including the Neighborhood Community Program, increasing the openness and participatory nature of metropolitan policymaking, programs for social innovation and the social economy, and

measures for consolidating co-governance in the metropolitan government. The installments in “A Hopeful Future” outline the SMG’s recent endeavors for the future sustainability of the city, including the projects for creating a more pedestrian-friendly environment, the reduction of the city’s debts by KRW 7 trillion, the participatory budget making measures, the improvement of air quality and energy efficiency, and the restoration of historic assets, including the Seoul City Wall.

This book would not have been possible without the dedication of many people. I would especially like to thank Gyun-Oh Ahn and Hee-Jeong Cho for researching the core materials for this book and editing this text. I also owe gratitude to the Planning & Coordination Team at the SMG for providing all the administrative assistance we needed. I should not forget the hard work of Seok-Woon Design and its chief, Seok-Woon Lee, who have helped to put the book into this sophisticated form and the Policies Transforming Seoul series editors at the Seoul Institute that have managed the entire editorial and publication processes.

While working on this series, I realized that it does not take costly and ambitious policy projects to transform even a big city like Seoul for the better. I hope Seoul will become

a city that ensures harmony and happiness amid diversity. I wish this book will help the city achieve that vision.

Wang-Jin Seo, President
The Seoul Institute



Contents

| Preface | · 005

CHAPTER 1

ECONOMY

Section 1 _ Creating Jobs · 014

Section 2 _ Social Economy · 030

Section 3 _ Economic Infrastructure Development · 044

Section 4 _ Energizing Tourism · 060

CHAPTER 2

WELFARE

Section 5 _ Welfare Policy · 076

Section 6 _ Health Policy · 090

Section 7 _ Women's Policy · 104

Section 8 _ Labor Policy · 120

CHAPTER 3

URBAN POLICIES

Section 9 _ Urban Planning · 136

Section 10 _ Urban Renewal · 152

Section 11 _ Urban Safety · 166

Section 12 _ Urban Transportation · 182

Section 13 _ Pedestrian-friendly City · 196

Section 14 _ Green City · 212

CHAPTER 4

FUTURE

Section 15 _ Housing Policy · 230

Section 16 _ Education Policy · 246

Section 17 _ Culture Policy · 262

Section 18 _ Environmental Policy · 278

Section 19 _ Inter-Korean Relations · 292

CHAPTER 5

INNOVATION

Section 20 _ Social Innovation · 310

Section 21 _ Public Innovation · 326

Section 22 _ Local Self-Governance · 342

Section 23 _ Communication and Co-Governance · 358

CHAPTER 1

ECONOMY





“Creating Sustainable and Secure Jobs”



서울연구원
The Seoul Institute

We live in a miserable age.
Being unemployed is a source of immense suffering.
Welfare benefits without jobs are mere illusions.
An economy that keeps growing without creating jobs is sweeter to the eye than to the palate.
Jobs are matters of everyday survival.
Without jobs, individuals and families cannot last.
Jobs are the first and last bulwarks against unhappiness.
Jobs are the most important instruments for ensuring economic and social justice, breaking the poverty trap, and reducing inequality.
The Seoul Metropolitan Government (SMG), from now on, intends to focus on creating jobs as the first and foremost issue on its policy agenda.
The SMG will not stop until this most pressing of all policy issues is satisfactorily solved.

- Excerpts from the inaugural address upon the launching of
the Great March for Jobs on October 7, 2015.

SECTION 1



Creating Jobs





A Vision for Seoul as a Capital City of Jobs

The fruits of outward economic growth are sadly not being trickled down in South Korea. Nor have they led to an increasing number of decent jobs for ordinary people. Poverty, inequality, uncertainty, and hopelessness about the future continue to characterize the daily existence of many Koreans around us.

A job is a matter of everyday survival. Protecting citizens against the precarious life conditions associated with unemployment and unstable jobs and providing them with social security ladders from which they can escape the poverty trap are fundamental duties of the state and the *raison d'être* of society.

The SMG is determined to create stable and decent jobs. To create jobs, the SMG has set out to foster Seoul-type prospective industries, including R&D, biotechnology, medicine, convention, tourism, and urban specialized industries; invest in massive social overhead capital (SOC) development projects; renew urban areas surrounding industrial clusters; and incentivize greater investment by the private sector. Fur-

thermore, the SMG continues to research different pathways and mechanisms for creating jobs for different groups, including young adults, women, seniors, and the poor, with a view to creating newer and better jobs for them.

The SMG is well aware that it cannot create these jobs by itself. Optimal results can come about only when the internal resources and the external environment are in synch. Nevertheless, the SMG is committed to realizing its vision—that is, turning Seoul into a capital city of jobs, where no one is left behind or alienated from opportunities to earn a decent living. The SMG is convinced that creating jobs holds the key to maximizing welfare, maximizing returns on public investment, and maximizing the happiness of all citizens.

Reality of Jobs and Employment in Seoul Today

The national government's pressure on raising the employment rate has only led to the multiplication of unstable jobs.

According to a recent report from the National Assembly

Budget Office (NABO), the Direct Job Creation Program, through which the Korean national government creates short-term and part-time jobs in the public and non-profit sectors, has had KRW 2.5 trillion to 2.8 trillion in annual budget every year since 2011. Only 4.6 to 4.8 percent of the program participants, however, have managed to land other jobs in the private sector after leaving the program. As the Korean government single-heartedly pursues its goal of raising the employment rate to 70 percent or higher in a short span of time, the number of unstable jobs continues to multiply.

The critical issue of unstable employment among young people has consistently been overlooked by the national government's obsession with lowering the unemployment rate.

In October 2015, 26.3 million jobseekers landed jobs, 348,000 up from the same month the previous year, while the unemployment rate among young people also dipped by 1.6 percentage points to 7.4 percent over the same period of time. However the actual unemployment rate among young people, which includes those who work in temporary jobs while transitioning into better and more stable jobs, as well

as those preparing to take workplace entrance examinations, rose to as high as 10.5 percent.

Seoul's Endeavors to Create Sustainable and Secure Jobs

Looking for solutions with jobseekers: Great March for Jobs

Mayor Won-Soon Park visited 99 workplaces during the month of October 2015 to listen to citizens and gather their opinions on how best to increase quality jobs. Seizing upon the importance of the quality of jobs, Mayor Park also met with the representatives of corporations, industries, and labor unions to discuss possible solutions and alternatives.

Over 3,900 citizens joined Mayor Park on this Great March for Jobs, producing some 450 proposals for creating better jobs. Urged and inspired by citizens' participation, the SMG decided to introduce employment programs tailored to the specific needs of different groups (young adults, women, people with disabilities, and seniors), increase support for small and medium enterprises (SMEs) intent on creating jobs and

loosening job-related regulations on businesses. Having decided to create a working environment throughout the city that protects the basic labor rights of working citizens, the SMG set aside a total budget of KRW 190.3 billion for 64 related employment programs in 2016.

A master plan for revitalizing traditional marketplaces:

Traditional Marketplace Revitalization Project (TMRP)

In November 2013, the vendors' associations of traditional marketplaces, self-governing borough offices, the Seoul Merchants Association, and the SMG together entered and announced an agreement on launching the TMRP with the goal of revitalizing traditional markets throughout the city. The project involved hiring traditional marketplace managers, supporting the entrepreneurial initiatives of young merchants, developing brands for master artisans' products and shops, developing market-themed tour programs, developing maps of traditional markets to attract Korean Wave fans, setting up the Seoul Traditional Marketplace Promotion Center and the Seoul Traditional Marketplace Merchants' Hall, and assembling a group of consultants to help increase business for traditional markets. The project also involved selecting

and advertising five exemplary markets as part of the New Seoul-style Market Model Development Project, supporting their transformation into the hubs of local business ecosystems. In 2016, the SMG invested KRW 31.8 billion more to select and foster another five exemplary marketplaces.

Fostering urban specialized industries to enhance the competitiveness of the urban manufacturing sector

The SMG has designated manufacturing-clustered areas as Seoul Specialized Industry Zones, concentrating support on fostering urban manufacturing industries. The first industries to receive support under this program in 2015 were the shoemaking industry centered in Seongsu, the jewelry industry in Jongno, and the traditional medicine industry in Dongdaemun. The SMG has since also begun to support the printing and publishing as well as furniture industries in Jongno, helping local manufacturers enhance their products. The SMG's policy on fostering urban manufacturing industries won the Presidential Award and the Minister of Trade, Industry, and Energy Award in 2013 and 2014, respectively. Thanks to the policy support, the shoemaking industry in Seongsu has seen a steady increase in its revenue, while Jong-

no has gone on to create Jewelry Business Center I, and Jewelry Business Center II, and the Dongdaemun Traditional Medicine Promotion Center was under construction at the time this book was being written.

Making Seoul a city with an abundance of opportunities to find decent jobs

Since becoming Mayor, Park has launched diverse employment support programs tailored to the specific needs of different groups of jobseekers. The attention to diversity and detail is most apparent in the job support programs for young adults, which include measures catering to young adults who have long struggled with the steep competition in the job market, who are rapidly turning into an idle workforce, and who face increasing risks of working poverty.

Supporting the second beginning of baby boomers: 50+ Baby Boomer Support Program

The SMG became the first non-national government in Korea in April 2014 to launch a policy program supporting people in their 50s and 60s. These Korean baby boomers are

Main achievements in 2015 (as of the end of June)

New Deal Employment Program:

- Provided 1,434 jobs in total via 38 projects (employment rate = 30.2% as of 2014).

Job Plus Center:

- Employment rate = 46.7% (1,619 successfully employed out of 3,468 applicants).

Technical Training Academy:

- 3,280 currently enrolled in training (2,978 full-time trainees, 302 short-term trainees).

SME Internship Program:

- KRW 3.767 billion provided so far for 2,459 internship projects.
- 49.2 percent of applicants hired as interns from 2012 to 2014 retained their jobs as of May 2015.

Challenge 1,000 Project:

- 60.9 percent of participants opened their own businesses (from June 2010 to June 2014), and 56.8 percent of them survived (as of April 2015).
- Tenancy support, training sessions (51 in total), consulting services (155 cases in total), and networking opportunities (20 times in total) provided for 250 exemplary teams.

relatively well-educated and have accumulated extensive job experience, but have also been forced to retire early, although

they are not old enough to be regarded as “seniors.” These early retirees and near-retirees are now forced to compete for a second career alongside younger jobseekers on the job market.

Under the support policy, the SMG has decided to increase the number of the Second Beginning Support Centers, of which there were originally two (one in Eunpyeong and the other in Jongno) to 20 by 2020. Having opened the first 50+ Campus, a regional center of command over all policy projects supporting baby boomers in the northwestern part of the city in June 2016, the SMG intends to create five more such campuses across Seoul by 2018.

Because finding post-retirement jobs is a top-priority issue for baby boomers, the SMG has also opened the Baby Boomer Occupational Training Center and the Baby Boomer Entrepreneurialism Center, in addition to organizing the Baby Boomer Job Expo every year. The SMG also supports jobs that allow baby boomers to make contributions to local communities and the society at large, incorporating some of them officially into the New Deal Employment Program.

In the meantime, the SMG’s Senior Portal 50+ (senior.seoul.go.kr) provides a wide range of information on job opportunities and lifestyle issues concerning baby boomers.

In 2015, the SMG organized the Public Policy Hearing on the 50+ Support Program (in August) and the Conference for the Future of Baby Boomers (in October) to check the progress made under policy support and improve the related policy measures. In November of the same year, the SMG also hosted the Seoul Fair for the Second Beginning of the Middle-aged with the overarching theme, “Jobs for 50+Baby Boomers That Can Change the World.”



“

The SMG will not stop until
this most pressing of
all policy issues
—creating decent jobs—
is satisfactorily solved.

”

Core Projects and Major Achievements

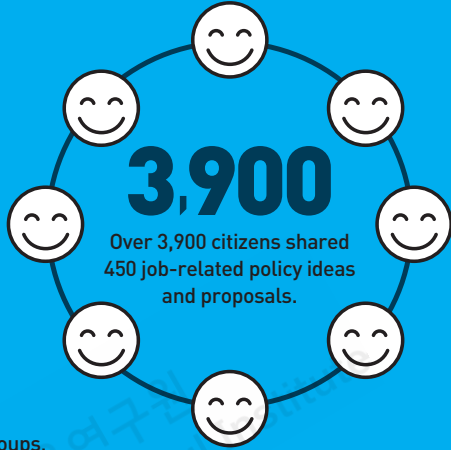
Great March for Jobs



Mayor visits 99 workplaces for 4 weeks during October 2015.



Job policy programs for different groups, including young people, devised, along with measures for supporting businesses, loosening regulations, and fostering an environment that respects labor rights.



Traditional Marketplace Revitalization Project



+5

TMRP announced in November 2013 (with five exemplary markets selected).



Traditional market vendors' associations, borough offices, Seoul Merchants Association, and the SMG enter an equal partnership.

Fostering Urban Specialized Manufacturing Industries



Shoemaking industry in Seongsu region sees increases in revenue.

Jewelry Business Center I created in Jongno;
Jewelry Business Center II and Dongdaemun
Traditional Medicine Promotion Center
now under construction.



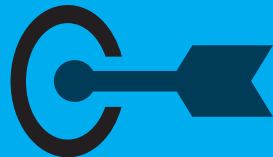
Employment Support for Young Adults



11,122

Of the target number of 12,825 jobs
the SMG sought to provide for young jobseekers
in 2015, 11,122 jobs were provided.

The SMG concentrates
support on 35 job support
programs across five
categories as defined by
the OECD.



The world today stands at a critical crossroad, between a challenge of an unprecedented scale and an unfathomable crossroad.

The widening wealth gap and socioeconomic inequality, the depletion of natural resources and the unsustainability of our energy structure, the plummeting birth rates and the accelerated aging of populations, economic stagnation and the rising unemployment rates are urgent issues that require attention from all of us.

As the popular saying goes, however, crisis has been the other side of a new opportunity.

Now is the time we need to rise to this moment and transform the imminent crisis before us into a major opportunity for revolutionary transformation.

We need to use the current crisis as a steppingstone toward creating a newer and better world in which everyone is happy and prospers.

The social economy will give us the key to that newer and better world.

- Excerpts from the keynote address at the Inaugural Meeting
of the Global Social Economy Forum (GSEF), November 18, 2014.

SECTION 2



Social Economy





A Vision for Seoul as a Global Capital of the Social Economy

With a trade-centered economy valued at over USD 1 trillion, South Korea is the eighth-largest economy in the world, with a gross national income per capita of well over USD 20,000. Yet it has the highest suicide rate among all the member states of the Organization for Economic Cooperation and Development(OECD). That life in this affluent country isn't so rich and fair is evident in the country's plummeting birth rate. The Korean economy is believed to have exhausted its growth potential, growing at barely four percent annually since the dawn of the new millennium. The economic growth rate projections for next year are even gloomier, staying in the two-percent range, far below the average economic growth rates of 184 countries worldwide.

South Korea is also one of the countries with the most rapidly growing income and wealth disparities. Of homeowners in Korea, 48.2 percent regard themselves as “house-poor,” struggling to make ends meet while paying off their mortgage debts. With a Gini coefficient of 0.409 for seniors aged 65 and older, South Korea is also the country with the

third-highest elderly poverty rate among the OECD member countries, after only Mexico (0.524) and Chile (0.474). In Germany, large corporations generating 64.5 percent of the gross domestic product (GDP) are also responsible for 40 percent of jobs available nationwide. Their South Korean counterparts, on the contrary, generate 62.3 percent of the GDP while providing only 13.2 percent of jobs.

As the popular saying goes, however, crisis is only the other side of opportunity. We need to rise to this moment and convert the crisis before us into a new opportunity for achieving major transformation. The social economy is emerging as a new solution to a wide range of social and economic problems we face, including the economic crisis, environmental degradation, and the collapse of local communities. The social economy provides a holistic approach to economic, social, cultural, and ecological problems, and encourages us to solve these problems effectively on our own through participatory and democratic decision-making. Most importantly, the social economy enables us to transcend the boundaries of neighborhoods and regions, and to form strong partnerships with citizens and the international community worldwide.

Reality of the Social Economy in Seoul Today

Outdated industrial structures, Growing socioeconomic polarization

Households' share of South Korea's GDP shrank from 69 percent in 2000 to 62 percent in 2012, while corporations' share increased from 17 percent to 23 percent. With increasing amounts of national wealth concentrated on corporations, workers earn that much less. The rate at which households' share of the national GDP is shrinking in South Korea is the third-highest among the 24 OECD member states, after only those of Hungary and Poland.

The dropping birth rate, the raging unemployment rate, and the rapid aging of the population increase the demand for the social economy

The widening wealth gap, the breakdown of the family, social and cultural pluralism on rise, and the expanding size of the working poor class all fuel the growing demand for more

diverse social services. This, in turn, means increasing demand for the social economy. Social economy enterprises accounted for two percent of the GDP with their revenue and five percent of jobs for the economically active population in the United Kingdom in 2006. In Korea, however, these organizations took up only 0.04 percent of the GDP and 0.1 percent of jobs as of 2011.

Seoul's Endeavors to Energize the Social Economy

Developing a thriving social economy ecosystem that sets global trends

The social economy has been a central concern of Mayor Won-Soon Park since his inauguration in 2011, with his administration providing support for a wide range of activities and initiatives promoting the social economy, including social services, job-creating measures, efforts to develop local communities, and other activities serving the public interests based upon solidarity among participants.

In 2012, the SMG became the first non-national government in Korea to launch a division exclusively charged with policy matters of the social economy, announcing its master plan to support the social economy. The SMG created the Seoul Social Economy Center (SSEC) in 2013, and the Seoul Metropolitan Council (SMC) enacted municipal ordinances outlining the basics of the social economy and arranging for the preference of social economy organizations as sources of public procurement in 2014. In 2015, the SMG also set out to designate and support special social economy zones.

The SMG intends to increase the social economy's share of the gross regional domestic product (GRDP) to seven percent and jobs region-wide to 10 percent by 2020. In 2014, the SMG also hosted the inaugural meeting of the Global Social Economy Forum (GSEF), attended by members of 43 organizations from 18 countries worldwide, to promote international cooperation and solidarity over expanding the social economy.

Supporting social economy organizations to enhance participation and welfare in Seoul

The SMG provides active support for various social economy

organizations and initiatives in order to satisfy the growing demand for diverse social services and create decent jobs for diverse groups of jobseekers.

The number of social economy organizations in Seoul rapidly grew to 2,801 by 2015, including 433 social enterprises, 2,249 cooperatives, and 119 community enterprises. The SMG also plans to increase the total amount of public procurement from these organizations from KRW 50 billion in 2015 to KRW 350 billion or five percent of the total public procurement by 2020.

As of 2014, the SMG had succeeded in raising KRW 53.1 billion for its Social Investment Fund and ensuring public procurement deals worth KRW 67.8 billion in total.

Adding to citizens' happiness through the sharing economy

After the vision of transforming Seoul into a hub of the sharing economy was first articulated in 2012, the SMC enacted a municipal ordinance promoting the sharing economy in Seoul in December of the same year. The SMG followed this up by announcing its second plan for promoting the sharing economy in 2015. The Seoul Sharing City Program has so far led to the opening of 1,000 or so unused spaces to the

public and to the creation of 66 shared houses.

The truly remarkable achievements have taken place in the private sector. The number of subscribers using car-sharing services like SoCar has multiplied to 850,000. Kipple, a company that enables members to share clothing for children, has seen its members increase to 80,000. Woozoo, a social enterprise founded by young adults to manage shared houses, now manages 16 houses across Seoul. The Open Closet, providing suit-sharing services, counts 710,000 members. On-Off Mix, which shares spaces for gatherings, also counts 400,000 members. As of June 2016, there were 77 enterprises and organizations providing sharing services, 1,260 shared parking spaces, and 897,000 users of car-sharing services in Seoul.

The progress of the sharing economy in Seoul earned the SMG the Metropolis Award in 2014, leading Forbes, Shareable, and other such media outlets to introduce Seoul as a pioneer of the sharing economy. Numerous metropolitan and provincial governments in and outside Korea have sought to benchmark the SMG's example.

Spreading a culture of ethical spending through fair trade

The fair trade movement, which originated in the small English town of Garstang in the early 2000s, has since spread around the world with over 1,100 towns and cities in 23 countries participating. Seoul joined this expanding global movement in May 2012, hosting the World Fair Trade Day 2012 Festival in Korea and declaring the city's commitment to promoting fair trade.

In November 2012, the SMC enacted a municipal ordinance on fostering fair trade, which provides for co-organizing with the Korea Fair Trade Organization (KFTO) and the World Fair Trade Organization Asia Conference in Seoul every year; hosting public fairs on fair trade goods sources from across Asia; organizing fair trade campaigns and concerts; opening a citizens' academy on fair trade and researching policy measures necessary to promote fair trade; and supporting community projects for fair trade. The Citizens' Hall in the old city hall building of the SMG features the Global Village, a shop dedicated to fair trade products.

Restoring the urban ecological cycle by encouraging urban farming

Declaring 2012 as “Year Zero” of urban farming in Seoul,

the SMC enacted a municipal ordinance on fostering urban farming. Urban farming or urban agriculture has been praised for its effects on restoring the damaged ecological cycle of urban settings, fostering local communities, increasing interest in local food, and transforming people's perceptions of the importance of a healthy, balanced diet and of agriculture in general. With the ambition of making Seoul a world capital of urban farming, the SMG has announced the 10 Commandments of Urban Farming, laying down its plans to encourage farming on tiny corners of land, foster conditions for urban farming, restore neighborhood communities, support the education and psychological development of children and teens through farming, encourage eco-friendly farming practices, build networks with farming and fishing experts, and enact statutes in support of urban farming. Ever since, the SMG has been undertaking a series of urban farming projects, including rice farming near the Gwanghwamun Plaza, bee farming on the rooftop of the city hall, vegetable gardening on Nodeulseom Island and near Gwanghwamun, and training floriculture and potted plant specialists.

Core Projects and Major Achievements

Creating an ecosystem for a thriving social economy

2012

- Social Economy Division created.
- Master Plan on Supporting the Social Economy announced.

2013

- SSEC created.

2014

- Municipal ordinances on the social economy and public procurement from the social economy enacted.

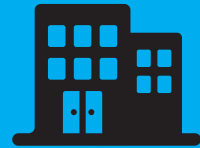
2015

- Plan to designate and support special social economy zones launched.



18 43

GSEF Inaugural Meeting held in 2014, with members from 43 organizations in 18 countries worldwide participating. Seoul voted as the first chair city.



Fostering and energizing social economy organizations



2,801

2,801 social economy organizations in Seoul as of 2015 (including 433 social enterprises, 2,249 cooperatives, and 119 community enterprises).



5% 3,500



KRW 53.1 billion raised for Social Investment Fund.
KRW 67.8 billion worth of products publicly procured from the social economy in 2015.
(To be raised to KRW 350 billion or 5% of GRDP by 2020.)

Making Seoul a global capital of the sharing economy



- Seoul declared as a city of sharing economy in 2012, with a municipal ordinance enacted to that end.
- Second Plan on Promoting the Sharing Economy announced in 2015.

2014



SMG wins the Metropolis Award in 2014, with numerous local governments in and outside Korea trying to benchmark its example.



77 1,260 897,000

As of June 2016, there were 77 enterprises and organizations providing sharing services, 1,260 shared parking spaces, and 897,000 users of car-sharing services.

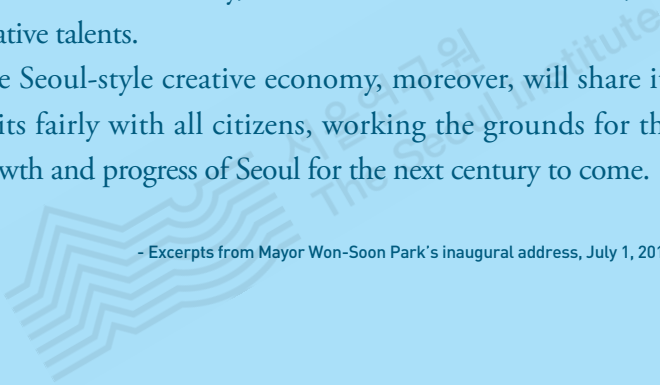
The impetus behind this administration is the urge to create a Seoul-style creative economy.

At the core of such an economy, there will be creative talents and a diversified industrial infrastructure.

The five hubs of creative economy at the Sinchon-Hongdae-Hapjeong Valley, Sangam DMC, the Dongdaemun Creative Economy Cluster, Guro G-Valley, and Gaepo ICT, and the three knowledge hubs at Magok, Changdong-Sanggye, and Hongneung will pave the grounds for the continued growth of the creative economy, and also serve as cradles for 100,000 creative talents.

The Seoul-style creative economy, moreover, will share its fruits fairly with all citizens, working the grounds for the growth and progress of Seoul for the next century to come.

- Excerpts from Mayor Won-Soon Park's inaugural address, July 1, 2014.



SECTION 3



**Economic Infrastructure
Development**





A Vision for Seoul as a Capital City of the Creative Economy

South Korea's economic growth rate has been lowered to three percent or so since 2011. Economic stagnation is more evident in large metropolitan cities like Seoul than in small and medium cities. The ongoing inequality of wealth and capital, resulting from the concentration of wealth in large corporations rather than in households and SMEs, continues to undermine the productivity of the Korean economy. In the meantime, the soaring price of land and real estate in big cities has turned such assets into sources of capital, preventing them from functioning as means of production. The unemployment rate of young adults has reached an all-time high, while women face even greater difficulties now than in the past to join and remain in the job market. The baby boomer population is forced to retire early and increasingly excluded from economic activities. Active public investment in people—particularly young adults, women, and seniors—is crucial for the revitalization of the Korean economy.

The vision for establishing a burgeoning creative econ-

omy in Seoul entails making extensive investment in the development of diversified industrial infrastructure and future workforces to prepare the impetus for the sustained growth of Seoul's economy. This will involve concentrating on future-oriented and prospective industries as the core players of the new economy, including the R&D, tourism and conventions, leisure and sports, fashion and apparel, biotechnology, information and communication technology (ICT), and educational service industries. Areas such as Yangjae, Changdong-Sanggye, Sangam DMC, Magok, Guro G-Valley, Sinchon-Hongdae-Hapjeong Valley, Gaepo, Hongneung, and Dongdaemun will emerge as the hubs of Seoul's growing creative economy, leading the advancement of these industries.

Seoul is already home to 44 major industries and 136 specialized local industries. The city ought to take care to retain and foster these existing industries, by designating and supporting specialized industry and commerce zones and implementing systemic and comprehensive strategies for the revitalization of traditional marketplaces, community enterprises, retail districts and specialized malls that face increasing threats from the ongoing economic recession and the growth of supermarket chains.

The new economic ecosystem of Seoul can thrive only when the vision for the new creative economy and the efforts for preserving local specialized industries work side by side. The next 100 years of Seoul's future depends upon how we strike the right balance between these two objectives. Such balance will help transform Seoul into a Korean and global capital of creative economy.

Reality of Economic Infrastructure in Korea Today

Korean industries losing their vitality

The aggregate revenue of the Korean manufacturing sector kept growing by well over 10 percent a year until the mid-1980s, but the rate plummeted to 5.8 percent in the 2000s and even further to 1.8 percent in 2010 and afterward. The employment inducement coefficient of the manufacturing sector has similarly declined from 20.3 jobs per KRW 1 billion in 2000 to 8.5 jobs per KRW 1 billion by 2012. These facts indicate that the Korean industries are increasingly

sapped of their vitality and energy (HRI, 2015).

Struggling to find new engines for economic growth and the stunted growth of the service sector

The share of the 10 major manufacturing industries in South Korea's total exports expanded dramatically from 55.9 percent in 1980 to 86.3 percent in 2014. Only three of the 30 major export items have changed since 2010. In contrast, the labor productivity of the Korean service sector, accounting for 59.4 percent of the nation's nominal GDP and 70.0 percent of all employment nationwide as of 2014, is only 27.0 percent, 23.3, and 22.3 percent of the labor productivity of its American, Japanese, and German counterparts, respectively (HRI, 2015).

Seoul's Endeavors for the Creative Economy

**Establishing the Southeastern International Exchange Cluster
toward enhancing the competitiveness of Seoul as a global city**

The SMG launched the Southeastern International Exchange Cluster (SIEC) Development Project, with the goal of transforming the area near Samseong Station—formerly owned by Korea Electric Power Corporation (KEPCO) and home to the Jamsil General Stadium—into a new center of international business, featuring cutting-edge facilities for exhibitions and conventions, major sporting events, and pop culture events, as well as enhanced access to the Hangang River.

The SMG announced its plan for the comprehensive development of the area surrounding the General Stadium at Jamsil in January 2014. The Hyundai Motor Consortium then won the bid on the site formerly owned by KEPCO and announced its plan to establish a global business center there. Since authorizing the modified zoning plan in 2015, the SMG has been negotiating with the Hyundai Motor Group about the details of creating the proposed global business center. The SMG also launched an international competition for architectural ideas on transforming the Jamsil General Stadium into a new mecca of sports, culture, and entertainment in Korea. Finally, the SMG has also unveiled its plan to establish a major exhibition and convention center in the area, with the goal of making Seoul as the new

center of the meeting, incentives, convention, and exhibition (MICE) industry worldwide.

**Developing a new economic center in Changdong-Sanggye,
creating 3.2 million new jobs for the northeastern part
of the Seoul-Gyeonggi region**

The SMG has set out to develop a new economic center in the Changdong-Sanggye area, with the goal of transforming it into a new hub of economic and commercial activities in the northeastern part of the Seoul-Gyeonggi region, offering 3.2 million new jobs by fostering the infrastructure for the culture and content industry.

Based on a public research project on how to develop the Four Northeastern Boroughs of Seoul with the participation of local residents and activists in 2013, the SMG announced its plan for the development of the four northeastern boroughs in January 2014. In February 2015, the SMG also announced a plan for developing Korea's first super arena in the northeastern area, designed to serve as a new landmark for culture and the arts.

In April 2015, the SMG recommended an area for the Ministry of Land, Infrastructure and Transport (MOLIT)'s

Urban Renewal Pioneering Project. Platform Changdong 61, a unique artistic space consisting of 61 container boxes, was unveiled to the public in March 2016, marking the start of the Seoul Arena Project.

Magok Hi-Tech Industry Cluster:

Pioneering the future of the knowledge industry and cultivating a sustainable green city in Northeast Asia

The SMG has launched the Magok Hi-Tech Industry Cluster Development Project, intent on transforming the area into a gateway to the rest of Northeast Asia, creating a forward base for the innovation of knowledge- and convergence-based industries, and cultivating a future-oriented and sustainable green city.

The SMG announced a modified Magok Development Plan 2012, focusing on fostering cutting-edge R&D and effective partnership between large corporations and SMEs for the future economic growth of Seoul. The following year, the SMG announced a plan on developing the Magok Central Park, intended to be the icon of the Magok District and featuring a world-class botanical garden with plants and ponds as the main themes. The groundwork for the park

commenced in November 2015. All the lots set aside for residential development were completely sold by June 2016, along with 63 percent of the lots for industrial development. Groundbreaking ceremonies for the LG Science Park (housing the presence of 10 subsidiary companies of the LG Group), the Kolon Future Technology Institute, and the E-Land Global R&D Center have been held so far.

Developing creative economy clusters suited to Seoul

The SMG also intends to foster Seoul-style creative industries by establishing a number of creative economy clusters throughout the city. The Hongneung Bio-Medicine Cluster, located in Hongneung, connects some of Korea's leading research pioneers, including Korea University, the Korea Institute for Science and Technology (KIST), the Korea Advanced Institute of Science and Technology (KAIST), and Kyunghee University. The development of the Gaepo Digital Innovation Park, a new center of ICT-based convergence, is planned on the former site of a Japanese school that has been relocated to the Digital Media City. The G-Valley Rise Project is also planned with the goal of transforming the

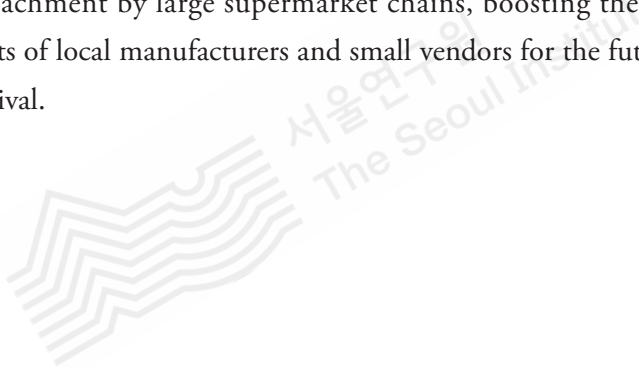
Guro-Gasan Digital Valley into a new hub of creative future industries.

In addition, the SMG also plans to re-transform the Onsu Industrial Cluster—the first-ever industrial cluster to be established by the private sector in Korea in 1970—into the Onsu ICT Smart Industrial Cluster promoting international collaboration and convergence, and to expand the logistics complex of Yangjae-Umyeon on the 410,000 square meters of area near the Yangjae Interchange into the Yangjae-Umyeon R&D Cluster, featuring the latest-technology research labs of leading multinational corporations, such as LG, Samsung, KT, and Hyundai-Kia.

Upgrading the urban specialized manufacturing industries with cutting-edge and knowledge-based technologies

The SMG continues its efforts to enhance the revenue and upgrade the structure of the urban manufacturing industries by converging them with cutting-edge technology and the latest knowledge. Specialized urban manufacturing industries form an important pillar of the SMG's plan for strengthening the engines for the city's future economic growth. Accordingly, the SMG has been actively foster-

ing the shoemaking industry in Seongsu-dong, the jewelry and printing and publishing industries in Jongno, the automobile convergence industry in Janganpyeong, the traditional medicine and fashion industries in Dongdaemun, and the creative content industry in the Sinchon-Hongdae-Hapjeong Valley. The SMG has also introduced a comprehensive strategy for protecting and revitalizing traditional marketplaces, community enterprises, retail districts and specialized malls against economic recession and the encroachment by large supermarket chains, boosting the efforts of local manufacturers and small vendors for the future revival.



“

The social economy will
give us the key to that newer
and better world.

”



Yonsei University
The Seoul Institute

Core Projects and Major Achievements

Developing new hubs of economic growth

| Southeastern International Exchange Cluster |

- Plan for the comprehensive re-development of the area surrounding COEX-Jamsil General Stadium established in 2014, and the bid on the former site of KEPCO won by Hyundai Motor Consortium.
- Modified zoning plan authorized and negotiations with Hyundai Motor Group commenced in 2015.



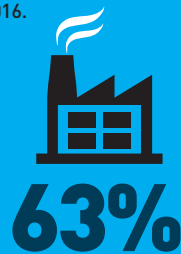
| Changdong-Sanggye New Economy Center |

- Plans for the Development of the Four Northeastern Boroughs and for the Construction of the Super Arena announced in 2014.
- Area recommended for MOLIT's Urban Renewal Pioneering Project and Platform Changdong 61 Project launched in 2015.



| Magok Hi-Tech Industry Cluster |

- Modified development plan announced in 2012.
- Magok Central Park development plan announced in 2013.
- Construction of Magok Central Park begun in 2015.
- 100% of residential lots and 63% of industrial lots sold by June 2016.



Developing creative economy hubs suited to Seoul

- Hongneung Bio-Medicine Cluster, Gaepo Digital Innovation Park, G-Valley Rise Project, Onsu ICT Smart Cluster, Yangjae-Umyeon R&D Cluster, and other such venues for fostering a Seoul-style creative economy.
- Shoemaking in Seongsu, jewelry manufacturing in Jongno, automobile convergence in Jangnanpyeong, traditional medicine and fashion in Dongdaemun, and creative content manufacturing in Sinchon-Hongdae-Hapjeong as specialized urban manufacturing industries.



The most urgent task we have is to make international travelers return to Seoul by ending this MERS scare.

Prior to the outbreak of the MERS, Seoul was the best city for meetings and conventions and one of the five major convention cities worldwide for three years in a row, and also the city with the fourth-largest number of international meetings, conventions, and exhibitions held.

Now is the time we need to reclaim the reputation of Seoul as a center of global business tourism.

We will continue our race until we make the tourism industry one of the main pillars of the regional economy in Seoul and attract over 20 million visitors and tourists from around the world every year.

Attracting 20 million tourists from around the world will lead to the creation of 420,000 new jobs a year and KRW 22 trillion more in values-added.

If I could help Seoul reclaim its reputation as a major destination of business tourism and attract over 20 million tourists from around the world, I would gladly volunteer as a tour guide myself.

- Excerpts from Mayor Won-Soon Park's press briefing held on the first anniversary of his second term as mayor, July 1, 2015.

SECTION 4



Energizing Tourism





서울연구원

The Seoul Institute

A Vision for Seoul as a Major Destination for International Tourists

The widely accepted estimate in Seoul is that two new jobs are created for every 100 visitors and tourists that visit Seoul. By attracting 20 million tourists a year, Seoul could expect to generate an additional KRW 22 trillion in revenue and create 440,000 new jobs.

The global meeting, incentives, conference, and exhibition (MICE) industry is emerging as a new goose with golden eggs in the economic growth theory. MICE participants spend 1.8 times more than ordinary tourists on average. The MICE industry as a whole is also estimated to create twice as many jobs as manufacturing and five times as many jobs as the information technology (IT) industry. The SMG has thus set out to transform Seoul into one of the three top destinations for MICE tourism worldwide, turning the Jamsil General Stadium into a world-class establishment for conventions and exhibitions.

The SMG's plan for energizing the local tourism industry also involves excavating, preserving, and conserving the distinct historical assets of the city, including the registration

of the Seoul City Wall as part of the UNESCO World Heritage, the excavation of the relics of the Baekje Kingdom, the restoration of the Deoksugung Palace by demolishing the annex of the National Tax Service building, and the restoration of the old ecosystem for the Hangang River. Proud of its history stretching back over two millennia and hopeful for its new future as a center of conferences and exhibitions, Seoul is rapidly evolving into a new center of international tourism, capable of attracting and accommodating over 20 million visitors a year.

Reality of the Tourism Industry in Seoul Today

The outbreak of the MERS has made international tourism in Seoul suffer greatly

As of August 2015, Seoul received 6.59 million tourists from the outside world, 13.1 percent down from the 7.59 million tourists it received during the same period of the previous year. The number of international tourists, which reached

1.02 million in June 2014, 1.09 million in July 2014, and 1.17 million in August 2014, was almost halved to 0.59 million in June 2015, 0.5 million in July 2015, and 0.84 million in August 2015 in the wake of the Middle-Eastern Respiratory Syndrome (MERS). In July and August 2015, inbound travel agencies handled only 200,000 or so clients, 82 percent down from the 1.13 million clients they handled the previous year. The drastic drop in the number of tourists meant a financial loss of KRW 108.5 billion in aggregate.

The underperforming Korean tourism industry

The tourism industry in Korea accounts for a mere 5.6 percent of the GDP, far behind the worldwide average of 9.7 percent and the European average of 9.2 percent. The Korean tourism industry also accounts for only 6.2 percent of nationwide employment, as opposed to 9.1 percent worldwide and 10.2 percent across Europe. The tourism industry in Korea remains significantly less competitive when compared to the situations elsewhere around the world. The Korean tourism industry, in fact, was ranked in the 29th place worldwide as of 2015, whereas Japan and China came in ninth and 17th, respectively.

Seoul's Endeavors to Attract Global Business Tourism

The MERS crisis presents a new opportunity for revitalizing tourism in Seoul

The outbreak of the MERS in Seoul in June 2015 led 140,000 international tourists to cancel their trips to Korea, generating a financial loss of well over KRW 120 billion. Mayor Park sought to turn around this situation, appointing himself as the leader of the special task force for reviving tourism in Seoul, and announcing tourism-promoting measures under the slogan, “Now Is the Time for Touring Seoul,” from August to October that year.

Mayor Park appeared in person at all the major events for promoting tourism to Chinese and Southeast Asian tourists. These events included the roadshows in the three core Chinese cities, a ceremony for releasing the Seoul Tourism Declaration jointly drafted by the local business and tourism communities, a the K-Pop Concert alongside celebrities from China, Japan, and Southeast Asia. Thanks to these efforts, the number of international tourists visiting Seoul re-

Results of Measures to Promote Tourism in Seoul after the MERS Crisis

Roadshows in China:

- Mayor Park promoted tourism in Seoul at the roadshows held in three core Chinese cities for four days in a row.
- The promo films screened at the roadshows were watched by 5.6 million viewers.

One Asia Mega Concert:

- A joint concert of top Korean, Chinese, Japanese, and Southeast Asian celebrities and artists held on October 6, 2015.
- Live-broadcast to over 8.9 million viewers across China, Japan, and Southeast Asia.

Global Seoul Marketing Campaign:

- Held for two months, in August and September 2015.
- Involved feature coverage on Chinese TV.
- Tourism in Seoul advertised on buses throughout Seoul.

turned to the normal level in just two months following the conclusion of the MERS crisis. Beginning in October 2015, the number of international tourists even began to exceed the number recorded the previous year, indicating the return of vigor to tourism in Seoul.

Fostering the global MICE industry as the new source of jobs and economic innovation

The SMG has begun to foster the MICE industry in Seoul, believing it to possess an enormous potential for exerting positive economic ripple effects, particularly on the creation of jobs, the exchange and spread of the latest information and technology, and the growth of innovative industries.

Since releasing the Seoul MICE Fostering Master Plan 2014-2018 in 2013, the SMG has introduced a wide range of measures to host and support international conventions and meetings. As a result, Seoul has been named the No. 1 city for international meetings and also one of the five major convention destinations worldwide for three years in a row. In 2015, Seoul also came in the third place among convention-hosting cities worldwide. Two years earlier, the city won the Best in Travel Award and was also named the Best MICE City. Today, the SMG is developing the Hyundai Motor Group's site of the Jamsil Global Business Center in Samseong-dong (encompassing the Jamsil General Stadium) and the SMG-owned SETEC site into a world-class cluster for international exchange and conventions, while also expanding the convention infrastructure by adding specialized

convention facilities in the new hubs of creative economy, including the areas surrounding major subway stations, the Magok Hi-Tech Industry Cluster, and Changdong-Sanggye.

In response to the growing demand for large-scale exhibition and convention facilities, the SMG also plans to create a new major convention facility, with a total floor area of well over 100,000 square meters, on the site of the General Stadium next to COEX. Through the continued expansion of the physical infrastructure and measures to promote tourism, the SMG intends to establish Seoul as one of the top three MICE destinations in the world.

Turning the Hangang River into a major asset for the tourism and service industries

At the sixth Trade and Investment Promotion Meeting in August 2014, chaired by the Korean President Geun-Hye Park herself, Mayor Park proposed a new plan for turning the Hangang River and the adjacent area into a new major asset for the tourism and service industries in Seoul. After collaborative research by the national government and research institutes, the SMG co-announced, with the national government, the Plan for the Ecological Restoration and

Tourism Transformation of the Hangang River in August 2015.

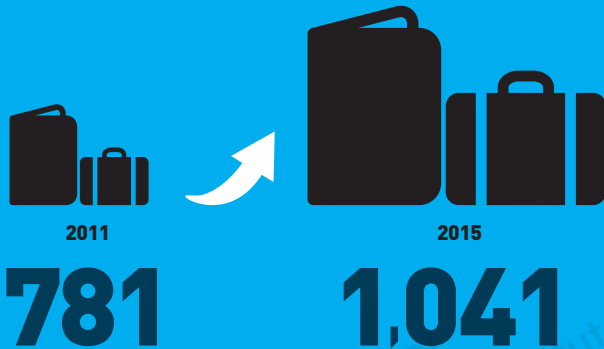
The project departs from similar projects of the past in a number of respects. For one, the national government, the SMG, and the specialized research institutes all had an equal say based on their respective areas of expertise and specialties, and thereby succeeded in bringing together diverse perspectives. The parties also agreed on concentrating the available policy resources on a chosen high-priority area (Yeouido-Ichon) and 22 high-priority projects.

The project, which will require KRW 398.1 billion in total investment until 2019, is expected to create 4,000 new jobs and also to encourage international tourists, whose main focus in Seoul has been mostly on shopping until now, to engage in unique cultural and ecology-themed experiences along the Hangang River.



Core Projects and Major Achievements

Fostering tourism in Seoul



| Increasing the number of international visitors |

From 7.81 million in 2011 to 10.41 million in 2015

(Source: Ministry of Culture, Sports, and Tourism, International Tourists Survey (2010-2015 estimates), estimated on the basis of the proportion of visitors touring Seoul.)

The number of international tourists, which dropped in the summer of 2015 due to the MERS, began to rise again in October 2015.

Year	Jan.	Feb.	Mar.	Apr.	May.	Jun.
2014	677,507	712,365	910,253	1,006,105	996,643	1,023,996
2015	721,721	826,906	974,419	1,089,654	1,050,025	590,978
Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
2014	1,089,221	1,169,079	1,001,605	1,059,256	898,388	873,601
2015	495,603	841,550	949,723	1,088,975	905,108	878,646

Concentrating support on the MICE industry



| A major convention destination in the world |

Ranked in the fifth for five years in a row since 2008 → Rose to the third in 2015.

2012
~
2015



2012-2015:
Awarded the Best in Travel Awards

2013
/
2015



2013 and 2015:
Named the Best MICE City twice.

CHAPTER 2

WELFARE





“Welfare is not a privilege, but the right of citizens.”



서원연구원
The Seoul Institute

Who says welfare is a free gift or the waste of government resources?

Welfare is the best savings choice one could make with the highest interest rate, and even the best investment choice one could make hoping for the highest return rate.

The dichotomy between welfare and growth has long been demolished.

Over the last decade, we have witnessed with our own eyes that outward economic growth does not always mean improvement in citizens' welfare.

Rather, we now begin to see distribution and welfare leading economic growth.

Most importantly, it is time for South Korea to outgrow the shame of being the OECD member state that spends the least on welfare.

Today, I stand here to declare that welfare is not a privilege, but the right of citizens.

- Excerpts from Mayor Won-Soon Park's inaugural address, November 16, 2011.

SECTION 5



Welfare Policy





A Vision for Seoul as a Capital City of Citizens' Welfare

A city is happy when its citizens are happy. A nation is happy when its cities and towns are happy. The distribution of wealth in the form of welfare policies and programs is no longer an option, but a mandatory feature of the modern state today. Governments today bear the obligation to respect and protect the dignity and humane existence of all citizens, and to enable citizens to pursue their self-realization and build sustainable and fair communities for all. Governments can fulfill this obligation through welfare policies and programs.

The social security net preserves minimum opportunities for people struggling to start over and throws a lifeline to people desperate to find their way out of personal crises. Social security and welfare are not only important duties of the state, but also the bastion of mutual trust and solidarity that is crucial to sustaining a political community.

In 2014, the OECD and the International Monetary Fund (IMF) openly admitted that inequality was the most serious threat to economic growth worldwide. We Koreans,

too, need to embrace this new paradigm. There has long been a tradition in Korea of equating welfare with unnecessary privilege and a waste of government resources. It is time that we outgrew this old ideology, and see welfare for what it truly is—namely, the most effective form of investment a political community could make for the future of its members. We need welfare to develop new engines for economic growth, to foster a creative economy, and to divide its fruits fairly.

Welfare, therefore, is the natural outcome of economic growth, distribution, democracy, and human rights.

Reality of the Welfare Policy in Korea Today

South Korea among the OECD member states spending the least proportions of their GDPs on social welfare

As of 2014, the Korean government spent 10.4 percent of the GDP on social welfare. This placed South Korea in the bottom—28th place—of the 28 OECD member states

compared. Korea's public social spending as a percentage of the GDP is not even half of the OECD average of 21.6 percent, and barely makes up one-third of France's 31.9 percent or Finland's 31 percent.

The national government keeps promising free childcare, free preschool education, and greater basic pension benefits at the expense of local governments

President Geun-Hye Park won the presidency in part thanks to her ambitious promises of radically increasing welfare benefits for Koreans, including free childcare, free preschool education, and greater basic pension benefits. She even acknowledged that the national government ought duly to bear the fiscal responsibility for national welfare programs. Yet she has brazenly contradicted herself, making local governments pay for the expanded welfare programs that her administration promised. In 2013, the SMG had to issue local government bonds worth an additional KRW 200 billion to pay for the free preschool education for children aged two and under that the President forced upon the city.

Seoul's Endeavors to Transform Citizens' Daily Lives with Welfare Programs

**The welfare budget has increased by 250% in just four years,
leading to significant improvement in the quality of life for citizens**

The first thing Mayor Won-Soon Park promised upon winning his first mayoral election was to transform the daily lives of citizens for the better by introducing more effective welfare programs. Four years have passed since then, and his administration set aside KRW 8.3452 trillion for the welfare budget for the fiscal year of 2016, which amounted to 34.4 percent of the total city budget. The welfare budget is 190 percent of the amount and 150 percent of the proportion set aside for welfare programs in 2011, when Mayor Park entered his office for the first time. The significant increase in the welfare budget has indeed begun to produce tangible differences in the daily lives and the quality of life for citizens in Seoul.

**Community service centers brought all the closer to citizens,
and the paradigm on welfare changing amid the innovation
of the welfare delivery system**

Intent on shifting citizens' paradigm on welfare by innovating the welfare administration and delivery systems in Seoul, the SMG transformed the community service centers (CSCs), formerly regarded as workplaces of civil servants, into active hubs of community services and activities. The SMG began this project of reforming CSCs into welfare centers with 80 neighborhoods in 13 boroughs in July 2015, and plans to expand the project into 283 neighborhoods by June 2016 and into all the 424 neighborhoods of Seoul by 2017. To this end, the SMG newly hired 407 welfare planners, including social workers and visiting nurses, in 2015, and intends to hire 2,000 such welfare planners in total by 2017.

**Welfare Standard for Citizens in Seoul,
the first welfare policy initiative of its kind ever to be developed
with civic participation**

Seoul became the first city in Korea to draft and announce the Welfare Standard for Citizens, detailing the minimum

welfare that every citizen in Seoul ought to be guaranteed anywhere at any time without discrimination. The Welfare Standard presents specific criteria on the minimum levels of income, housing, care, health, and education that all citizens in Seoul ought to enjoy. Seoul's "living wage," set at KRW 7,145 per hour in 2016, is KRW 1,115 (18.5 percent) higher than the nationwide minimum wage of KRW 6,030, and is increasingly benchmarked by other metropolitan and local governments nationwide. Seoul's own Minimum Livelihood Security Program also identified 94,179 new clients that had been neglected by the National Basic Livelihood Security Program (NBLSP) and began to deliver effective assistance to them as of September 2015.

**Seoul's own Minimum Livelihood Security Program:
Eradicating the blind spots of the social security net**

The tragic death of an aged mother and her two grown daughters in extreme poverty in Songpa prompted the SMG to introduce Seoul's own Minimum Livelihood Security Program (MLSP) in July 2013 to offer social security benefits for all citizens in need. As of June 2016, the program had helped to relieve the poverty and urgent needs of 132,692

clients in total, and increased the number of citizens on the NBLSP support in Seoul from 200,371 in 2012 to 270,554 or by 35 percent. This is a remarkable achievement, considering the fact that the number of NBLSP recipients nationwide shrank by 19.2 percent over the same period of time.

Ensuring the welfare of all citizens:

The Warm Winter Project

Determined to make sure that no one in Seoul starve or withstand the cold winter without heating, the SMG has launched the Warm Winter Project, striving to eradicate the blind spots of the social security system, discover and develop private-sector resources, spread a culture of giving and charity, and provide special assistance for the marginalized and the vulnerable during wintertime. Through this project, the SMG discovered and counselled 268,000 households in need as of September 2015, placing 193,000 of them on the NBLSP list and referring them to other available public and private resources. The SMG has also hired 130 Welfare Plus Consultants to visit and counsel 49,566 low-income households and provide assistance for 26,890 of them.

Sleepless support for people with disabilities:

Establishing a 24/7 assistance and support system for the disabled

In April 2012, the SMG announced the Hopeful Seoul Comprehensive Plan with the goal of shifting the paradigm on welfare for the disabled and encouraging disabled people's participation in the development of welfare policies for them. The SMG has been expanding and strengthening its welfare policy programs for the disabled ever since, also releasing the Master Plan for Protecting the Human Rights of the Disabled in February 2014. Under this plan, the SMG has created the Human Rights Center for the Disabled, the Disabled Employment Support Center, the Beach Camp for the Disabled, and the family vacation program. The SMG continues to expand its 24/7 activity support and assistance system for people with disabilities, which includes, among others, improved call taxi services available to them around the clock.

Jedol's dream and the Master Plan for Animal Welfare:

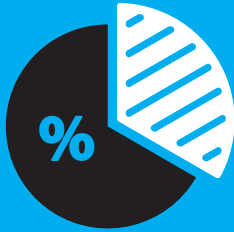
Ensuring the humane treatment of animals

Faced with the mounting criticism over dolphin shows at

aquariums and the growing demand for the discharge of caught dolphins into wilderness, Mayor Park finally decided to release Jedol, a dolphin that was caught off Jeju Island and forced to perform in dolphin shows ever since, back to the waters of Jeju. After four months of rehabilitative training, Jedol was finally returned to the azure sea of Jeju on July 18, 2012. This remarkable story, the first of its kind to occur in Asia, was introduced to members of the audience from over 50 countries worldwide that were gathered for the 68th World Aquarium and Zoo Association (WAZA) Congress at Disney Land Orlando in the United States on October 2013. Inspired by Jedol's story, the SMG also announced the Master Plan for Animal Welfare in May 2014, declaring a vision for Seoul as a capital city in which both humans and animals are happy.

Core Projects and Major Achievements

SMG's welfare budget

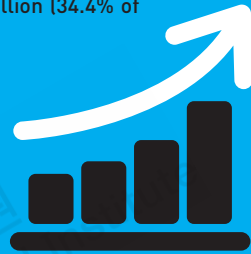


34.4%

KRW 4.3726 trillion (23.5% of total budget) in 2011 to KRW 8.3452 trillion (34.4% of total budget) in 2016.

KRW 8 trillion

First time the welfare budget exceeded KRW 8 trillion (190% up in terms of amount, 150% up in terms of proportion).



Community service centers brought closer to citizens

| CSCs brought closer to citizens |

80 neighborhoods in 2015

283 neighborhoods in 2016

All 424 neighborhoods in 2017



80

283

424



| Additional welfare planners hired |

407 in 2015

1,036 in 2016

2,000 in 2017

407

1,036

2,000

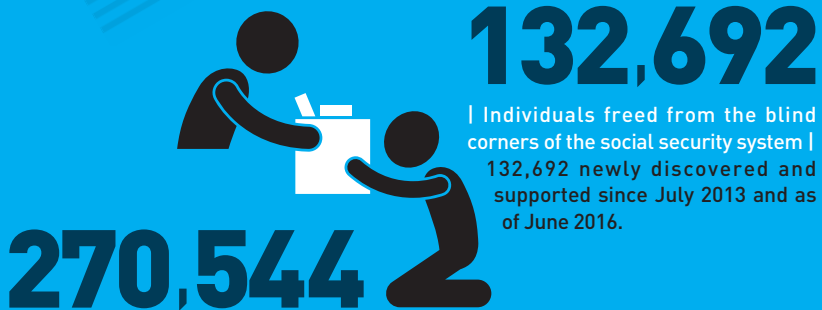
Welfare Standard for Citizens in Seoul

Welfare Standard for Citizens in Seoul announced in October 2012, detailing minimum income, housing, care, health, and education standards to be provided for all citizens.



87 of the 102 welfare projects launched to realize the Welfare Standard for Citizens in Seoul, while the Seoul-style living wage and the Minimum Livelihood Security Program were introduced.

Seoul's own Minimum Livelihood Security Program



Number of NBLSP recipients increased from 200,371 in 2012 to 270,544 in June 2016 (35% up in Seoul, contrasting the 19.2% drop nationwide).

Do you know what the normal human body temperature is?
It's 36.5°C, which is a mark of health.

Do you know that there are an increasing number of people
who struggle to maintain this healthy temperature in Seoul?
Every citizen has the right to health, but the current public
healthcare system fails to ensure the equal satisfaction of this
crucial right for every citizen.

Healthy Seoul 36.5 is the name of our policy resolve to de-
liver effective care and medicine to everyone in Seoul so that
no one in this city would be left out of the benefits of health.

- From the press briefing for the Public Healthcare Master Plan
"Healthy Seoul 36.5," held on July 23, 2012



SECTION 6



Health Policy





A Vision for “Healthy Seoul 36.5”

Thanks to the advancement of medical technology and the public healthcare system in Korea, the mortality rate has been steadily declining and the average lifespan consistently growing in Seoul. However, the mortality rate differs dramatically from borough to borough in Seoul, with the gap between the highest and lowest rates amounting to as much as 43 percentage points as of 2009. There is thus a growing concern that the disparity in wealth may be behind the disparity in health.

The public healthcare policy of the SMG is to increase the health span for everyone, irrespective of the socioeconomic status and area, by enabling people of all age groups, from children to seniors, to manage and improve their health effectively. Under this policy objective, nurses visit new mothers and newborns to their homes to provide them with a wide range of necessary health-related information and services, and public healthcare centers provide important vaccinations free of charge. The family doctor program also starts instructing children to develop healthy habits for lifetime

health, including healthy diet and how to brush one's teeth properly. Public healthcare centers in neighborhoods also help young and middle-aged adults manage their health better by providing valuable health counseling and examination programs. The SMG has also increased the number of nurses visiting seniors to their homes make sure they are healthy.

The SMG aspires toward protecting everyone's right to health. This requires preventing diseases in advance, providing quality and maximum medical services and resources to the sick, and guaranteeing patients' rights and treatment.

Reality of Public Healthcare in Korea Today

**Declining mortality rate and public health spending,
Increasing life expectancy and alienation from healthcare**

The mortality rate in Korea dropped from six per 1,000 in 2000 to three per 1,000 by 2014, while the life expectancy rose from 76 to 82, placing the country on a par with the rest of developed countries worldwide. Total health spend-

ing, however, makes up only seven percent or so of Korea's gross domestic product (GDP), only two-thirds of the total health spending of other major economies. Korean public health spending, only four percent of the national GDP, is also only about half of what other developed countries spend (National Statistics Portal). In the meantime, the regional gap in the availability and accessibility of healthcare resources continues to widen, while an increasing number of people are also being left out of the reach of healthcare.

The MERS outbreak reveals

the gross shortcomings of the national epidemic control system

Since its outbreak on May 20, 2015, the Middle Eastern Respiratory Syndrome (MERS) went on to infect 186 patients, with 38 of them (20.4 percent) dying, and resulting in the quarantine of another 16,000 or so suspected patients. The MERS outbreak revealed the gross shortcomings and unpreparedness of the Korean national system for dealing with epidemics, and made many citizens feel as if they were left alone to fend for themselves against such health scares.

Seoul's Endeavors for Universal Public Healthcare Policy

Prompt and effective control of the MERS crisis and the introduction of a comprehensive epidemic control plan

Upon hearing the news of the first MERS-infected patient on May 20, 2015, Mayor Won-Soon Park immediately assembled the Epidemic Control Headquarters (ECHQ) at the SMG, headed by the Officer of Healthcare Planning, to ensure thorough monitoring and timely responses to the situation's development. After Samsung Medical Center confirmed the diagnosis of the 35th patient on June 4, Mayor Park held an emergency press briefing, publicly swearing his commitment to preventing the further spread of the disease by ensuring the prompt and transparent disclosure of information and taking up leadership of the ECHQ himself.

In an effort to minimize the repercussions of the MERS on the metropolitan economy, the SMG quickly increased loans and grants for MERS-affected local businesses, traditional markets, and artistic organizations. The outbreak of the MERS also led the SMG to devise and introduce its own

sustainable and comprehensive epidemic response system and plan in November 2015, which included multiplying negative pressure quarantine rooms at the metropolitan hospitals by at least fivefold by 2018.

Thoroughgoing public healthcare plan for all citizens:

Healthy Seoul 36.5

In July 2012, the SMG announced Healthy Seoul 36.5, its own plan for providing universal and thoroughgoing public healthcare resources and services for every citizen in the city, with the aim of ensuring adequate healthcare for everyone. Until this point, public healthcare was regarded as something reserved only for the poor and the marginalized. The introduction of Healthy Seoul 36.5, however, shifted the paradigm on public healthcare into seeing it as a universal good for every citizen, to be made available to everyone in need all year round. Under this new plan, the Family Doctor Program was introduced for all citizens and children, the Seniors Health Centers were created in all the boroughs, the Patient Reassurance Hospitals Program minimizing the burden of caregiving on patients' families were introduced, and the public healthcare infrastructure, including public healthcare centers and

metropolitan hospitals, was significantly expanded.

Alleviating the burden of caregiving on patients' families:

Patient Reassurance Hospitals Program

The Patient Reassurance Hospitals Program first began with 180 hospitalization beds at the Seoul Medical Center in January 2013. As of June 2016, the program was expanded to 555 beds across Seoul, including all the 500 beds at the Seoul Medical Center. Along with the policy initiatives for halving the costs of hospitalization and funerals, the Patient Reassurance Hospitals Program has done much to reduce the financial, physical, and emotional burdens on patients' families by freeing them from the burden of providing care for patients. The program has become the face of the SMG's resolve to provide universal and substantial public healthcare for all citizens.

Reassuring seniors:

Seoul Comprehensive Plan for Seniors

In response to the projection that the elderly would make up over 20 percent of the entire population in Seoul by 2027,

making the city an aged society in effect, Mayor Park announced the Seoul Comprehensive Plan for Seniors in October 2012, promising to support seniors' efforts for a happy post-retirement life. The plan features support for retirees' designs for post-retirement work and life; employment opportunities tailored to seniors' needs; programs for ensuring healthy old age, comfortable living conditions, and active leisure for seniors; and measures for strengthening respect for the elderly and intergenerational solidarity. In addition to this plan featuring 35 policy programs across six areas, the SMG also announced the Comprehensive Senile Dementia Care Plan in April 2014.

Thanks to these policy efforts, the rate of early senile dementia diagnosis has been consistently rising, already reaching 37.2 percent in 2013 and expected to rise to 80 percent by 2020. The SMG has plans to expand the long-term care infrastructure for seniors, increasing the availability of long-term care facilities from 62.3 percent in 2013 to 80 percent by 2020.

Preventing suicide with the Mind-Bridging 1080 Project

Mayor Park has taken significant interest in the fact that

South Korea is the OECD member state with the highest suicide rates of teenagers and seniors. In May 2013, the SMG announced the launching of the Mind-Bridging 1080 Project, with the aim of fostering a culture of respect for life, developing a suicide prevention and response system, and introducing neighborhood-based suicide prevention safety networks. The SMG has introduced diverse initiatives under the project plan, including the Anti-Suicide Healing Camp, the Life Respect Center, the Respect for Life Festival, the Mind-Bridging Concert, and the Bridges of Life on the Hangang River. The suicide rate in Seoul, which had been on steady rise since 2000, turned downward in 2012 and has been decreasing ever since thanks to these efforts. In particular, the suicide rate among seniors aged 65 and older, which began to rise significantly in 2006, stopped its growth in 2011, and dropped by 23 percentage points in 2014. The youth suicide rate, too, has been lowered to the 2006/07 level.



Core Projects and Major Achievements

Comprehensive Epidemic (MERS) Control Plan



NEWS



June 4, 2015:

SMG becomes the first local government in Korea to hold an emergency press briefing on the MERS situation, promising to provide transparent information and prompt responses.



November 19, 2015:

SMG announces the Comprehensive Epidemic Control Plan, including the measure on multiplying the number of negative pressure quarantine rooms at hospitals by fivefold by 2018.

Universal Public Healthcare

36.5



July 2012:

SMG announces "Healthy Seoul 36.5," a public healthcare master plan with focus on preventive care and health management.



Health span is to be increased from 73.9 in 2015 to 77 in 2020, while the mortality rate gap between the boroughs is to be reduced from 43 percentage points in 2009 to 33 percentage points in 2020.

73.9 >> 77

33%

Patient Reassurance Hospitals Program



July 2012:
SMG announces "Healthy Seoul 36.5," along with the Patient Reassurance Hospitals Program.

January 2013:
Patient Reassurance Hospitals Program Plan announced.

555 

As of June 2016,
The Patient Reassurance Hospitals Program was in effect with respect to 555 hospitalization beds in Seoul, including all the 500 at Seoul Medical Center.




Comprehensive Plan for Seniors



Early senile dementia diagnosis rate:
To be raised from 37.2 percent in 2013 to 80 percent by 2020.




80%

October 2012: Comprehensive Plan for Seniors announced.

February 2014: Mayor's Office for Elderly Care Services opened.

April 2014: Comprehensive Senile Dementia Care Plan announced.

“When women smile, the whole city smiles, too.”

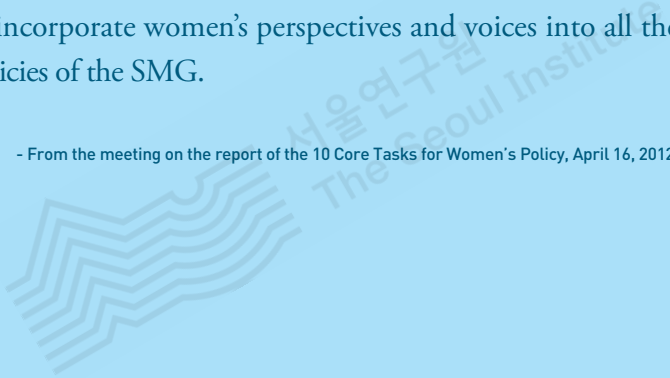
This has been the central conviction driving our policy innovations for women.

The administration of a city ultimately boils down to human affairs.

It is not a coincidence that societies in which women’s rights are respected and women are happy are also those that are prosperous, safe, and happy for all other citizens.

I promise, once again, to make this year the Year Zero of Gender Equality in metropolitan policymaking, taking care to incorporate women’s perspectives and voices into all the policies of the SMG.

- From the meeting on the report of the 10 Core Tasks for Women’s Policy, April 16, 2012.



SECTION 7



Women's Policy





A Vision for Seoul as a Safe City for Women

After his inauguration in 2012, one of the first things Mayor Won-Soon Park did was to assemble the Gender Equality Committee (GEC), tasked with the mission of researching and devising policy measures for women's safety and wellbeing. This initiative was soon followed up by the enactment of a metropolitan ordinance on gender equality. In 2013, the GEC introduced a series of measures under a comprehensive plan for promoting the safety of women in Seoul, under the title, "Safe City for Women." The following year, the SMG also announced a policy program for increasing job opportunities for women at the local level, with the aim of raising women's economic participation rate, which had been stagnant for over a decade. The SMG introduced another policy program in 2015 for transforming women's activities in local communities into career opportunities in the social service sector.

There is a growing demand for transforming the Korean society into one in which women are given the respect they deserve as individual members with diverse dreams and aspirations, and also in which women feel free to pursue their

diverse wishes and hopes. This requires more than ensuring, through policy and other means, women's ability to maintain a proper family-work balance, giving birth to and raising children without worries about discontinuing their careers.

To this end, the SMG has set out to research, devise, and implement a wide range of effective and substantial policy measures rooted in the vision of true gender equality. Gender sensitivity in policymaking is no longer an option, but a must today. Failure to face this demand will disable our society from outgrowing the biased and limited understanding of human rights of the past and also from securing diverse talents and forms of creativity crucial for the future progress of our society. The SMG's policy for women aspires toward making Seoul capable of transforming women's lives, and also enabling women to transform Seoul.

Reality of Women's Careers and Employment in Korea Today

**Women forced out of the job market
despite their career and social aspirations**

Although women in Korea today aspire toward active and prosperous careers, only 56.9 percent of all working-age women remain in the job market, as opposed to 78.2 percent of working-age men who continue to work. The female employment rate in Korea is also 54.6 percent, significantly lower than the male employment rate of 75.1 percent. With only 57 percent of working-age women in the job market, Korea lags far behind the OECD-average of 62.8 percent and is placed in the 30th place or at the bottom of the list of the OECD member states compared (Ministry of Gender Equality and Family, April 2015).

Freefalling birth rate due to the inability of women to maintain a family-work balance

Although policy efforts have been made to raise the female employment rate and provide a wider range of support for women wishing to work while also raising families, the proper family-work balance ever remains an ideal in Korea, due to the insufficiency of childcare support, the inadequacy of maternity protection, and the reluctance or inability of male spouses to participate actively in housework and childcare. The birth rate fell below the replacement level of fertility (2.1

per woman or more) long ago, in 1983. Since 2005, Korea has been counting itself among the league of countries with the world's lowest birth rates (1.30 per woman or below). As of 2014, the country's total fertility rate was 1.21, which placed Korea near at the bottom of all the OECD member states compared.

Seoul's Endeavors for a Society

Where Women Are Happy

Raising the birth rate by increasing the number of public and national daycare centers

In February 2012, the SMG announced its Master Plan for the Expansion of Public Daycare Infrastructure, announcing its resolve to tackle the plummeting birth rate problem by enhancing the public involvement in childcare and thereby better enabling women to maintain a family-work balance. As of 2011, only 10.8 percent of all daycare centers in Seoul were publicly or nationally owned, with the vast majority of pre-kindergarten children left in the care of private daycare facilities. These public and national daycare centers handled

only 23.2 percent of eligible children, with over 100,000 children placed on the waiting list for admissions (with 38,000 being able to enter a public or national facility within one month). Parents had to wait between one and three years in order to be able to send their children to national or public daycare centers.

Mayor Park won his first election in part on the strength of his campaign pledge to increase the number of national and public daycare facilities in Seoul. From 2012 to 2014, he sought to make good on his promise by adding 296 more public and national daycare centers to the city, raising the ratio of public and national daycare centers to 20.2 percent by June 2016, the highest in Korea. Having won his second election, Mayor Park announced a plan to increase the number of public and national daycare facilities in Seoul by 1,000 between 2014 and 2018, raising the ratio of public and national daycare facilities to 28 percent, on a par with the average ratios in other developed countries.

Seoul transforming the lives of women, Women transforming lives in Seoul

In March 2012, Mayor Park announced a new plan, envi-

sioning the transformation of Seoul into a city that transforms the lives of women through substantial gender equality and policymaking sensitive to women's needs. The new plan captures the SMG's commitment to ensuring equality, autonomy, health, safety, freedom from worries, and prosperity for women. Under this plan, the SMG became the first metropolitan government in Korea to launch the Gender Equality Committee (GEC). The SMG followed this up by enacting the Metropolitan Ordinance on Gender Equality.

The proportion of women in managerial positions (Grade 5 or above) in Seoul's bureaucracy increased from 15.8 percent in 2011 to 19.1 percent in 2014, while the proportion of women directors on the boards of public and semi-public institutions in which the SMG invests also increased from 19.4 percent to 36.4 percent over the same period of time, as did the proportion of women sitting on the SMG-run committees, from 28.6 percent to 37.3 percent. In December 2015, the SMG announced a new family policymaking plan, reflecting the changing structure and dynamics of family relations in Seoul.

Ensuring safety for women everywhere in Seoul:

Safe City for Women

In March 2013, the SMG announced its plan for the “Safe City for Women,” a comprehensive policy featuring diverse new programs for guaranteeing women’s safety in Seoul. In acknowledgment of women’s constant and vague fear of sexual and other types of violence, at home, in the streets, at work, and in commutes, the plan introduced 16 new policy programs across five categories under three major themes, i.e., “the Human Safety Network,” “the Environmental Safety Network,” and “the Transportation Safety Network.” The policy plan involved hiring 171 subway sheriffs, increasing the number of surveillance cameras on subway trains to more than 20,000, and providing safety taxis (payable by both credit card and near field communication (NFC) devices) for women’s safe return home. Over 550,000 women have been using these policy services annually on average.

In addition, the SMG introduced 19 centers for Safe Neighborhoods Free from Violence Against Women, and 34 centers supporting victims of sexual and domestic violence. The SMG’s counselors counsel over 10,000 teenage women involved in prostitution. In 2014 alone, the School

for Women's Autonomy filled up its admission capacity of 99 entrants, while the SMG helped over 1,700 women at risk find short- and mid-term employment. Policy programs catering to women's everyday needs, such as the Safe Neighborhoods for Women, the Safety Scout Service, and the Safe Courier Service for Women, even won the first-place prize at the United Nations Public Service Awards (UNPSA) in June 2015.

Helping women revive their careers and serve communities:

Master Plan for Women's Employment

In March 2014, the SMG celebrated the World Women's Day by introducing its Master Plan for Women's Employment, designed to help women revive their careers and serve communities. Whereas women's employment policy measures until then were primarily focused upon linking women in need with available job opportunities and providing women with occupational training, the new master plan sought to help women find self-fulfilling careers that could be developed from hobbies, that could contribute to the growth of local communities, and that could enhance the welfare of women workers in general. Under this policy

plan, the Challenge 1000 Project and the SME Internship Program support over 500 businesses owned by women and train over 10,000 new women workers every year. The plan also provides for the Temporary Women Workers Support Center and vocational training programs designed to help women return to their existing careers or find new careers after raising children.

In 2014, the SMG increased the number of available jobs in the public works and social service sectors to 32,855 across 43 policy programs in the four areas. Moreover, the SMG supported the foundation of 78 cooperatives run by and for women, helped to develop and disseminate the successful business models of 16 cooperatives, and established a systemic organization for supporting the social economy and economic activities of women.

Safety Scouts for Women:

Guaranteeing women's safe return home at night

In June 2013, the SMG assigned 495 Safety Scouts to 15 select boroughs to escort women and guarantee their safe return home from work at night. By 2014, the service had expanded to all the boroughs in Seoul. The Safety Scout

Service Program, which Seoul was the first in Korea to introduce and adopt, involves providing a pair of two Safety Scouts for women to escort women safely to their homes. To use this service, women returning home by subway or bus should request the service 30 minutes prior to getting off the public transit vehicle at their designated subway station or bus stop, between 10 p.m. and 1 a.m. The Safety Scouts not only accompany women so that they could safely arrive at their homes, but also patrol the neighborhoods at night to ensure and reinforce safety for women. The program, moreover, has also created multiple job opportunities for women interested in serving their local communities, representing the innovative nature of the SMG's New Deal employment policy.

“

It is not a coincidence that societies in which women's rights are respected and women are happy are also those that are prosperous, safe, and happy for all other citizens.

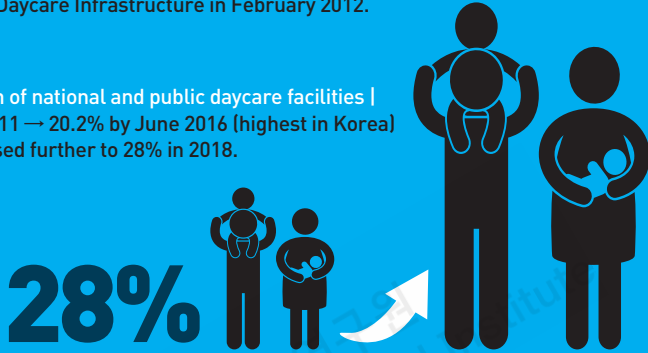
”

Core Projects and Major Achievements

Expanding the national and public daycare infrastructure

SMG announces its Master Plan for Expanding the National and Public Daycare Infrastructure in February 2012.

| Proportion of national and public daycare facilities |
10.8% in 2011 → 20.2% by June 2016 (highest in Korea)
→ to be raised further to 28% in 2018.



Making Seoul a "Safe City for Women"

SMG announces its Master Plan for Women's Safety, with the vision of turning Seoul into a "Safe City for Women."

Human Safety Network: Safety Scouts, Neighborhood Sheriffs, Safe Houses for Women, Safe Neighborhoods for Women

Environmental Safety Network: CPTED, Home Patrol Service, Safe Courier Service, increasing street lights in alleyways

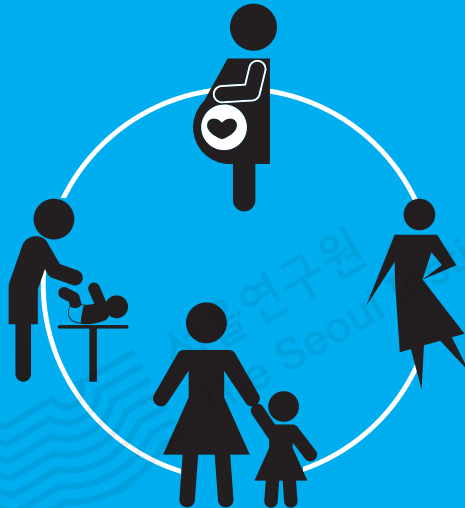
Transportation Safety Network: Safety Bus Service, Safety Taxi Service, Safety Subway Service (11 measures across three modes of transportation)



Transforming the lives of women

March 2012:

SMG announces a policy vision for ensuring the health and happiness of women.

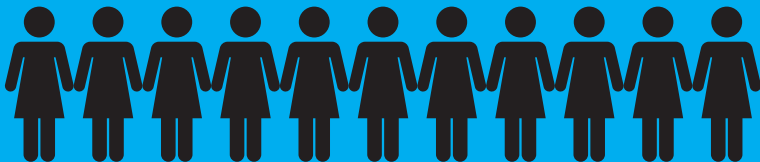


2012:

GEC assembled and Metropolitan Ordinance on Gender Equality enacted.

Proportion of women in SMG-invested institutions: 19.4% in 2011 → 36.4% in 2014.

Proportion of women on SMG committees: 28.6% in 2011 → 37.3% in 2014



36.4%

37.3%

The increasing proportion of irregular and insecure jobs on the job market will inevitably hurt the future generations, and lead to enormous losses for our entire society.

It is impossible to achieve social cohesion and continued progress without solving this problem of increasing irregular labor.

It is the duty of the state and local governments to ensure decent living for all working people by providing them with opportunities for decent jobs.

Increasing secure and regular jobs on the job market is the most important investment we could make for further economic and social development.

We now need to grasp the fact that investment in the welfare and productivity of workers is not a waste of money, but a crucial source of new values and creativity for the future.

- From the SMG's press briefing on the "regularization" of non-regular workers in Seoul's public sector, held on March 22, 2012.

SECTION 8



Labor Policy





A Vision for Seoul as a Capital City of Labor Rights

Investment in workers and their rights is investment in the future of our society. The SMG, which was the first non-national government in Korea to organize its own employment support bureau and labor policy division, works toward “regularizing” all the 7,000 outsourced and irregular workers working for the city organization by 2017 under its Master Plan for Labor Policy and vision of labor-centered public administration.

The precarious existence of non-regular workers found all across Korean society is not only the concern of the labor activism community, but also a serious obstacle that the Korean society as a whole must overcome in order to achieve sustained future development. We need to work together to restore workers’ rights and usher in a happier society in which all hard work is respected and praised. Instead of outsourcing jobs to cheaper worker-dispatching agencies, employers, such as public organizations and private companies, should start investing in hiring more full-time and regular-status workers. Such investment in workers will lead to the

creation of greater values for all, ultimately promoting the growth of our society.

The key vision guiding the SMG's labor policy measures is the need to ensure the dignity of all working people. In pursuit of this vision, the SMG strives to increase decent job opportunities and protect the rights of workers, particularly those working in irregular jobs and prone to alienation from the job market. The SMG also seeks to create more jobs by shortening the working hours, raising the minimum wage and establishing the living wage as the norm, introducing the Workers' Director Program, and devising other diverse policy measures and channels of communication for more productive partnership between labor and management.

Reality of the Job Market in Korea Today

**6.27 million people working in irregular jobs
as of August 2015**

As of August 2015, irregular workers made up 32.5 percent

of all working people in Korea. The number of irregular workers rose by 190,000 from 2014. With 35.5 percent of all workers on the job market with less than one year of experience in their current jobs, Korea leads all other OECD member states in terms of the proportion of short-term employees. Korea, however, is at the bottom of the list of OECD member states in terms of the proportion of workers who have worked in the same job for 10 years or longer (18.1 percent). The OECD averages for the former and the latter are 16.5 percent and 36.4 percent, respectively.

Worsening income inequality undermines Korea's potential for economic and social development

The productivity and income gaps in Korea have been consistently widening since the country fell victim to the Asian Financial Crisis of the late 1990s. Although the Korean economy kept growing at 4.4 percent on average a year from 2000 to 2014, the average annual rate of wage growth was a meager 2.5 percent during the same period of time. In the meantime, the labor share of the Korean gross domestic product (GDP) shrank drastically from 79.8 percent in 1996 to 69.5 percent in 2013.

Seoul's Endeavors to Restore Sense to Labor Policy

Master Plan for Labor Policy for transforming Seoul into a capital city of labor rights

In April 2015, the SMG became the first non-national government in Korea to establish its own Master Plan for Labor Policy, introducing 61 policy programs for protecting workers' rights and restoring respect for hard work. In Korea, local governments lack the prerogatives of labor supervision and labor-management dispute resolution. Despite the limited range of the policy powers and resources it has, the SMG sought to introduce measures that would substantially improve workers' rights and working conditions. The objective motivating these policy innovations was the ambition to transform Seoul into a capital city of labor rights that guarantees the dignity of all workers.

First step toward restoring sense to labor policy: "Regularizing" irregular workers

Non-regular-status workers get paid less for doing the same work as regular-status workers. The former are also much easier to get fired than the latter. The SMG has set out to tackle this absurd and unjust practice in the Korean job market by first “regularizing” all the irregular workers hired by the public-sector institutions under its supervision, whether directly or via third-party job agencies. As of December 2016, the SMG succeeded in converting the status of 6,974 non-regular workers, or 95.6 percent of the target number of 7,296 workers, into regular workers.

Introducing a living wage to guarantee decent living for workers

In consideration of the consumer price level in Seoul, the SMG introduced the concept of the Seoul-style living wage in 2015, an amount of hourly wage that is necessary to guarantee minimum living for workers and their family members by making necessary housing-, groceries-, transportation-, and culture- and entertainment-related purchases. The Seoul-style living wage, at KRW 7,145 in 2016, was KRW 1,115 higher than the nationwide minimum wage.

In October 2015, the SMG, the SMC, the Seoul Metro-

politan Education Office, and the borough offices of Seoul together entered the Memorandum of Understanding on the Introduction and Establishment of the Living Wage, promising to pay their respective employees wages based upon this living wage in order to ensure decent living for them.

Declaration of Workers' Rights and the Charter of Rights for Young Part-time Workers

In April 2013, Mayor Park announced the Seoul Declaration of Workers' Rights, detailing citizens' rights to work, rights at work, rights of minority workers, the basic rights of labor ensuring workers' equality with management, and the duties of the SMG, thereby presenting a blueprint for realizing policy measures for restoring respect for labor. In June the same year, the SMG also released the Charter of Rights for Young Part-time Workers to enumerate and protect the rights of young people struggling to make ends meet while fighting the pressures of rising tuition fees, rising unemployment rates, and rising costs of living. The Charter of Rights for Young Part-time Workers lists the rights of young part-time workers, the obligations of employers, and the duties of the SMG, and was also disseminated along with copies of a

standard Seoul-style template for labor contracts to be used by young workers and their employers.

Establishing labor rights and welfare centers to protect the rights of vulnerable and minority workers

In 2011 and 2012, the SMG added the Guro Workers Welfare Center and the Nowon Labor Welfare Center to the similar existing centers in Seongdong and Seodaemun so as to increase the available opportunities of employment and social participation for vulnerable workers and provide them with a wide range of services catering to their welfare. In February 2015, the SMG also opened the Metropolitan Labor Rights Center, appointing it as a central agency and hub of labor policy services and programs throughout Seoul. The Labor Rights Center provides legal counseling and remedies for the rights and interests of vulnerable workers, conducts research on the working conditions of these workers, provides education and training, and organizes public campaigns for improving the working conditions, health, and welfare of workers.

In April 2016, the SMG announced the Vision for Seoul as a Capital City of Labor Rights, marking the completion

of a comprehensive system of policy support for the protection of vulnerable workers' rights and legal remedies against the violations thereof. The new system features the Labor Rights Protection Officers (labor relations and other attorneys), the Neighborhood Labor Relations Attorneys, and the Guardians of Young Part-time Workers' Rights.

Fostering productive labor-management partnership based upon workers' participation in management decision-making

In November 2014, the SMG announced the Innovation Plan for SMG-Invested Institutions with the goal of prompting and leading innovations at 18 public and semi-public organizations handling a wide range of policy services. The central emphasis of the plan was on redefining labor-management relations by guaranteeing labor representatives' participation in management and enhancing the accountability of labor unions through the Workers' Director Program and the Management Council Program. By guaranteeing workers' right to participate in management decision-making, the plan seeks to ensure both the rights and responsibilities of workers and also to enhance the transparency of management and foster mutual trust between labor and management.

“

We now need to grasp the fact that investment in the welfare and productivity of workers is not a waste of money, but a crucial source of new values and creativity for the future.

”

Core Projects and Major Achievements

Turning Seoul into a Capital City of Labor Rights

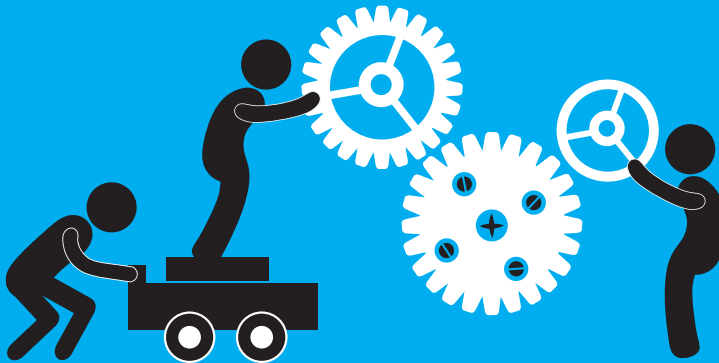


September 2012:
Labor Policy Division created.

March 2014:
Metropolitan Ordinance on the Protection of Workers' Rights enacted.

November 2014:
Innovation Plan for SMG-Invested Institutions announced.

April 2015:
Master Plan for Labor Policy established.



“Regularizing” Non-regular Workers

6,974



Of 7,296 target workers, SMG succeeded in regularizing 6,974 as of June 2016.

Introducing the Seoul-style living wage

6,687



7,145



- KRW 6,687 (KRW 1,107 higher than minimum wage) in 2015
- KRW 7,145 (KRW 1,115 higher than minimum wage) in 2016
- Applicable to 1,260 workers directly hired by the SMG and other public organizations of the city (as of 2016) → To be expanded onto workers hired by the SMG via third-party job agencies as well.

CHAPTER 3

URBAN POLICIES





**“Designing the Next Century of Seoul,
by Putting People First”**



Because urban development can exert impact that can last for decades or even centuries to come, it requires policymakers to predict and prepare for at least the next century ahead.

We are here to express our resolve to plan and design the next 100 years of Seoul with the heart of a farmer who plants seeds.

We believe urban planning requires a wide social acceptance based on active participation, and that only such urban planning can make Seoul a great city in the world.

- From the press briefing for "Urban Planning for the Next 100 Years,"
held on April 1, 2013.



SECTION 9



Urban Planning





서울연구원

The Seoul Institute

A Vision for Seoul as a City of Happy Citizens

Why do we need to forecast the next 100 years in urban planning? We need to do so because of the irreversible and lasting impact that urban planning and development can exert upon a city. We need to design and build our city with at least the next 100 years of its future on our mind. Seoul has been a hot bed of heated controversies and conflicts resulting from urban development. The Pi City, New Town, Fine Tree, and Yongsan Redevelopment Projects have all been causes of acute discord and division among the citizenry, presenting innumerable and insurmountable challenges.

Mayor Won-Soon Park and the officials in his administration have taken trips around Seoul in helicopters, organized public debates on boat tours along the Hangang River, and taken experts on numerous trips along the Seoul City Wall in an effort to understand and analyze the causes and characteristics of urban planning problems in Seoul. These trips and events all pointed to one conclusion: namely, the necessity of a wide social consensus and acceptance for the principled and systemic urban development. Policymakers

agreed to reverse the course of indiscriminate and greedy development projects in Seoul, and also to look for fundamental solutions.

Three years have passed, and the policymakers have eagerly sought out the opinions and participation of citizens in the issues of urban planning. All these efforts culminated into the Urban Planning Charter, announced in September 2015, enshrining the core values and principles of urban planning that are to shape the future of Seoul for the next century ahead. Earlier, in April 2013, the SMG had announced the 2030 Seoul Plan, the first-ever urban planning master plan in Korea to be completed with active civic participation from 100 lay citizens. This innovative plan led to the establishment of the Historic District Master Plan in May 2015, designed to inspire citizens' pride in the history of Seoul that spans for over two millennia and also to harness the competitiveness of Seoul as a global capital city. In October 2015, the SMG also announced the Master Plan for Hangang Riverbanks Management. Since the introduction of the 2030 Seoul Plan, the urban planners and policymakers in Seoul have been creating specific and long-term blueprints for the transformation of 116 areas in the five major zones of Seoul.

Urban planning for the next century ahead ought to restore the true identity of Seoul and ensure the wellbeing of all citizens. It should also predict and competently cope with future challenges presented by socioeconomic and demographic changes, including the slowdown in economic growth, the rapid aging of the population, and the increasing number of single- and two-person households, and climate change.

Reality of Urban Planning in Seoul Today

Compressed economic growth and decades of indiscriminate development focused single-heartedly on outward expansion

The Gyeongseong District Zoning Plan of 1912, the Joseon Urban Area Planning Decree of 1934, and the Urban Planning Act of 1962 paved the legislative and institutional grounds for modern urban planning in Korea. While these policies contributed significantly to the quick development and expansion of physical urban infrastructure, including

housing, roads, and water supply and sewage networks, that were necessary to sustain Korea's astonishing economic transformation, the urban planning projects undertaken under these laws also turned a blind eye to the importance of environmental protection, the preservation and conservation of landscapes and historic assets, and local communities and people.

Monolithic and heavy-handed urban planning projects directed by public authorities

The population forecasts made by the urban planning policies of all the metropolitan cities and provinces in Korea, to be realized by 2030, amount to well over 100 million. Statistics Korea, on the other hand, has officially forecast that the Korean population will reach its largest at 52 million in 2030 and begin to decrease rapidly afterward. The overconfidence of urban planning projects envisioned by the metropolitan and provincial governments in Korea reflects the heavy-handedness with which public and government authorities have handled urban development projects in the country so far.

Seoul's Endeavors for Urban Planning:

Honoring the City's History of Two Millennia

2030 Seoul Plan:

**The first urban planning master plan to be created
with civic participation in Korea**

In September 2013, the SMG announced the 2030 Seoul Plan, the first urban planning master plan ever to be created with active civic participation in Korea. The Gyeongseong District Zoning Plan of 1912 was the first modern urban planning policy introduced in Korea, then under Japanese colonial rule. The year 2012 marked the 100th anniversary of this first modern urban planning policy, and also a critical turning point upon which Seoul's policymakers and citizens could undo the damage of indiscriminate and heavy-handed government urban development projects by carefully planning for a different future for the city. Envisioning the transformation of Seoul into a city of happy citizens, the 2030 Seoul Plan embodied the SMG's first step toward making Seoul a great world capital city based upon the wide participation and consensus of citizens themselves.

Enshrining the core principles and values of urban planning: Seoul Urban Planning Charter

In September 2015, the SMG announced the Seoul Urban Planning Charter, listing the core principles and values that would remain unchanging and shape the next 100 years of urban planning in Seoul. It was the first charter of its kind to be created on the basis of diverse citizens' participation over the preceding three years, and not single-handedly authored by urban planners and government officials. The charter, featuring 10 articles in total, is meant to serve as a "constitution" for urban development projects for the next century ahead in Seoul, and to serve as the canonical text to which citizens and policymakers are to refer in order to determine the consistent values and principles for urban planning. The 10 articles of the charter emphasize the importance of environmental protection, the preservation and conservation of historical and cultural assets, sustainable transportation, everyday safety, energy efficiency, harmonious landscapes, the values of places, citizens' participation and communication, respect and co-existence, and convenience.

**Historic District Master Plan:
Laying down the principles for the conservation
of historic districts in Seoul**

In May 2015, the SMG also released the Historic District Master Plan, declaring its resolve to restore and strengthen the historic identity of Seoul and laying down the principles and aims for the management and conservation of the entire area encircled by the Seoul City Wall. As a plan supporting the development of a historic and cultural center envisioned by the 2030 Seoul Plan, the Historic District Master Plan provides for a spatial plan that preserves the history and modern lives of citizens together. Seoul takes great pride in its history, which spans well over two millennia, in part thanks to the remaining traces of the Seoul City Wall. The Historic District Master Plan supports strengthening the historic identity of Seoul and conserving the area within the Seoul City Wall as a center of Seoul's history and culture comparable to the historic districts of other renowned cities around the world.

**An initiative for the comprehensive management
of the Hangang River and adjacent areas:
Master Plan for Hangang Riverbanks Management**

The SMG released the Master Plan for Hangang Riverbanks Management in October 2015, summing up the Hangang River-related development plans for the last two decades and ensuring the consistency and continuity with other existing urban development plans. The plan, developed in continuity with the 2030 Seoul Plan (the top policy plan on urban development in Seoul), marked the first instance of which the exclusive focus of urban management was put on the Hangang River and the adjacent areas. It also retains continuity with the Master Plan for the Ecological Restoration of the Hangang River (2013) and the Comprehensive Plan for the Ecological Restoration and Tourism Development of the Hangang River (2015). The plan targets the Hangang River and the adjacent area within the 0.5 to 1.0-kilometer range of the riverbanks on both sides (occupying 13.5 percent of the total area of Seoul). It lays down the 12 core principles catering to the four main focuses of riverbank management, i.e., natural preservation, land use, accessibility, and urban landscapes.

**Supporting the public sector's role
in proactive urban development and management:
Public Development Center**

The SMG newly created the Public Development Center, as part of the Urban Planning Bureau, in September 2012 to enhance and support the public sector's role in proactive urban development and management and also to ensure substantial civic participation and consensus-building in the processes involved. The Public Development Center has since established master plans for the urban development of major areas in Seoul, including Nodeulseom Island, the annex to the Korea Customs Service (KCS) building, Namsan Yejangjarak, the Susaek Station and the Oil Stockpiling Base, and other large areas owned by the city. The specialized focus and expertise of the center have been crucial to the proactive development of long-term urban planning strategies informed by concern with the public good. The center has also been playing an active role as a public developer, capably organizing and encouraging collaboration among experts, public-private partnership, and the development of consensus among the citizenry.

Appointing spatial coordinators for Seoul: Master Planner Program

The SMG introduced the Master Planner Program in September 2014 to appoint expert architects as the chief supervisors and advisors of a wide range of urban and spatial planning projects, including all the public buildings, urban plans, landscaping works and public facilities in Seoul. The first Master Planner to be appointed under this program was Seung Hyo-sang, the chief architect of Iroje. European countries that take care to preserve and conserve their architectural histories and resources, such as Spain, Germany, and the Netherlands, have already adopted similar programs years ago. In Korea, however, Seoul was the first city ever to appoint a master planner. The Master Planner supervises and advises upon all the related urban and spatial development plans of Seoul, reviewing proposals in advance, presiding over the collaboration among the departments and organizations involved, and supporting the exchange of information and cooperation with urban planning experts in and outside Korea. The Master Planner Program is expected to help Seoul find and maintain a consistent identity in its architectural resources and urban landscapes.

“

We are here to express
our resolve to plan and design
the next 100 years of Seoul
with the heart of a farmer
who plants seeds.

”

Core Projects and Major Achievements

2030 Seoul Plan



September 2015:
Seoul Urban Planning Charter announced, paving the ground for urban planning for the next century.



September 2013:
2030 Seoul Plan, developed with participation of 100 citizens, announced.

Historic District Master Plan

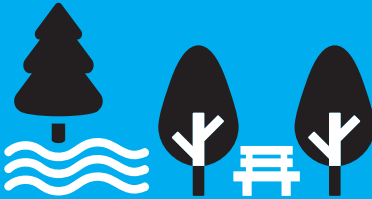


Envisions the preservation, development, and management of the area within the Seoul City Wall as a historic and cultural center of Korea.

May 2015:
Historic District Master Plan announced, laying down core principles for the management of the area within the Seoul City Wall.



Master Plan for Hangang Riverbanks Management



October 2015:

First plan to target the development of Hangang River and the adjacent areas exclusively introduced.

Established in continuity with the Master Plan for the Ecological Restoration of the Hangang River (2013) and the Comprehensive Plan for the Ecological Restoration and Tourism Development of the Hangang River (2015).



Public Development Center and Master Planner Program



September 2012:

Public Development Center created to ensure civic participation and harness the public sector's role in urban development and renewal.

September 2014:

Seoul becomes the first city to appoint a Master Planner to supervise and advise upon all the spatial and urban development projects of the city.



Our goals, in the urban and residential renewal of Seoul, are to repair and improve worn-down and neglected areas, to restore and strengthen the unique identity of each area, and to facilitate physical, social, and economic integration throughout the city.

We intend to pursue urban renewal that promotes social cohesion and civic solidarity toward brightening the future prospects of all citizens' lives and Seoul.

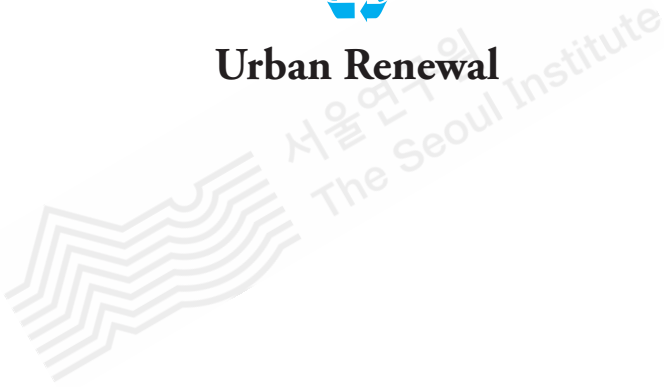
- From the press briefing on the "Future Vision for Urban and Residential Renewal in Seoul,"
held on February 26, 2014.



SECTION 10



Urban Renewal





서울연구원

The Seoul Institute

A Vision for Seoul as a Human-Centered City

Over the last half a century, Seoul has undergone a dramatic transformation in a process known as “the Miracle of the Hangang River.” The city’s population multiplied from 3.42 million in 1964 to 10.38 million in 2014, while the number of housing units also multiplied from 0.74 million in 1975 to 3.55 million in 2014. The GDP per capita, most astonishingly, grew from USD 95 in 1961 to USD 28,739 in 2014. The reconstruction efforts following the Korean War, rapid industrialization and urbanization, and dizzying economic growth have led to the complete transformation of Seoul, causing land and real estate speculation to soar. Uncontrolled and indiscriminate development have produced big winners and many miserable losers. Koreans are now looking back upon the history of explosive and outward growth in a reflective light, and demanding, increasingly, that Seoul put the history of the new town and redevelopment craze behind.

In January 2012, the SMG officially declared its decision to abandon the new town development projects, stressing

that housing is a matter of human rights and not an opportunity for turning profits. The new town and redevelopment projects that had exclusively served the interests of investors until then had to change their directions radically toward serving the greater good. The SMG made it clear that it would no longer pursue the supply-centered housing policy that evicted existing tenants and completely demolished existing homes without mercy. This radical turnaround marked the first step toward a human-centered residential development and management policy and the restoration of community.

The new focus of the SMG's urban renewal policy, which has replaced the preoccupation with complete demolition, is the sustainability of residential welfare and communities in ways that allow the traces of history and hopes for the future to coexist. The SMG is committed to ensuring urban renewal in which residents, the private sector and the public sector all actively participate, which ensures the fair distribution of the fruits of growth to everyone, and which cares for the quality of life for future generations.

Reality of Urban Renewal in Seoul Today

New town development projects pledged by shortsighted politicians send Korea spiraling down into the real estate speculation boom

Politicians running for the 18th general elections in 2008 rushed to promise “new town” development projects for their respective constituents everywhere in Korea. The zeal for new town projects, inspired by the overblown hopes for profits, fueled the proliferation of absurdities and irrationality in the Korean economy. This zeal also had an impact on human. It forced countless residents out of their homes, accelerated the collapse of neighborhood communities, undermined local economies, led the prices of houses and rents to soar, amplified social division, and led to the creation of massive apartment complexes and blocks in which tenants and neighbors no longer care for one another.

Dazzling urban development that neglects the alienated and the vulnerable, and also exposes future generations to risks

Over the last half century, South Korea has achieved an unprecedented social and economic development that was indeed miraculous. The post-Korean War reconstruction efforts, industrialization, urbanization, the balanced development policy, and the focus on expanding the infrastructure for economic growth led to varying types of urban development and renewal projects in different decades. All these development processes, however, have neglected the alienated and the vulnerable, and left subsequent generations exposed to new social, economic, and ecological risks. And now we are here, facing an era of low economic growth.

Seoul's Endeavors for Urban Renewal for All

Rewriting the history of new towns:

A new policy initiative for new town and urban renewal projects

In January 2012, Mayor Won-Soon Park announced a new policy initiative for new town development and urban renewal projects, promising to make residents' consensus and

participation a core requirement for whether starting or ending these projects. The Mayor ordered fact-finding surveys on 610 areas subjected to urban renewal projects and the arbitration of disputes and conflicts concerning 866 areas slated for redevelopment. Throughout these processes, the Mayor shared roles and responsibilities with the heads of the respective self-governing borough offices.

After a year or so of struggling to handle the new town and urban renewal development projects, the SMG finally announced new solutions in April 2013. Two years later, the SMG disclosed a public report on the past three years of progresses made on these projects and future measures. Over the three years following Mayor Park's announcement of the new urban renewal policy initiative, 620 meetings were held with local residents, 525 meetings of local residents' councils were held, 105 training sessions were held, and 1,717 research trips were organized by fact-finding survey inspectors. As a result, the projects in 245 areas were brought to a close according to local residents' wishes, while the courses and directions of projects in 327 other areas were redefined in consultation with local residents and with active support from the SMG.

Toward making Seoul a human-centered city:

Comprehensive Urban Renewal Plan

In March 2015, the SMG announced the Comprehensive Urban Renewal Plan, declaring the aim of making Seoul a human-centered city. It was the first comprehensive policy plan on urban renewal in Seoul, designed to strengthen the SMG's capacity to execute urban renewal projects in accordance with its new policy vision. The development and growth Seoul has achieved over the last half century was astonishing indeed, but it has also been widely criticized for alienating people, devaluating the unique assets of Seoul, and failing to safeguard the interests of future generations. The SMG sought to outgrow this trap and introduce a new urban renewal paradigm suited to this day and age of low economic growth, in the hopes of designing the next 100 years of Seoul with the active participation of all citizens. The SMG also introduced the Residential Renewal Action Plan in April the same year, resolving to renew worn-down and neglected areas according to plans specifically catering to local residents' needs and wishes. Under this plan, instead of demolishing old low-rise residential buildings, the SMG seeks to establish public support systems for repairing indi-

vidual housing units and improving the living environments for all residents.

Seoul-style urban renewal projects in 27 select model areas

Since announcing the Comprehensive Urban Renewal Plan and the Residential Renewal Action Plan in March and April 2015, the SMG has selected key areas in need of urban renewal and redevelopment and promoted community-revitalizing projects in these areas. Twenty-seven areas of four types have been chosen so far, including three former industrial areas now in decline, seven areas with significant historic and cultural assets, the centers of five under-developed areas, and 12 worn-down residential areas. The SMG has set aside a total budget of KRW 1.3 trillion for the renewal of these 27 areas by 2018, to be used to encourage private-sector investment, establish comprehensive renewal plans, and develop public infrastructure. Furthermore, the SMG introduced a system and process by which local residents can participate in the renewal processes from the beginning to the end, helping to ensure the protection and strengthening of the unique identities of their respective communities.

Participating in the urban renewal projects of Changsin-Sungin and Changdong-Sanggye led by the national government

Under Mayor Park's urges, the SMG is also actively participating in the urban renewal projects being undertaken by the national government (the Ministry of Land, Infrastructure and Transport, or MOLIT) in certain areas of Seoul. Changsin-Sungin, which was removed from the list of new town development sites in 2013, was included in the MOLIT's Model Projects for Urban Neighborhood Renewal the following year, according to which the developers involved have created the Urban Renewal Support Center and established the Urban Renewal Promotion Plan. In 2015, the MOLIT also designated the "new economy zone" in Changdong-Sanggye for its Economic Infrastructure Development Project, for which the developers are currently drafting an urban renewal plan.

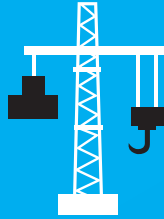
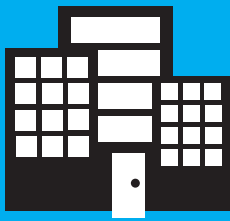


Core Projects and Major Achievements

New policy vision for new town and urban renewal projects

January 2012: New Policy Initiative for New Town and Urban Renewal Projects announced.

April 2013: Progresses on handling new town projects reported.



April 2015: New Plan for New Town and Urban Renewal Management announced (fact-finding surveys in 324 areas, projects in 245 areas brought to a close).

324 - 245

Comprehensive Urban Renewal Plan



April 2015:
Residential Renewal Action Plan announced, envisioning the participation and inclusion of all local residents.

March 2015:
Comprehensive Urban Renewal Plan announced, with the goal of making Seoul a human-centered city.

27 model urban renewal projects in Seoul

March 2015: 27 areas of four types chosen for model urban renewal projects under the Comprehensive Urban Renewal Plan.



27



SMG to invest KRW 1.3 trillion
in these areas until 2018.



SMG participates actively in the MOLIT's projects for urban renewal.

Changsin-Sungin:

- Urban renewal project cancelled in 2013.
- Newly included in MOLIT's Urban Neighborhood Renewal Project in 2014.

Changdong-Sanggye:

- Included in MOLIT's Economic Infrastructure Development Project in 2015.
- Urban renewal plan to be established in 2016.



Safety is an issue that admits no compromise.

Safety plans and policy reports look perfect, but when accidents occur, we begin to see the problems we did not notice before.

Safety depends upon how thoroughly and strictly those plans and policies are implemented on site.

There are problems that uncontrollably and inevitably lead to accidents.

Sometimes these problems involve deep-rooted corruption.

We need to care whether and how effectively our safety plans are being enforced.

Safety is not granted for free, but is ensured only as a result of thoroughgoing efforts at prevention.

Safety is not a matter of luck. It is a matter of hard work.

- Mayor Won-Soon Park, upon visiting Yeongdeungpo Fire Department
on December 26, 2012.

SECTION 11



Urban Safety





A Vision for Seoul as a Safe City for All Citizens

Walking down the streets in Seoul can be quite a stressful matter. After repeatedly tripping over or barely avoiding cracked and broken pavement, one might think what a truly amazing thing this country has achieved when it fails so utterly at creating even and safe streets. What is more, local governments and developers everywhere in Korea regularly tear up the pavement, even where it seems perfectly fine, under the ostensible goal of “re-paving” the streets. Citizens in Seoul start and end their days on these streets. They should be happy to walk on these streets. Upon his inauguration, Mayor Won-Soon Park declared that he would become “the mayor of pavements,” announcing the 10 Commandments for Pavements and the 10 Commandments for Asphalt Pavement. Under his urging, the SMG has decided to inspect all the outdated pipe networks, 30 to 50 years old, in Seoul over four years until 2018. Of the 3,686 kilometers of old sewage pipes awaiting inspection and repair, the SMG will first focus on repairing the 932 kilometers of sewage pipes that are more than 50 years old with a total investment of

KRW 1 trillion by 2018. In addition, the SMG also plans to expand the rainwater pump stations, enhance the flood-control capacities of pipes, install new rainwater tanks, repair the local river streams, and improve the water circulation systems in 34 flood-prone areas so as to prevent floods and related accidents in these areas.

Ensuring the safety of all citizens is the first and foremost purpose for which a city exists. Always reminding itself of this fact, the SMG will strive to make Seoul a safe and happy city for everyone. Safety is the central principle of public administration and there should be no compromise.

Reality of Urban Safety in Seoul Today

Increasing frequency and magnitude of natural disasters due to climate change

Experts forecast that the average temperature in Korea will rise by 4°C and the average amount of precipitation will also increase by 17 percent by the end of this century. They also

forecast that the instances of heavy rainfalls will also increase significantly, as will the proportion of those heavy rainfalls resulting from strong typhoons (from 19 percent to 26 percent). Over the 10 years from 1999 to 2008, Korea had 385 heavy rainfalls, defined as 100 millimeters of rain or more per day, a number that is 170 percent higher than the 222 heavy rainfalls that Korea experienced in the 1970s and the 1980s. In other words, natural disasters are exerting an increasingly serious impact on the Korean society and economy, in terms of both frequency and magnitude.

The rapid aging and deterioration of urban facilities present additional risks to urban safety

Over the last half a century, South Korea has undergone remarkable urbanization. Statistics Korea estimates that the urbanization rate around the world on average rose from 36.6 percent in 1970 to 54 percent in 2015, while that of Korea alone more than doubled from 40.7 percent to 82.5 percent over the same period of time. Rapid urbanization has led to the accelerated creation of skyscrapers, roads, underground facilities, and residential amenities. Built in a hurry, however, these buildings and facilities in Seoul are also rapidly aging,

posing threats to citizens' safety.

Seoul's Endeavors to Enhance Urban Safety

Preventing floods with citizens:

Comprehensive Flood Control Plan

In May 2012, the SMG announced the Comprehensive Flood Control Plan, marking the shift of policy focus from hardware expansion as the key to flood prevention in the past to active civic participation as the precondition for natural disaster prevention today. Under the new plan, the SMG seeks to prepare against natural disasters, particularly in flood-prone areas, on the basis of experts and citizens' participation rather than directing the involved policy matters in a top-down manner. The plan, heavily emphasizing the importance of details and meticulousness, has five main objectives, including the prevention of major-scale damage from natural disasters and the establishment of a sustainable water circulation system. In particular, the plan designates

34 frequently flooded lowland areas for special management, and supported the flood prevention public works in 12 of these flood-prone areas around the Gwanghwamun Gate, the Sadang Subway Station, the Gangnam Subway Station, the Dorimcheon River, and Sinwol, over the last three years. The implementation of anti-flood measures, decided with active civic participation, has had successful results in preventing the loss of human lives amid natural disasters so far. Whereas natural disasters, including heavy rainfalls, heavy snowfalls, and heat waves claimed 16 lives and injured two more in 2011, zero human casualties were observed in 2012, 2013, and 2014 under the new comprehensive plan.

Restoring health to water systems and facilitating the even circulation of water in Seoul

In October 2013, the SMG released the Healthy Water-Circulating City Plan, with the objective of preventing further degradation of water systems and facilitating the even circulation of water throughout Seoul. The impervious surface ratio (ISR) rapidly grew from 7.8 percent in 1962 to 47.7 percent in 2010 thanks to accelerated urbanization. The sudden increase in the ISR, however, has distorted the natural

flow and circulation of water, minimizing natural evaporation and penetration while maximizing the surface flow only. This, in turn, adds to the risks of floods.

In the meantime, the average temperature in Seoul has risen by over 2.5°C over the last 100 years, whereas the global average temperature rose by only 0.74°C. The dramatic increase in Seoul's average temperature reflects the decrease in natural evaporation and the rapid pace at which the entire city is turning into an urban heat island. As less and less water finds its way underground, the level of groundwater has been consistently dropping, drying out the rivers on the surface of the earth. The increasing flow of rainwater into river systems is accelerating the pollution of the bodies of water. Recognizing the critical and urgent nature of restoring the natural system of water circulation, the SMG has set out to take the lead in encouraging research and development as well as private-sector initiatives, with active support and participation from citizens. The Healthy Water-Circulating City Plan thus aspires toward letting 620 millimeters of natural precipitation, some 40 percent of the annual average, penetrate the ground and form undercurrents by 2050.

**Putting an end to the six decades of irrationality:
the 10 Commandments of Pavements for Seoul**

With strong urges from Mayor Park, a self-appointed “mayor of pavements,” the SMG announced the 10 Commandments of Pavements for Seoul, swearing to minimize unnecessary pavement works, restore the right of pedestrians for the safe and pleasant walking, and thereby bring back the joy of walking in Seoul. The 10 Commandments provide for the disclosure of the identities of policymakers and developers backing pavement works; the introduction of a “one strike out” system against corruption; the reinforcement of pedestrian safety near construction sites; the introduction of “Closing 11” for pavement works; the imposition of financial liabilities upon persons to repair pavement they have damaged; the management of a pavement monitoring group; the creation of a smartphone application for reporting damage to pavement; the reinforcement of patrols against illegal parking, stockpiling of objects, and driving of motorcycles on pedestrian roads; the introduction of a pavement bank; and the systematic management of pavement throughout the city under a council.

The SMG analyzed how these 10 Commandments had

been enforced for three years and revealed the results of the analysis in March 2015. The SMG reported that 939 signboards were displayed disclosing the names of parties backing new pavement works; that six contractors were banned from participating in bids on SMG-commissioned construction works; that 108 contractors were fined and seven civil servants were disciplined or expelled for construction corruption; that 23,658 Safe Walking Scouts were hired; that no pavement works were held in the wintertime; that 682 cases of damage to pavement were compensated for by the persons who actually damaged it; that the Pavement Monitoring Group hired 3,149 participants each year; that 47,991 reports were received on pavement-related corruption or accidents; that 15,000 reports were received online on damage to pavement; that the number of illegally parked cars caught by the authorities doubled; that 16,844 square meters of pavement materials were saved; and that 41 policy debates were held on pavement-related issues. Thanks to these efforts, civilians' satisfaction with pavement works rose to 78 percent.

Road Innovation Project

for eliminating potholes and other obstacles from roads

After announcing a master plan for repairing all the driving roads in need of repair in April 2013, the SMG set out to remove obstacles from roads. Seoul at the time was home to 8,198 kilometers of roads amounting to 83.61 square kilometers in total area. This was double the area of the sum of all the national expressways and 60 percent of the total area made up of national roads in Korea. It was impossible for the SMG to repair all these roads on its own. Outdated roads in need of repair due to damage and the increasing volumes of traffic make up 34.1 percent of all the surface area of roads in Seoul, and the cost of repairs has already reached KRW 60 billion a year and keeps growing. Nevertheless, as a sinkhole in Jamsil has shown, the number of potholes and sinkholes in Seoul continues to grow due to climate change that accompanies immense amounts of precipitation as well as the sizable presence of outdated subway and other underground works.

Mayor Park set out to tackle these road issues by announcing the 10 Commandments for Asphalt Pavements in Seoul in November 2013. These 10 Commandments

provide a detailed guideline on how to meet the 10 main objectives, including ensuring safe driving, enforcing thoroughgoing on-site management, making roads smooth and even, enhancing the science of roads, preventing even the minutest foreseeable accident, taking accountability for road management, prevention as the most important strategy for road maintenance, ensuring safety all year round, ensuring professionalism in road pavement, and supporting effective collaboration over road works and maintenance. In September 2015, the SMG announced the Road Innovation Project, summing up the accomplishments that the city had made until then on ensuring safety on the road and providing a comprehensive plan for making improvements. The Road Innovation Plan envisions completely repairing and replacing all the worn-down roads in Seoul by 2026.

“

Safety is not granted for free,
but is ensured only as a result of
thoroughgoing efforts
at prevention.

Safety is not a matter of luck.
It is a matter of hard work.

”

Core Projects and Major Achievements

Comprehensive Flood Control Plan

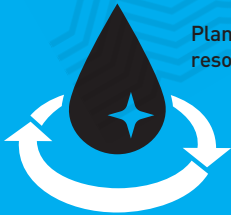


18 human casualties, including 16 dead, due to flood in 2011, leading to the announcement of the Comprehensive Flood Control Plan in 2012.

Zero human casualties in 2012, 2013, and 2014 thanks to the plan.



Health Water-Circulating City Plan



Plan announced in October 2013 to stop the pollution of water resources and restore the natural water circulation system.

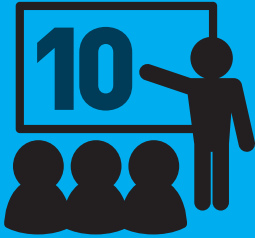
40%
620mm



Intended to return 620 mm (40% of annual average precipitation) to earth and undercurrents by 2050.



10 Commandments for Pavements



April 2012:
10 Commandments announced, putting an end to 60 years of pavement irrationality.



3,149

3,149 participate in Pavement Monitoring Group every year.
100,035 reports on damaged pavements received as of the end of 2015.

Road Innovation Project



April 2013:
Master Plan for Road Repair announced, followed by the 10 Commandments for Asphalt Pavements in **November 2013**.

September 2015:
Road Innovation Project launched.



Prioritizing the development of a rail-centered public transportation system as the most important objective of the transportation policy in Seoul, the SMG will redesign the entire city over the next 10 years into a rail- and pedestrian-friendly city, in which everyone could reach a subway station within a 10 minute walk.

The SMG will also strive to assuage the public worries over the private-sector light railway development projects, eliminating uncertainty over their profitability and minimizing the burden on taxpayers.

- From the press briefing on the Third Urban Rail Master Plan,
held on July 24, 2013.



SECTION 12



Urban Transportation





A Vision of Seoul as a Model City of Advanced Public Transportation

Seoul used to be notorious for the complicated public transit routes and congestions on the roads in the past. Over the last two decades, however, it has grown into a city that leads the advancement of public transportation worldwide by example. The public trust in Seoul's public transportation system, however, was put to test in 2012 when the operator of the new Metro Line 9 unilaterally decided to raise the fares. In the meantime, the minimum revenue guarantee (MRG) program for private-sector investment in public transportation, the need for additional investment due to the aging of the vehicles and facilities, and the increasing frequency of natural disasters associated with climate change continue to impose growing burdens on taxpayers.

The problem caused by the fare raise of Metro Line 9 came to a dramatic and successful resolution in October 2013. The problem was solved by returning the power of deciding public transit fares back to the SMG, making it impossible for private-sector operators to raise fares unilaterally, replacing the MRG program to compensate private-sector

operators for financial losses, and launching civic funds for public transportation. Throughout this process, the SMG established a new model for innovation in private-sector projects involving public services. The occasion marked a turning point in the history of public transportation in Seoul, enabling the SMG to usher in the next 20 years of public transportation that will protect the best interests and rights of citizens.

Whereas the public transportation policy in Seoul in the past primarily focused on vehicles, ownership, and outward growth, the new policy shifts the main focus onto people, sharing, and sustainability. Based on these new core values, the SMG continues to lead the innovation and evolution of the public transportation system in Seoul, with the goal of making it unnecessary to own a private car by 2030.

Reality of Transportation in Seoul Today

**An unsustainable system of transportation cultivated
by a transportation policy centered on accommodating vehicles only**

The three main problems that the past transportation policy of Seoul sought to tackle were the shortage of cars, the shortage of parking spaces, and the shortage of roads. The city government sought to solve these problems by almost unlimitedly expanding and increasing driving roads. This has fueled the structure of excessive energy consumption in the city and led to the generation of environmental pollutants in huge quantities. The transportation sector alone accounts for 31 percent of all energy consumption in Seoul, while 61 percent of all air pollutants are traceable to vehicles. The annual cost of traffic congestions was estimated to be KRW 7.5 trillion as of 2010.

Using the private sector to provide public transit services weakens public finance and compromises efficiency

Much of the expansion of public transit services in Seoul, including buses, taxis, subways, and transit passes, has been undertaken by private-sector investors. Private-sector operators' unilateral decisions to raise fares and demand for excessive compensations from the public sector for losses of revenue (MRG) continue to impose a growing burden on taxpayers. Facing few incentives to innovate, these private-

sector operators have also left much of the inefficiencies in the public transit services intact.

Seoul's Endeavors for Better Transportation

Toward making Seoul a city without private cars: Seoul Transportation Vision 2030

In May 2013, the SMG announced Seoul Transportation Vision 2030, laying down the long-term policy goals and tasks for the evolution of transportation in Seoul over the next two decades. Contrary to the past transportation policy focusing upon outward expansion and private car ownership, Seoul Transportation Vision 2030 envisions transforming Seoul into a city where it is unnecessary to own private cars, shifting the policy focus onto people, sharing, and sustainability. The vision aspires toward introducing a human-centered and sustainable public transportation system that benefits everyone. More specifically, it aims to reduce the volume of private car traffic on the road by 30 percent,

shorten the average span of commutes by public transportation by 30 percent, and increase the proportion of areas serviced by sustainable vehicles by 30 percent by 2030.

Urban rail transit accessible in just 10 minutes everywhere in Seoul: Comprehensive Urban Rail Development Plan

The SMG announced the Comprehensive Urban Rail Development Plan in October 2013, envisioning the transformation of Seoul into a rail-centered and well-connected city in which people can access subways in just a 10 minute walk from anywhere. The plan won the official approval of the Ministry of Land, Infrastructure, and Transport (MOLIT) in June 2015. Under the plan, the SMG intends to develop 10 additional urban railways over the next 10 years, including the Sillim, Dongbuk, Myeonmok, and Seobu Lines, in order to make every corner of Seoul accessible by subway. The two-phase section between Sinnonhyeon and the Jamsil General Stadium already opened along Metro Line 9 in March 2015, and the New Ui Metro Line, the first light railway in Seoul, had its trial run in January 2016 under this plan. The groundbreaking ceremony for the construction of the Sillim Line, another light railway to be added to Seoul, was held in

September 2015. The construction of the Dongbuk Light Railway will also commence within 2017.

Reforming Metro Line 9 with Seoul's own model of innovation for private-sector-run public services

In October 2013, the SMG revealed a unique model of innovation for public services run by private-sector operators, with a view to providing an effective solution to the Metro Line 9 problem. The model is not just by making the operator forfeit the fare-raising plan, but also by returning the power of deciding public transit fares back to the SMG, making it impossible for private-sector operators to raise fares unilaterally, replacing the MRG program to compensate private-sector operators for financial losses, and launching civic funds for public transportation. Macquarie, the developer and operator of Metro Line 9, completely left the project and withdrew its involvement. The restructuring of Metro Line 9 operation under the leadership of the SMG has helped to save KRW 3.2 trillion, drastically reducing the burden on taxpayers.

Night Owl Buses to carry citizens safely and affordably back home late at night

The SMG announced its plan to launch the Night Owl Bus Service in April 2013. The plan involved offering trial runs of late-night buses from midnight to 5 a.m. Inspired by the success of the trial operation, the SMG expanded the service onto nine major bus routes in September the same year. The trial service along two major bus routes in the preceding three months was hugely popular among passengers, serving some 220,000 passengers in total and scoring 88 percent in the survey on what public services citizens would like to see expanded. Based on an analysis of over three billion call logs generated in Seoul, the policymakers identified Gangnam, Hongdae, Sillim, Jongno, and other such areas as the major venues for nighttime bus services, and opened seven more routes for the Night Owl Bus Service accordingly. In addition, the SMG installed additional safety facilities (including speed bumps and separating walls), banned bus companies from making Night Owl Bus drivers work on day shifts, and reinforced patrols against private vehicles illegally traveling along bus-only lanes. Thanks to these efforts, the Night Owl Bus Service became one of the most popular public policy initia-

tives in Seoul's history, drawing over 6,000 users a day and ranked at the top of the 10 best policy programs voted by citizens in 2013.

Fostering a human-centered transportation culture:

Providing public bicycles for citizens

In an effort to encourage the use of sustainable transportation, including bicycles, the SMG introduced the Public Bike Service Expansion Plan in November 2014. Bicycles provide a great solution to the traffic, environmental, and health problems plaguing large cities. Bicycles also stand at the forefront of the movement worldwide for fostering a more human-centered transportation culture. According to the plan, the SMG introduced a low-cost and high-efficiency public bike rental system, first starting with 2,000 public bikes for rental from five major stations in the heart of Seoul, to be used along a network of 150 bike stations. In October 2014, the SMG organized Korea's largest bike festival. The SMG also increased the number of "bike-friendly neighborhoods" from three to nine in May 2015. Using a similar strategy, the SMG plans to increase the number of available public bikes to 10,000 by 2017 and further to

20,000 or more by 2020 so that these bikes would become a part of all citizens' daily lives.

Taxi Service Innovation Master Plan for improving taxi service and working conditions for taxi drivers

Seoul became the first city in Korea in December 2012 to adopt a city-wide taxi revenue management program. The program, introduced in response to taxi drivers' long-time demand, has made it possible to enhance the transparency of taxi revenue management and significantly improve the working conditions and remuneration for taxi drivers. Inspired by the success of this program, the SMG launched the Taxi Service Innovation Master Plan in October 2013. Listing 37 tasks to be achieved across seven areas of issues, the plan ensures that taxi fare raises would actually translate into improved passenger services by reducing taxi drivers' rejection of passengers, making technical improvements to taxi service, reinforcing passengers' safety, improving remuneration for and requiring more stringent qualifications from taxi drivers, subsidizing management reform efforts of taxi service companies, improving the business environment for taxis, and maximizing the efficiency of taxi management.

Core Projects and Major Achievements

Seoul Transportation Vision 2030

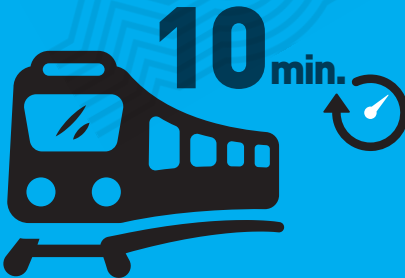


Announced in May 2013 with the goal of making it unnecessary to own private cars in Seoul by 2030

Paradigm shift from vehicles, ownership, and outward growth to people, sharing, and sustainability.



Comprehensive Urban Rail Development Plan



Announced in July 2013, with a vision of making it possible for everyone to access urban railway transit within a 10 minute walk from anywhere in Seoul.

October 2013:

A new model of innovation for private-sector-run public services introduced.



Night Owl Bus Service



Trial operation begun in April 2013, and full-scale service launched in September 2013.

6,000



Routes decided based on big data analysis (3 billion+ call logs) – now drawing over 6,000 passengers a day, and named No. 1 of the 10 best policy programs voted by citizens in 2013.

Public bicycle policy



2,000

Establishing a low-cost and high-efficiency public bike rental system, starting with 2,000 bikes available at five major stations.



November 2014: SMG announces a plan to expand the bike rental service system as part of fostering a human-centered transportation culture.

Our plan for transforming Seoul into a pedestrian-friendly city began when we began to notice the things that made walking uncomfortable and dangerous in Seoul.

We plan to make Seoul a truly pedestrian-friendly environment by helping people outgrow their addiction to cars and find solutions and joy in walking again.

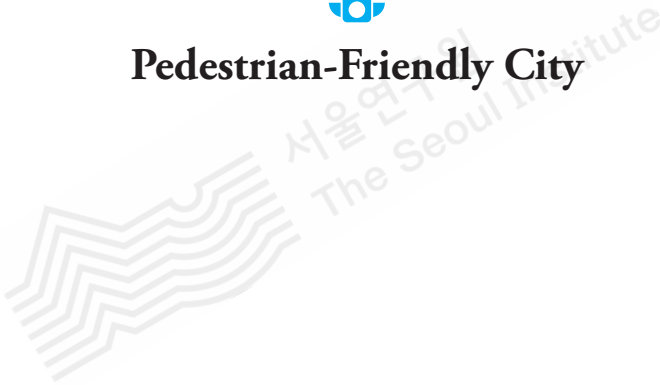
- From the press briefing for the Seoul Vision for a Pedestrian-Friendly City,
held on January 21, 2013.



SECTION 13



Pedestrian-Friendly City





A Vision for Seoul as a Pedestrian-Friendly City

At one point in Seoul's history not long ago, it was normal for people to give up their homes, properties, and pedestrian roads to make ways for cars. Today, however, we increasingly want to live in a city where we can enjoy jogging along streets in downtown areas covered by the shades of lush green trees. Having announced the 10 Commandments of Pavements in 2012 and the 10 Commandments of Pedestrian Streets in 2014, the SMG has been working hard to leave enough room for pedestrians on the streets, gather and streamline street installations, and remove thresholds from crossroads. The goal is to enable pedestrians to reclaim Seoul as their city because we all want to live in a city where walking is comfortable and enjoyable.

Pedestrian satisfaction, legality, safety, and respect are the central keywords guiding the SMG's efforts to transform Seoul into a pedestrian-friendly city. The SMG has been improving and expanding pedestrian streets so that everyone can enjoy walking in Seoul. The first and foremost step toward making Seoul a pedestrian-friendly and happy city

is to protect the right of every citizen to walk. The SMG's vision for making Seoul a pedestrian-friendly city sprang up from noticing things that make walking uncomfortable and dangerous in Seoul. The SMG continues to help citizens outgrow their car addiction and enable them to rediscover solutions and joy in walking again.

Reality of Pedestrians' Right in Seoul Today

Roads and streets that do not respect pedestrians

Although 78 percent of all roads in Seoul are “everyday streets” (less than 12 meters in width) for pedestrians' use, the vast majority of citizens in Seoul have difficulty enjoying safe and comfortable walks along these streets. The metropolitan bylaws require that every single road feature a pedestrian way that is at least 2.0 meters in width. Yet many of the streets and roads in Seoul encourage careless jaywalking due to the shortages of crossroads, are covered by illegally parked

cars, are further complicated by over 250 overpasses and underground pedestrian ways, and pedestrian streets of uneven widths. Few in Seoul ever feel safe walking along these streets.

**Inadequate policy preparation to protect the right
of the transportation minority
against rapid changes in the social environment**

Approximately 22.0 percent of the population living in Seoul today is categorized as a “transportation minority.” Of these, the elderly make up the greatest portion (42.2 percent), followed by parents or caretakers accompanying young children (18.4 percent), young children (17.9 percent), people with physical disabilities (17.8 percent), and pregnant women (0.8 percent). Korea today is a rapidly aging society, poised to join the rank of aged societies by 2020. The right to walk is a fundamental human right, along with the rights to life, physical security, and physical activity. There is a growing demand for adequate policy support for the right to walk.

Seoul's Endeavors for Innovation in the Pedestrian Environment

Making people walk and smile: Seoul as a pedestrian-friendly city

In January 2013, the SMG declared a vision of Seoul as a pedestrian-friendly city, presenting new objectives and tasks for all pedestrian-related policy programs. Identifying the risks of jaywalking due to the shortages of crossroads, the presence of cars on “everyday streets,” the presence of overpasses and underground pedestrian ways at 250 or so locations, and the uneven widths of pedestrian streets as the main problems of the pedestrian environment in Seoul, the SMG introduced a comprehensive plan for eliminating these problems one by one.

The goal of the SMG's new policy plan is to ensure the joy of walking on the streets, slowing cars and ensuring the comfort and safety for pedestrians. The SMG also envisions creating a well-connected network of streets that leads to every destination without presenting obstacles and also special streets and districts in accordance with living tradition and

history. To this end, the SMG has launched and completed diverse new projects, including the creation of a car-free street in Sinchon, the blockade of car traffic at least once every month on Sejong-no, the development of pedestrian-friendly environments on Yonsei-ro and the “Amazon Streets” for children’s safety, the implementation of measures to support transportation minorities, the creation of the Seoul Dulle-Gil and the pedestrian streets in urban areas, and the development of the Seoul Train Station 7017 Project.

Transforming pedestrian ways in Seoul:

Pedestrian Street Innovation Project

In December 2014, the SMG launched the second phase of the Pedestrian Street Innovation Project, releasing the 10 Commandments for Pedestrian Streets for transforming the pedestrian environment and enabling pedestrians to reclaim the streets in Seoul. The first phase of the project was launched in April 2012 with the release of the 10 Commandments for Pavements, putting an end to six decades of irrationality in public road construction and has come to a successful completion (refer to “Section 11 Urban Safety Policy”). The new 10 Commandments for Pedestrian Streets

declare: “Pedestrian streets are the central features of a city. Convinced of the importance of ensuring safety and comfort for every pedestrian, we will gather the resources, lower the barriers, protect, move obstacles, correct problems, clean the streets, beautify the pedestrian environment, systematize pedestrian movements, and walk with all pedestrians.”

Introducing a green pedestrian space:

Seoul Train Station 7017 Project

Inspired by the High Line Park he toured while visiting New York City in September 2014, Mayor Won-Soon Park announced, upon his return to Korea, his vision for transforming the old overpass standing next to the Seoul Train Station into a pedestrian-friendly park. In January 2015, the SMG unleashed the Seoul Train Station 7017 Project Plan, envisioning the redesign of the 938-meter-long overpass into a pedestrian-friendly park, connected to 17 pedestrian ways leading to the Seoul Station Plaza and other key destinations in the northern part of the city. There is a mounting expectation that the project will usher in a new and more pedestrian-friendly form of tourism, facilitating international travelers’ movement along some of the most popular

tourist locations, such as Myeong-dong, Namsan Mountain, and the Namdaemun Market, and transforming the area surrounding the Seoul Train Station into a new center of history, culture, and shopping.

The Seoul Train Station 7017 Project, moreover, is expected to serve as a new model of urban renewal that catalyzes revitalization through conservation rather than demolition. In order to ensure this result, the SMG actively sought out the requests and wishes of local residents in developing the Comprehensive Seoul Train Station Area Development Plan in May 2015. With the approval of the Seoul Metropolitan Police Administration on the plan for improving the traffic system around the station on November 30, 2015, all access to the overpass by cars was blocked as of 12 a.m. on December 13, 2015, marking the official commencement of the project.

Pedestrian-friendly hubs of local cultures and economies:

Public Transportation Only (PTO) Zone

The Public Transportation Only (PTO) Zone on Yonsei-ro in Sinchon was unveiled to the public for the first time in January 2014. Only pedestrians, vehicles seating 16 passengers or

more, emergency vehicles and bicycles are allowed to enter a PTO Zone. Once in this zone, all cars are required to drive at 30 kilometers an hour or slower in order to ensure the safety of pedestrians. The PTO Zone on Yonsei-ro, designed as an icon of the SMG's endeavors to create a pedestrian-friendly city in Seoul, is expected to set a new model of urban renewal, fostering the creation and distribution of new local cultural content and revitalizing the local economy.

A recent analysis of the PTO Zone revealed that the number of car accidents in the area for six months was reduced by 34.5 percent in just a year, while citizens' satisfaction rose by 58 percentage points from 12 percent to 70 percent. The number of pedestrians visiting the area also grew by 11.1 percent and the number of guests received by local shops by 28.9 percent. The number of retail transactions and the amount of retail revenue also increased by 10.6 percent and 4.2 percent, respectively. In addition to maintaining the PTO Zone on Yonsei-ro, the SMG also designated five additional pedestrian zones, including those at Myeong-dong and Itaewon, in December 2013, making improvements to the pedestrian environments in these areas based upon locals' opinions.

**Fostering a universally accessible and
convenient transportation environment:
Supporting the transportation minority's right**

In January 2014, the SMG established the Mobility Enhancement Plan for the Transportation Minority to foster a universally accessible and convenient transportation environment for all. Whereas the past policy on enhancing the mobility of transportation minorities focused upon introducing special features and facilities, the new policy focuses upon making transportation and walking easy and accessible for everyone, including the transportation minorities. In December 2015, the SMG introduced an action plan detailing measures to support the mobility of the physically disabled, aiming to make the platforms at all the 307 subway stations in the city accessible by wheelchair by 2022, and to replace all the buses in service with low-floor ones by 2025. The height of pavement thresholds will also be lowered from one centimeter to zero.

“

We plan to make Seoul a truly pedestrian-friendly environment by helping people find solutions and joy in walking again.

”





Core Projects and Major Achievements

Vision for Seoul as a Pedestrian-Friendly City

January 2013: Vision for Seoul as a Pedestrian-Friendly City announced, envisioning the transformation of streets in Seoul into pleasant, safe, convenient, and story-rich streets for pedestrians.



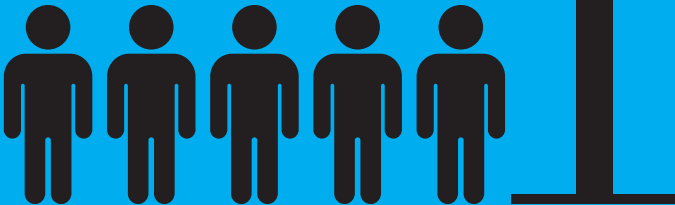
Pedestrian Street Innovation Project



April 2012: 10 Commandments of Pavements announced, putting an end to the six decades of irrationality.



December 2014: 10 Commandments of Pedestrian Streets announced, enabling pedestrians to reclaim the streets.



Seoul Train Station 7017 Project

September 2014:

Project concept announced, inspired by the High Line Park in NYC.

7017



January 2015:

Project plan announced, along with the Comprehensive Seoul Train Station Area Development Plan in the following May.

Mobility Enhancement Plan for the Transportation Minority



January 2014:

Plan announced toward creating a universally convenient transportation environment for all.



December 2015:

Detailed action plan supporting the mobility of the disabled announced.

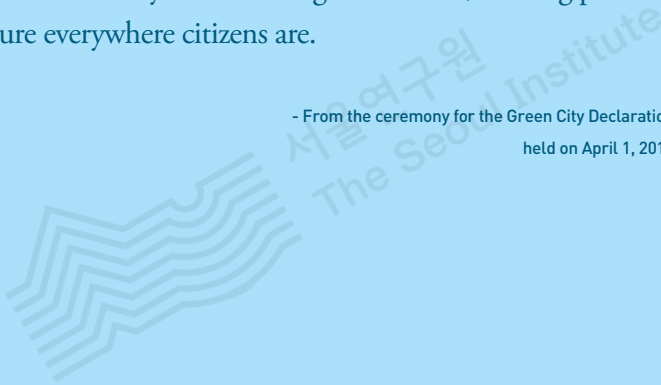
Parks are the magical places where we can make some of the most beautiful memories in our lives.

Parks are public and communal spaces, but people have been left out of these spaces for too long in Seoul.

Now is the time to return parks to citizens by re-equipping them with designs and features that respect all citizens' needs. The Green City Declaration captures a vision for the everyday lives of citizens surrounded and enriched by the natural environment.

It envisions a city of universal green welfare, offering pieces of nature everywhere citizens are.

- From the ceremony for the Green City Declaration,
held on April 1, 2013.



SECTION 14



Green City





A Vision of Seoul as a Green City

Parks are the magical places where we can make some of the most beautiful memories in our lives. Yet people have been left out of these parks for too long in Seoul. Now is the time to return the parks to the citizens in Seoul by re-equipping the parks with designs and features that respect all citizens' needs. Parks should be at the forefront of our efforts to ensure that citizens' everyday lives in this historic and burgeoning city are surrounded and enriched by the natural environment. Green spaces should be available everywhere so that every citizen can enjoy the power of nature. Cities are platforms for sharing. Seoul should share the power of its natural, historic, and cultural resources with all residents so that everyone can find the hope and energy in them for ushering in a better future.

The Green City Declaration of the SMG contains nine crucial articles. These are:

Seoul is a land guarded by mountains and enlivened by water.

Seoul is a city with a long history in which citizens' diverse stories flourish.

Seoul is a gigantic park in itself.

Parks protect the city and its citizens against disasters.

Parks are convenient and safe grounds of relaxation for everyone.

Parks are the central venues for rebuilding communities and solving local problems.

Parks are green workplaces.

Citizens of all ages are entitled to green welfare.

Citizens are the true owners of parks.

With the Green City Declaration, Seoul aspires toward being reborn into a city of parks that serve and are maintained by all citizens together. Seoul envisions creating and maintaining forests that recharge citizens with energy and encourage greater interaction and communication among all citizens. Its goal is to transform itself into a healthy green city.

Reality of Green Spaces in Seoul Today

Insufficiency of green spaces that cater to the health and welfare of citizens

Green spaces are emerging worldwide as an indicator of the quality of life cities offer. Green spaces are not simply spaces where one can relax, but are increasingly regarded as central to citizens' welfare and right to sustainability. Seoul, however, is the city with the smallest proportion of green spaces (30.2 percent) out of cities in Korea (Ministry of Environment, 2014). Seoul's policymakers are striving to expand and improve green spaces as part of their efforts to ensure the sustainability of the urban environment and improve the quality of life for all citizens in the city.

Rapid urbanization and climate change threaten green spaces

Korea has undergone a remarkable social and economic transformation over the last half century. Urbanization has

been an inevitable result of the nation's rapid economic and population growth, but it has also significantly undermined green spaces across the nation. The total area of green spaces in Seoul steadily decreased from 253.13 square kilometers in 2001 to 239.17 square kilometers in 2013, before increasing slightly to 240.33 square kilometers in 2014 again. While Seoul is the city with the smallest proportion of green spaces in Korea(30.4 percent), it still manages to offer 16.37 square meters of park spaces per capita. Even this per-capita figure, however, lags far behind the averages in other advanced countries, including the United Kingdom.

Seoul's Endeavors for Green Welfare

Shifting the paradigm in parks and green spaces:

Green City Declaration

In April 2013, the SMG released the Green City Declaration, expanding the spatial scope of parks from green spaces to the entire city and re-defining the role and philosophy of

sustainable urban management. With the Green City Declaration, Seoul's policymakers sought to transcend the narrow focus on physical space, hardware, and administrative leadership and shift the park-related policymaking paradigm onto people, software, and civic participation instead. In February 2014, the SMG also announced the Strategic Plan for the Green City in Seoul, introducing specific measures for realizing the vision articulated in the Green City Declaration.

The SMG also launched the Blossoming Seoul Campaign in March 2013, encouraging all the 3.55 million households in Seoul to plant flowers and trees. In June 2015, the SMG introduced the Master Plan for Parks and Green Spaces 2030, envisioning the transformation of Seoul into a city of forests enjoyable by all citizens.

**Major parks marking the steps toward realizing green welfare:
Pureun Arboretum, Seoul Botanical Garden at Magok,
and Themed Forests**

Pureun Arboretum, the first public arboretum in Seoul, came into being on a site near the water reservoir in Hangdong, Guro-gu, in June 2013. Encompassing a total area of 103,354 square meters (eight times the size of the Seoul Plaza)

and featuring over 1,700 varieties of trees, flowering plants and shrubs, Pureun Arboretum has become one of the most beloved green spaces in the southwestern part of Seoul. In November 2015, the construction of the Seoul Botanical Garden in the center of the Magok District began. The botanical garden, once completed, is to feature an “urban-style botanical garden” and a “lake park,” themed with plants and water, respectively, over a total area of 503,000 square meters (or 657,000 square meters, if the areas of water are counted as well).

In March 2015, the SMG announced its plan to form 1,000 forests and gardens on various idle sites throughout the city. Four months later, the SMG also unleashed its 90 Lifecycle-Themed Forests Development Plan, the first of its kind in the world. The plan envisions providing different types of forests for different phases of human life, including the prenatal period, toddlerhood, childhood, teenage, adulthood, and old age, as well as the entire lifecycle. In September the same year, the SMG also hosted the Seoul Garden Expo, turning the outdated World Cup Park into 80 themed gardens.

Using parks for urban renewal:

Gyeongchunseon and Gyeonguiseon Parks, NTS Annex Park, and Nodeulseom Island Park

In 2013, the SMG decided to turn the abandoned railways along Gyeongchunseon and Gyeonguiseon Lines into parks, and began the park development along Gyeongchunseon first in November that year, unveiling a new green venue of community activities for locals in August 2015. In May 2015, the SMG also demolished the annex to the National Tax Service (NTS) that stood next to Deoksugung Royal Palace, thereby removing a vestige of Japanese colonial rule for 78 years and restoring the historic value of the area along Sejong-daero. The SMG's design competition for the park to be erected on the site now left vacant resulted in the selection of Terminal 7 Architects' "Seoul Chronicle," forming the blueprint for the creation of a history- and culture-themed park.

The development of Nodeulseom Island into a tourist destination was a cause for a significant controversy and division among local residents. The SMG sought to break through the deadlock in this situation by unveiling a plan, in November 2015, to transform the island into a new cultural

complex featuring a forest and programs along the trekking trails in the forest by 2018. In December 2015, the SMG also decided to restore the 22,330 square meters of land in the Namsan Yejangjarak area, which used to house a training ground for the soldiers of the Joseon Dynasty, and which had lost its original form under Japanese colonial rule. The SMG decided to turn this area into a new park for citizens.

Re-channeling cars-only roads into the underground area and transforming the abandoned roads on the ground into new parks

In September 2013, the SMC enacted the proposed modification to the urban facility plan, which proposed burying the 7.53-kilometer-long Gukhoe-road (formerly known as “Jemulpo-gil”) underground and transforming the existing road into a park. The old Gukhoe-road extended between Sinwol Interchange in Yangcheon-gu and Yeoui-daero in Yeongdeungpo-gu. Throughout 2014, the SMG sought to resolve the conflict among locals over the plan, hosting a public hearing on the environmental impact assessment results in December that year, and was finally able to execute its plan in October 2015. In addition, having decided to turn the 10.33-kilometer-long, four-lane Seobu Arterial Road, ex-

tending between Seongsandaegyo Bridge in Yeongdeungpo-gu and Geumcheon Interchange in Geumcheon-gu, into an underground road and to transform the existing tunnel into a park, the SMG launched the groundbreaking ceremony for the project in October 2015. The SMG, furthermore, plans to do the same to the Dongbu Arterial Road, extending between Sanggye in Nowon-gu and Seongsu-dong in Seongdong-gu along the Jungnangcheon River. The decision to bury cars-only main roads underground and transform the abandoned roads on the ground into parks is expected to further enhance the quality of life for locals.

Rediscovering the joy of walking: Seoul Dulle-Gil

In November 2014, the entire 157 kilometers of the eight parts of the Seoul Dulle-Gil were finally unveiled to the public. Also known as the Seoul Do Dream Road, this extensive walking trail extending throughout the city includes the main Seoul Dulle-Gil, the Seoul City Wall Trail, the Nearby Hills Trail, the Ecology Trail, and the Hangang River Trail. Seoul, surrounded by mountains on all sides, features a unique topography that offers scenic landscapes, along with

the historic Buddhist temples and other ruins, for residents and visitors alike all year round. The completion of the Seoul Dulle-Gil has opened up new opportunities with which citizens could walk through, explore, and rediscover the diverse historic and cultural assets of Seoul.



“

The Green City Declaration
captures a vision for the everyday
lives of citizens
surrounded and enriched by the
natural environment.

”

Core Projects and Major Achievements

Green City Declaration



April 2013: Green City Declaration released.
February 2014: Strategic Plan for Green City announced to realize the declaration.

March 2013:
Blossoming Seoul Campaign launched.
June 2015: Master Plan for Parks and
Green Spaces 2030 announced.

2030

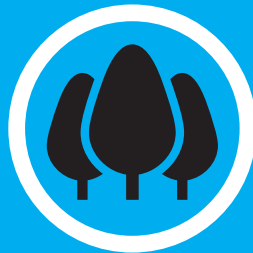


Creating diverse parks and green spaces

to maximize citizens' green welfare

June 2013: Pureun Arboretum opened in Hang-dong, Guro-gu.

November 2015: Construction of the Seoul Botanical Garden began in Magok Central Park.



March 2015: Plan for 1,000 Forests and Gardens announced.

July 2015: 90 Lifecycle-Themed Forests Development Plan announced.

Using parks for urban renewal



May 2015: Plan for turning the former site of the NTS annex into a park announced.

November 2015: Nodeulseom Island Development Plan announced.

August 2015:

First phase of the Gyeongchunseon Railway Park Transformation Project completed.

December 2015:

Plan to restore Namsan Yejangjarak into a park announced.



Burying cars-only roads underground and

turning abandoned roads into parks

September 2013:

Decision to bury Gukhoe-road underground and transform the roads on the ground into a park approved.

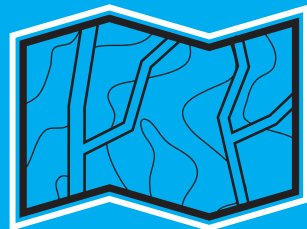


October 2015:

Construction launched.

October 2015:

Groundbreaking ceremony to bury the Seobu Arterial Road underground and create a park above the ground held; decision made to do the same to Dongbu Arterial Road.



CHAPTER 4

FUTURE





**“The most important investment to
make is investment in people.”**



서울연구원
The Seoul Institute

Public housing projects are not charity projects for the poor. They matter fundamentally to what kind of landscape we, citizens, are to create together for our city.

Solving the public housing problem requires us to pay attention to the neglected lives and voices in Seoul.

Public housing designs catering to tenants' needs start from believing in the value of respect for diversity and peaceful co-existence.

Our plans to turn idle and fallow sites into new multipurpose complexes reflect our wish to share as much of our urban space as possible with all citizens.

Our support for landowners letting properties and remodeling reflects our wish to enable both landowners and tenants, old residents and new residents, to maintain a better balance and partnership with each other.

The Hope Nest Project dreams of a better future for everyone.

Our vision for sustainable natural and living environments and the welfare of future generations requires us to restore the lost wisdom of old neighborhood communities.

It will allow us to develop an expanded sense of self.

SECTION 15



Housing Policy





A Vision for Seoul as a Nest of Hopes

Seoul's public housing policy faced a watershed moment after the local elections of 2010. The officials who won the elections agreed to increase the number of public housing units available to citizens from 60,000 to 80,000, and embraced a new paradigm on public housing and how it was to be developed. The goal of providing 80,000 public housing units seemed too ambitious at first, given the fact that Seoul was running out of available parcels of land and facing mounting fiscal debts. Even if the number of housing units were to be developed and provided as planned, however, it would have made up less than 10 percent of all the housing stock in the city. This is why the SMG needs to expand its public housing policy support, despite the worries and criticisms.

The rapid shift in the social paradigm due to demographic and structural changes makes it increasingly difficult for the city to satisfy the needs of all tenants with a single type of public housing design or structure. While public housing has primarily catered to the needs of the low-income class

until now, policymakers are also increasingly required to consider the housing welfare of the middle class now that low economic growth has become the new norm.

Providing public housing tailored to the different needs of tenants embodies respect for the diversity and the importance of peaceful co-existence. The vision of turning fallow parcels of land into multipurpose complexes reflects our wish to share our urban space with every citizen as much as possible. Policy support for leased properties, remodeling, and private-sector development reflects our wish to find more effective solutions to the housing problem. Our vision for sustainable natural and living environments as well as for the welfare of future generations requires us to restore the wisdom of old neighborhood communities. The SMG plans to increase the quantity of public housing up to 10 percent of all the housing stock in the city by 2020. It will reduce the financial burden of rents on the low-income class and strengthen the welfare of tenants living in the existing public housing projects. The SMG will strive to reduce the financial burden of housing on all citizens struggling with rents and financial needs.

Reality of Housing Supply in Seoul Today

Housing supply rates continue to rise, yet the amount of public housing supply still remains insufficient

The housing supply rate in Korea stood at 103.5 percent as of 2014, while the rate in Seoul was 97.9 percent in the same year. Only 40.2 percent of households, however, live in homes that they own. In the meantime, the proportion of the low-income class in the total population was 50 percent, while the proportion of the high-income class was 77.7 percent. Public housing makes up a meager 5.5 percent of all housing supply available throughout Korea, and 6.1 percent in Seoul. Property owners are rapidly converting jeonse-type homes (requiring tenants to pay a big sum of deposit for the exclusive use of a given property for two years) into monthly rent-based leases, raising the cost of housing and living on the majority of households.

Rising housing prices and jeonse deposits and the spread of house poverty

The costs of homeownership and jeonse deposits remained more or less stable in the 1990s, but have since doubled over time. The housing price index rose from 53.3 in 2000 to 98.2 in 2014, while the jeonse deposit index also almost doubled from 50.9 to 97.4 over the same period of time. Of all households living in the rented homes, 47.8 percent spend more than a quarter of their income on housing. Furthermore, 36.3 percent of young, single-person households live in underground rooms or goshiwon-type collective boarding buildings that provide quite poor living environments.

Seoul's Endeavors for Greater Housing Welfare for Everyone

Hope Nest Project for providing 80,000 units of public housing

In May 2012, the SMG announced the Hope Nest Project,

unveiling its plan to increase the number of available public housing units in Seoul to 80,000. Having already supplied 81,624 units of public housing, the SMG announced a new plan in March 2014 for providing an additional 80,000 units of public housing, and followed it up with a detailed action plan in December 2014. Given the shortage of land and the fiscal debts the SMG is facing, the latter plan seems almost too ambitious. Nevertheless, the SMG has been working steadfastly to meet its goal, by introducing innovative models of public-private partnerships, using as many of the fallow and small parcels of land as possible, and diversifying the types of public housing tailored to different tenants' needs, such as the Long-Term Stability Housing Project, the Hope Housing Project, public dormitories, the Medical Care Housing Project, public studio apartments, the Safety Housing Project for Women, the Poor Housing Remodeling Project, community housing projects, and housing cooperatives.

Evolution of public housing:

Diversifying the types of public housing for different tenants' needs

In January 2012, the SMG announced its Hope Housing

Project Plan, expanding upon the Youth Housing Project and promising to increase the housing supply for college- and university-enrolled students in Seoul. The project formed the first example of the SMG's new public housing policy that now primarily focused on tenants' needs rather than suppliers' interests. A series of innovative public housing models and projects followed over the course of 2012, including the Long-Term Stability Housing Project providing sublet housing for low-income families (February); the Poor Housing Remodeling Project (June); the rental housing cooperatives (July); and the public dormitories (September). In January 2013, the SMG announced its 80,000 Units of Public Housing Plus Alpha, a comprehensive plan for providing needs-tailored public housing. Then Seoul became the first city in Korea to introduce the Medical Care Housing Project, the residential program for single-person enterprises, and the Safe Housing Project for Women in February, April, and October 2014, respectively. The SMC enacted the Metropolitan Ordinance on Public Housing Development and Supply in January 2015, providing legislative support for the SMG's innovative public housing experiments. In April the same year, the SMG released its plans for increasing rent deposit subsidies and the Long-Term Public Housing Projects.

In July, it also unveiled a plan for developing public housing catering specifically to newlyweds. With these projects, Seoul is emerging as a new central testbed for innovative public housing initiatives.

**A new model of public-private
partnership on public housing development:
Seoul REITs**

Real Estate Investment Trusts (REITs) provide a solution to mobilizing the available private-sector financial resources for developing public housing and properties without having to rely excessively on the fiscal revenue, while also adding to the stability of housing projects. Recognizing this potential of REITs, the SMG introduced a plan to form the Seoul REITs in July 2015 as part of its plan to meet its public housing objectives. The funds raised by the Seoul REITs will go mainly toward developing housing projects for the young generation, including people in their 20s and 30s as well as newlyweds, who are most victimized by the growing volatility on the housing market. Seoul Housing Corporation (SH) has agreed to provide the initial capital investment for setting up the REITs, which will then go on to gather

investments from private investors to develop public housing projects. These projects will charge 80 percent or less of the usual rents and limit the inflation of the rents to five percent or less a year, allowing tenants to stay up to seven years. The Seoul REITs Public Housing Projects, expected to provide the much-needed housing relief for the young generation, will provide housing for 20,000 households until the end of 2018. The SMG has designated the Eunpyeong New Town Zone as the site for the first REITs housing project.

Introducing a new paradigm on housing management:

Public Innovation in Housing Management Plan

In June 2015, the SMG announced the Public Innovation in Housing Management Plan, introducing innovative measures across three main areas of housing-related issues, including the development and management of apartment buildings (in which over 60 percent of Seoul's citizens live), collective residential buildings, and the new town and redevelopment projects. The measures for innovation in apartment management included redefining the roles of management authorities, introducing new management techniques, applying the quality grades, using online and mobile voting to

ascertain residents' opinions, requiring mandatory budgets for community activities and facilities and hiring community coordinators, holding joint housing fairs, and launching the Joint Housing Management Support Center.

Innovative measures for the management of collective residential buildings included amending the Collective Building Act toward providing the legal basis for public intervention in property management, developing an integrated database, assembling collective residential building management groups, introducing criteria for managing collective residential buildings, operating counseling and education/training services, instituting regular and ongoing public-private inspection and auditing, and managing a dispute settlement committee. Finally, innovative measures for new town and redevelopment project management included identifying idle development cooperatives, introducing an electronic bidding system for construction works, enhancing the transparent disclosure of information, appointing public attorneys to attend important meetings, strengthening the inspection of development cooperatives and their management, introducing rules for electing and managing development cooperative executives, and reinforcing the capabilities of developers.

Housing Stability Plan for the housing minority

Since 2012, the SMG has been working with housing welfare organizations throughout the city and operating the Housing Welfare Support Centers in major districts in order to ascertain the reality of housing welfare for tenants living in public housing and identify the forms of support needed. The SMG has also opened the Housing Rent and Deposit Subsidization Center to resolve disputes between lessors and lessees, prevent financial losses of tenants, and refer clients to affordable loans for rents and housing deposits. Between its opening in August 2012 and October 2015, the center handled 144,000 cases in total. The short-term housing rent and deposit subsidies it provides for tenants who are unable to receive their deposits back before they move into new homes have been very successful and popular.

In acknowledgment of the growing number of housing transactions involving monthly rents, the SMG has also been disclosing statistics on the conversion of jeonse homes into monthly-rent homes since the third quarter of 2013. These statistics provide helpful information for tenants looking to enter new homes or renew their leases, and also help them avoid unfairly high rents.

“

Our vision for sustainable natural
and living environments and
the welfare of future generations
requires us to restore
the lost wisdom
of old neighborhood
communities.

It will allow us to develop an
expanded sense of self.

”

Core Projects and Major Achievements

80,000 units of public housing provided



80,000 + 80,000

May 2012: Plan to provide 80,000 units of public housing announced

→ March 2014: Plan to provide another 80,000 units announced.

SMG succeeded in over-achieving its target, having provided 81,624 units between 2012 and 2014, and continues to work on providing the additional 80,000 units.

Diversifying public housing types



| Tailored to tenants' needs |

Long-Term Stability Housing Project, Hope Housing Project, public dormitories, Medical Care Housing Project, community housing, etc.

January 2013: 80,000 Units of Public Housing Plus Alpha announced → Metropolitan Ordinance on the Supply of Public Housing enacted in January 2015.

80,000 + α



Seoul REITs Housing

July 2015:

Seoul REITs, a new model of public-private partnership on public housing development, announced.

July 2016:

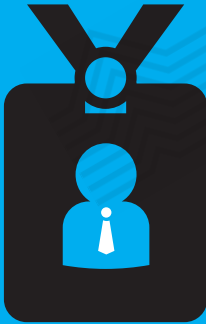
Eunpyeong New Town District announced as the site for the first Seoul REITs Housing Project → 20,000 units to be provided until 2018.



20,000

REITs

Supporting the housing welfare of the housing minority



2012:

Housing Welfare Support Centers and the Housing Rent and Deposit Subsidization Center established.

2013:

Statistics on jeonse-to-monthly rent conversion disclosed.

2015: Seoul Housing Voucher reformed.

2015: Public Innovation in Housing Management Plan announced.



“When you eat your meals, make sure people around you are also eating.”

This is what my mother has been telling me since I was a child.

My family wasn't rich, but my mother was always concerned that there could be people who were doing worse than us, who were forced to skip meals or starve.

She did her best to provide food for them as much as possible.

Her teaching like this has made me realize the crucial value of free school meals.

Once I succeeded in making schools in Seoul provide free school meals, I naturally turned around and began to care about the quality of the meals fed to our children.

Feeding our children safe and nutritious meals is one of the most important investments we, as teachers and parents, could make for the future of our children.

- Excerpts from the inaugural address upon
the organization of the School Food Safety Guardians Group, April 3, 2013.

SECTION 16



Education Policy





A Vision for Seoul as an Exemplar of Educational Welfare

The governing party and its presidential candidate won the presidential election of December 2012, partly due to the strength of their campaign pledge to reduce the cost of childcare for parents by expanding the public childcare infrastructure and making the Korean state pay for the entire cost of caring for infants and toddlers under the age of five. Having won the election and now inaugurated as the President of Korea, Geun-Hye Park again promised the mayors and governors from across the nation that the national government would take up the responsibility for major national policy programs like free childcare.

President Park had also promised throughout her campaign that she would make primary and secondary education completely free phase-by-phase. The Park administration, however, amended the Enforcement Decree for the Childcare Act so that local education offices would pay for the increased childcare and education services in 2013, thus opening the way to the so-called “childcare crisis” which continues to infuriate parents today.

Now is the time we need to innovate the paradigm on the national education policy and find a more creative and effective model of partnership between the national and local governments. It takes an entire village to raise a child. Education today extends beyond the fences of schools and requires the active involvement of parents and local communities. Education needs to become a matter of community concern. That is the only way we can restore sanity to the public education system in Korea and stop the fanaticism over private education. We need to be involved in order to restore the hopes, dreams, and the future for our children, including teenagers and college students.

Reality of Educational Welfare in Seoul Today

Vain promise of providing free and universal state care for children under the age of five

Participating in a televised debate of the presidential candidates in December 2012, Geun-Hye Park promised that

her administration would expand the public childcare infrastructure and make the national government provide active financial support for childcare by providing completely free and universal childcare services for children under the age of five. Having gathered the mayors of metropolitan cities and the governors of provinces from across Korea in a meeting at the Blue House in January 2013, Park, now the newly elected President, again affirmed that it was the national government's responsibility to pay for major national policy initiatives like free and universal childcare. Park, however, has since abandoned her promises, letting local governments and education offices struggle to pay for the free childcare services that she herself had promised.

The national government's promises of free primary and secondary education and halving the university tuition fees have yet to be realized

President Park also promised to make primary and secondary education completely free phase-by-phase. Yet parents are still required to pay for school meals and uniforms. While the Park administration claimed that it has realized its promise of halving the university tuition fees in effect by

increasing the available financial aid, parents and students would disagree.

Seoul's Endeavors for Educational Welfare

Providing healthy and safe school meals for students

On October 27, 2011, the newly elected Mayor Won-Soon Park signed the historic bill on providing eco-friendly and safe school meals for all 198,000 students in Grades 5 and 6 throughout Seoul as his first job in office. By 2012, the SMG had expanded the free school lunch programs onto 598,000 students in total, including all the students enrolled in public elementary schools as well as students in their first year of public middle schools. The program was expanded to include students in their second year of middle school the following year, and finally onto all the 786,000 students enrolled in public elementary and middle schools by 2014. This radical initiative for providing school meals made with locally sourced eco-friendly ingredients has not only realized

the ideal of universal education and childcare for students, but also significantly reduced financial burdens on struggling families.

Free childcare:

Cultivating hopes for a better future

In September 2013, desperate to protect the hopes of families with young children and also to safeguard the hopes for a better future, the SMG decided to issue local government bonds worth KRW 200 billion to find the financial resources necessary to fund free childcare for children under the age of five. The SMG made this bold decision also in order to alleviate the fiscal burden that free childcare imposed on self-governing borough offices. Free and universal childcare was a key campaign pledge of President Park and her governing party. After Park was sworn in as the new President of Korea, however, her administration amended the Enforcement Decree for the Childcare Act, making the financing of free childcare a responsibility of local education offices. The “childcare crisis” has thus been raging to this day because the national government refused to take responsibility for the major national policy initiative.

Half tuition fees for university students necessary to revive hopes and dreams for the young generation

In 2012, the tuition fees at the University of Seoul, a public higher-learning institute owned by the metropolitan government, was lowered by half by the SMG intent on facilitating the education of talented future leaders and also on fostering a social atmosphere against raising tuition fees. As a result, the annual tuition fee per student for the humanities and social science programs was halved from KRW 2,228,000 in 2011 to KRW 1,114,000.

The lowered tuition fees have increased the sense of moral burden on students, leading them to promise to participate more actively in serving their communities and fellow citizens through an official ceremony and to organize and launch diverse social contribution programs. In December 2013, the University of Seoul announced its University Operation and Management Revitalization Plan, introducing measures to enhance the university's autonomy and public value.

Improving school bathrooms: Dream Together Project

In October 2014, the SMG launched the Dream Together Project in the 26 buildings of seven schools selected for the trial application of the project. The project, whose trial phase came to a completion in February 2015, involved tidying up and improving school bathrooms. Collaboration with the Seoul Metropolitan Office of Education led to the implementation of the project to 150 more buildings of 50 schools by the end of June 2015. The first public-private partnership project on improving public school bathrooms also came to a successful close in November 2015. The SMG plans to apply the project to 1,350 buildings of 675 elementary, middle and high schools—approximately 50 percent of all public schools—in Seoul by 2018, turning school bathrooms into new venues for creative thinking and re-energization.

Turning the entire city into a school

In March 2014, the SMG announced the Educational Welfare Master Plan, envisioning the transformation of entire Seoul into a gigantic learning ground upon which parents, educators, experts, and students alike could engage in diverse learning experiences and grow into mature democratic citizens. The plan supports the resolution of various educational

and school problems facing Seoul through the active participation of citizens in various boroughs. In November the same year, the SMG teamed up with the Seoul Metropolitan Office of Education on the project of demolishing barriers to local self-governance and educational self-governance, together declaring the Five Visions for Seoul as an Educational Innovation City and announcing the 20 major projects and tasks across four areas upon which they are to collaborate toward accomplishing those visions.

Restoring balance and solidarity to local communities:

Education-First Districts Project

In March 2014, the SMG announced the Education-First Districts Project with a view to mitigating the gap in the quality of education among boroughs and enhance educational welfare for all citizens. The project has been quite effective in mobilizing diverse human and material resources available at the local level for fostering a more creative and autonomy-encouraging learning environment for students. The project has also helped to reduce the financial burden of private education and lessen the educational gap along the local and class lines. The project first started in 11 self-gov-

erning boroughs in 2014. A year later, the SMG organized the Seoul Educational Innovation Fair to share the results of assessing the performance of the project.

Lifelong civic education crucial to strengthening the power and competitiveness of a city

The SMG released the Lifelong Education Plan in April 2013, under the slogan, “Lifelong Education for Reawakening Oneself and Changing the World,” emphasizing the role of lifelong education in encouraging self-reflection and cultivating healthy democratic citizenship. For the systematic realization of this vision, the SMG opened the Seoul Metropolitan Institute for Lifelong Education (SMILE) in April 2014. By July 2015, the SMG had also signed a memorandum of agreement with five local universities on running lifelong education programs for citizens. The SMG plans to enter similar agreements with 25 more universities and colleges and also to establish an open and free civic college, providing non-degree lifelong education programs, by 2017.

“

Feeding our children safe and nutritious meals is one of the most important investments we, as teachers and parents, could make for the future of our children.

”



Core Projects and Major Achievements

Free, safe and nutritious school meals



October 27, 2011:

Mayor Park signs the bill on providing free school meals (for fifth and sixth graders) as the first job in office.



Free school meal program expanded onto first-year middle-school students in 2012, second-year middle-school students in 2013, and all middle-school students in 2014.

Halving the university tuition fees



1/2

2012:

University of Seoul reduces tuition fees by half, as indicated on tuition bills.

December 2013:

University of Seoul announces the University Operation and Management Revitalization Plan toward enhancing its autonomy and public value.

Dream Together Project

October 2014 to February 2015:

Bathrooms in 26 buildings of seven schools renovated.

From April 2015 to 2018:

Bathrooms in 1,350 buildings in 675 public schools to be renovated.

1,350



Educational Welfare Declaration



March 2014:

SMG announces the Educational Welfare Master Plan, introducing 81 specific projects.

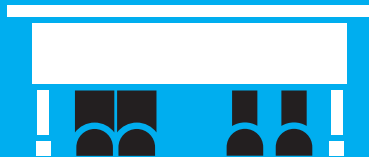
March 2014:

Education-First Districts Project announced.



November 2014:

Five Visions for Seoul as an Educational Innovation City declared.



The Seoul Future Heritage Project was born under a sense of an impending crisis that the conservation of Seoul's historic assets should no longer be postponed.

Seoul has undergone a compressed process of growth over the last several decades, and lost much of its modern and contemporary historical assets to the zeal for redevelopment and construction.

The Cultural Heritage Protection Act fails to ensure adequate protection for many of Seoul's rich historical and cultural assets.

The SMG decided to tackle the problem by itself head on.

It has set out to identify historical and cultural assets that are not currently deemed as cultural properties worthy of protection, but that could become valuable assets in the next 50 or 100 years, and actively conserve them.

The SMG wishes to preserve the rich stories of the 20th-century Seoul for the future generation to explore and admire so that the unique history, traditions, and culture of Seoul could continue to live on and flourish as resources for tourism.

- Excerpts from the keynote address upon the appointment of members to the
Seoul Future Heritage Conservation Committee, October 5, 2012.

SECTION 17



Culture Policy





A Vision for Seoul as a Capital City of Culture and the Arts

Because Seoul has undergone remarkable and compressed growth over the last few decades, much of its modern historical assets have been lost to development and construction. The Cultural Heritage Protection Act (CHPA) in Korea also fails to protect a large proportion of important modern historical assets. The SMG has decided to tackle this problem by itself head on, and set out to identify and conserve modern historical assets with significant potentials for becoming part of Korea's essential heritage 50 or 100 years down the road. The SMG strives to preserve the rich and diverse stories of the 20th-century Seoul for the future generation to explore and admire so that the unique historical and cultural assets of Seoul could continue to form the resources for citizens' enjoyment and tourism.

Seoul is an important city boasting over 2,000 years of history. It is home to a wide range of unique natural, historical, cultural, and artistic assets. People today tend to think of Seoul as a cutting-edge technopolis characterized by countless skyscrapers. In fact, however, the city has been the

capital city of the numerous kingdoms dominant in Korea, including the Baekje and Joseon Dynasties, for hundreds of years. Seoul's policymakers are convinced that the keys to enhancing the city's competitiveness and brand value lie in preserving and restoring the natural, historical, and cultural treasures that the city has amassed over the last two millennia.

Citizens' needs and demands regarding culture and the arts change over time. The paradigm of the culture policy should also adapt and evolve in light of these changing needs. Citizens today want culture and the arts to heal their wounds from frantic urban lives and cure their solitude. They look for opportunities for participation, communication, health, and enjoyment in culture and the arts. Seoul should become a capital city of living culture and the arts, enabling everyone to access and enjoy the diverse cultural and historical resources it has to offer.

Reality of Culture and the arts in Seoul Today

**Efforts continue to identify and preserve historic and cultural assets,
but without the help of a long-term vision**

South Korea boasts the 13th-largest GDP in the world (IMF, 2014). Yet it came in 27th in terms of the strength of the national brand (GfK, 2014), while Seoul's brand power was ranked in the 30th place (Anholt-GMI, 2014). Korea's brand, in other words, is significantly undervalued in comparison to the country's economic strength. This situation requires policymakers, particularly in Seoul, to develop strategies for discovering and protecting historical and cultural assets into new resources for enhancing the national brand.

**Citizens' leisure time has increased,
but the majority of citizens still spend
their leisure time on a limited range of passive activities**

The most popular pastime activity in Korea is watching TV (51.4 percent), followed by web surfing (11.5 percent) and walking (4.5 percent). The most popular "cultural" activity in which Koreans engage is going to the movies (65.8 percent), followed by attending pop music concerts or following celebrities (14.4 percent; Ministry of Culture, Sports, and Tourism,

2015). The sorry state of leisure in Korea urges policymakers to expand the infrastructure for more diverse cultural and artistic activities and to introduce programs for supporting citizens' creativity.

Seoul's Endeavors for Cultural and Artistic Projects

Preserving the 2,000-year history of Seoul: Having the Seoul City Wall and the Baekje Relics included in the UNESCO World Heritage

In May 2012, the SMG announced the Master Plan for the Preservation, Management, and Utilization of the Seoul City Wall, aiming to restore and connect the entire fortress and have it included in the UNESCO World Heritage by 2015. Thanks to these efforts, the Seoul City Wall was designated for prior consideration for inclusion in the UNESCO World Heritage in November 2014. In April 2012, the SMG also opened the Seoul Baekje Museum with the aspiration toward having the historical assets dating back to the Baekje King-

dom period included in the UNESCO World Heritage. The eight Baekje Historic Areas in Gongju, Buyeo, and Iksan—all outside Seoul—were finally included in the UNESCO World Heritage in 2015, raising the possibility of registering the related relics found in Seoul, such as the Pungnap-toseong Fortress, the Mongchontoseong Fortress, the Seokcheon-dong Tomb, and the Tomb Cluster in Bangyi-dong as part of the already registered Baekje Historic Areas.

Future Heritage Project:

Identifying treasures to shape the next century of Seoul

In June 2012, the SMG unveiled its plan for the Future Heritage Project, intended to discover and conserve modern historical assets to shape the next century of Seoul. More specifically, the project focuses upon designating and preserving parts of Seoul's modern and contemporary history that possess significant historical, artistic, and academic values and that deserve to be preserved for the sake of future generations. As the zeal for rapid development and transformation continues to undermine potentially important modern and contemporary historical assets long before their values are properly appraised, the SMG has set out to discover

and protect important parts of modern and contemporary historical heritage in an effort to preserve the reputation of Seoul as a city with over 2,000 years of history. The project led to the designation of 281 assets in 2013, 53 in 2014, and 44 in 2015 for preservation and conservation.

Five major cultural venues as the new central hubs for Seoul's creative economy

Recognizing the importance of culture and the arts in fostering a creative economy, the SMG announced its plan for the development of five new major venues for culture and the arts in February 2015. The five venues are the Seoul Philharmonic Orchestra Concert Hall for popularizing classical music; the Seoul Crafts and Culture Museum as a new base for everyday crafts and handicraft industries; the Gugak Music Hall and the Museum of Gugak Musical Instruments and Songs for revitalizing traditional Korean music; the Seoul Cinematheque for playing a wide range of independent and arthouse films and facilitating creative activities of citizens and filmmakers; and the Seoul Arena, the first arena-scale multipurpose complex (capable of accommodating 20,000 audience members) for accommodating diverse pop music and

culture events. The construction of the Seoul Crafts and Culture Museum and the Gugak Music Hall have already begun. As for the rest, the SMG is working on selecting the sites and deciding other details of planning.

Establishing multipurpose culture centers in various zones to enhance citizens' access to culture and the arts

Mayor Won-Soon Park has been encouraging the development and expansion of cultural infrastructure so as to enhance citizens' access to culture and the arts. A key feature of this infrastructure expansion plan involves creating multipurpose culture centers at various locations throughout Seoul. In April 2015, the Guui Water Intake Station, which had been out of operation for some time, was transformed into the Seoul Street Art Center supporting various creative activities. The SMG also intends to set up the Sinchon Cultural Development Institute within the Sinchon Renovation District. In an effort to ensure a more even distribution of cultural facilities and resources across Seoul, the SMG has also begun to provide active support for the establishment of new multipurpose culture centers in various neighborhoods, including the Gajaeul New Town, the Mia New Town, the

Gireum New Town, Pyeongchang-dong in Jongno-gu, Nae-balsan-dong in Gangseo-gu, and the former site of Pangrim Textiles in Yeongdeungpo.

Making Seoul a city of booklovers:

Making public libraries more accessible to all citizens

In July 2012, the SMG announced its Master Plan for Public Library Development and Reading Culture, with the goal of making Seoul a city of booklovers. The Seoul Public Library, at the center of the city's public library network, was opened in the old building of the Seoul City Hall in October 2012. In July 2015, it welcomed the 100,000th member to its membership.

In July 2015, the Miracle Public Library, the first public library catering exclusively to children, was opened. With active support and cooperation from borough offices and other affiliated institutions, the SMG has been increasing the number of public and neighborhood libraries every year since Mayor Park took up his office. The SMG plans to increase the number of public libraries to 165 in total by 2018. To enhance citizens' access to books, the SMG has also introduced a number of innovative programs based

upon citizens' participation, including the Subway Libraries, the Traveling Libraries, the Citizens' Book Market, the Secondhand Book Vendors Street Revitalization Program, and book festivals.

Promoting citizens' health by encouraging everyday sports

In October 2012, the SMG announced its Master Plan for Sports Policy 2020 with the goal of enhancing citizens' health by encouraging everyday sports. In July 2013, the SMG also launched the first-ever campaign based upon public-private partnership in Korea, "Let's Exercise, Seoul!", to encourage citizens to engage in diverse athletic activities.

Gocheok Sky Dome, Korea's first domed baseball stadium and the home to the Seoul-based professional baseball team, the Heroes, was opened in November 2015. Ever since, it has been an important venue for various events celebrating everyday and elderly athleticism. The baseball stadium has also been home to the S-League events of amateur athletes in Seoul since 2015. The SMG has also decided to increase the number of accessible and neighborhood-based public sports facilities to 261 by 2018, adding 39 in 2014 and 33 more in 2015.

“

The SMG wishes to preserve
the rich stories
of the 20th-century Seoul
for the future generation to
explore and admire
so that the unique history,
traditions, and culture
of Seoul could
continue to live on and flourish
as resources for tourism.

”



Core Projects and Major Achievements

Including Seoul's historical assets into the UNESCO World Heritage



May 2012:
Seoul City Wall Master Plan announced.

November 2014:
Seoul City Wall designated for prior consideration for inclusion in the UNESCO World Heritage.



April 2012:
Seoul Baekje Museum opened.

December 2015:
Plan for early compensation for properties expropriated for the restoration of Pungnapdoseong Fortress announced.

Creating five major venues for culture



February 2015:
Plan for the creation of five major venues for culture announced.



Increasing public libraries and enhancing citizens' access to books



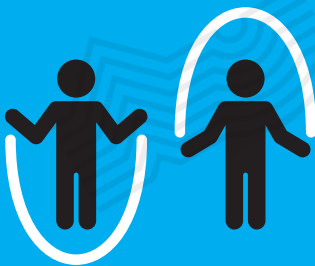
July 2012:
Master Plan for Public Library Development and Reading Culture announced.

October 2012:
Seoul Public Library opened and 19 new public and neighborhood libraries added (as of 2015).

19

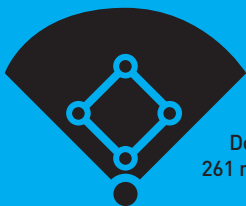


Encouraging everyday sports



October 2012:
Master Plan for Sports Policy 2020 announced.

July 2013:
"Let's Exercise, Seoul!" campaign launched.



261

November 2015:
Gocheok Sky
Dome Baseball Stadium opened.
261 new neighborhood sports facilities
to be created by 2018.



“One Less Nuclear Power Plant Program” marks a clear paradigm shift in policy values.

Whereas Seoul has focused mainly on saving energy until now, it is now repositioning itself as an energy-generating city.

We are making this transition because we believe this is a worthy investment to make for the sustainable lives of all citizens, and because we believe we can respond to today’s growing demand for sustainability and co-existence better this way.

The One Less Nuclear Power Plant Program will mark the efforts of the SMG to brace itself for every foreseeable emergency situations.

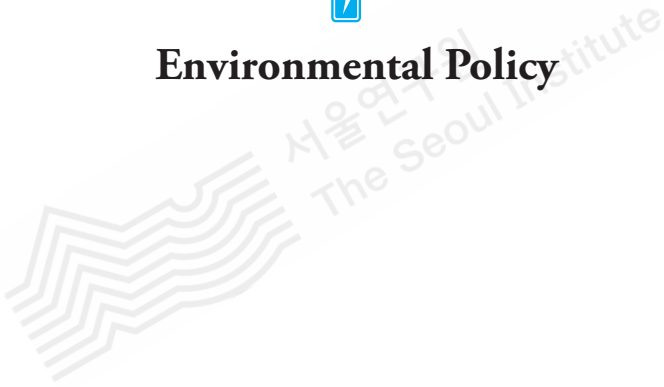
It captures our ambition to enhance the electricity self-sufficiency of Seoul and to secure safe and sustainable sources of energy toward reducing greenhouse gas emissions in the long run.

That is why this program represents a noble investment in our own and our children’s future.

SECTION 18



Environmental Policy





A Vision for Seoul as a City with One Less Nuclear Power Plant

Climate change, the greatest threat to the sustainability of nature on earth, began to affect Seoul dramatically in the summer of 2011. The abrupt and heavy rainfall, reaching 113 millimeters per hour, flooded various parts of the city and even led to an avalanche that caused human casualties. It left us vulnerable and overwhelmed, because we knew we could not blame anyone else but only ourselves for the depth of the catastrophe we had just experienced.

The 10 million residents of Seoul together consume 17 million tons of oil equivalent (TOE), but only 2.8 percent of electricity consumed citywide is generated within the city. The gross imbalance between energy supply and demand in Seoul goes straight against any conceptions of justice or democracy. Energy generated by new or renewable sources also accounts for a pale 1.5 percent of the total energy consumed in Seoul. Yet the citywide consumption of electricity and energy in Seoul has been on a steady rise over the last few decades.

The SMG's One Less Nuclear Power Plant Program, unveiled in April 2012, marks a clear paradigm shift in policy

values. If Seoul's past energy policies focused upon saving energy, the new policy program marked Seoul's transition into an energy-generating city toward approximating the ideal of energy justice. Under this policy plan, the SMG strives to enhance Seoul's energy self-sufficiency and contributions, increase collaboration with regions outside Seoul, and strengthen the energy welfare of minorities, thereby raising the city's electricity self-sufficiency to 20 percent by 2020. Seoul's policymakers are convinced that the new program represents a worthy investment in the sustainable lives of all citizens and that it responds to today's growing demand for sustainability and co-existence. Seoul may have been slower than other comparable cities around the world to adopt such an energy initiative. But its embrace of this new energy policy paradigm will not go unnoticed.

Seoul aspires toward becoming a sustainable and energy self-sufficient city by outgrowing the mold of being a heavy energy consumer. It has taken its first step toward leading the international efforts to fight climate change. The One Less Nuclear Power Plant Program also represents the SMG's ambition to brace itself for every possible and foreseeable event of disaster and emergency. The program will help the city raise its electricity self-sufficiency, secure and develop

safe and sustainable sources of energy, and reduce greenhouse gas emissions in the long run. The program will mark a noble investment in our own and our children's future.

Reality of Energy Consumption in Seoul Today

Climate change affects Korea all the more dramatically than the rest of the world

The global average temperature rose by 0.74°C and the sea level kept rising by 1.8 millimeters a year on average over the last century or so (IPCC, 2007). The average temperature of the six major metropolitan cities in Korea, however, rose by 1.7°C and the amount of annual precipitation kept increasing at 19 percent a year on average in Korea over the same period of time. Moreover, the sea level around Jeju Island has risen by 22 centimeters in total or 5.1 millimeters a year on average over the last 43 years. By the end of the 21st century, Korea's average temperature will be higher by 4°C , precipitation level will have increased by 17 percent, and the

average sea level will have risen by 69 centimeters.

Energy consumption on rise and the increasing reliance on nuclear power

Energy consumption has been on a steady rise across Korea, and the energy demand is expected to rise to 254 million TOE by 2035, having grown at an average rate of 0.9 percent a year from the 205 million TOE in 2011. This will keep Korea's dependency on imported fuels alarmingly high, at 96 to 97 percent, and compel policymakers to add seven more nuclear power plants to the 23 existing ones and 11 under construction, despite the rising anti-nuclear public sentiment inspired by the Fukushima nuclear meltdown.

Seoul's Endeavors for Energy Self-Sufficiency

Transitioning from an energy consumer to an energy generator: One Less Nuclear Power Plant Program

In April 2012, the SMG announced the One Less Nuclear Power Plant Program Master Plan, declaring its goal to transform Seoul from an energy consumer into an energy generator. The program is meant to reduce Seoul's energy demand by two million TOE—equivalent to the average power output of a nuclear power plant in Korea—by 2014, and also to raise the city's electricity self-sufficiency from 2.8 percent to 8 percent in 2014 and further to 20 percent in 2020. By 2014, Seoul had effectively reduced its energy consumption by more than two million TOE. Mayor Won-Soon Park's administration has launched the second phase of the program after the mayor won his second election.

The first phase of the program helped Seoul reduce its total energy consumption by 4.8 percent, from 47,295 GWh in 2010 to 45,019 GWh in 2014. Specifically, the city's electricity consumption decreased over the two consecutive years, by 1.3 percent from 2012 to 2013 and by 3.3 percent from 2013 to 2014. This is particularly remarkable when we consider that electricity consumption nationwide in Korea grew by 0.6 percent over the same period of time. The amount of electricity consumption Seoul managed to reduce between 2013 and 2014, 1,536 GWh, is equivalent to the amount of electricity that 420,000 households together consume each

year, and even exceeds the 1,506 GWh of electricity that the entire borough of Yangcheon-gu consumes a year on average.

Finding hopes for future energy in the sun:

Seoul as a solar city

Under Mayor Park's leadership, the SMG entered an agreement with the Seoul Metropolitan Office of Education and the Seoul Citizens Solar Power Cooperative in June 2012 on launching the Civic Solar Power Project. Two months later, the SMG also entered a public-private partnership agreement with Hanhwa Solar Energy in order to develop and distribute solar energy in Seoul. Hanhwa agreed to invest KRW 300 billion until 2014 in installing photovoltaic facilities throughout Seoul, capable of generating 100 MW of electricity in total, while the SMG agreed to provide public parcels of land and licensing and administrative support necessary for the project. In July 2015, the SMG successfully launched the first Seoul Photovoltaic Energy Fund, raising the entire cost for building a photovoltaic power plant, KRW 8.25 billion, with the donations and investments by ordinary citizens.

In May 2013, the SMG announced the Solar Power Support Plan, introducing measures of support for small-scale

photovoltaic energy facilities struggling with various difficulties, including the relatively short daylight hours, the high costs of rents and construction, and the shortage of channels for distributing energy certificates in Seoul. Thanks to these policy measures, the number of households running on photovoltaic energy multiplied dramatically from three in 2004 to 3,552 in 2014. In particular, the launching of the One Less Nuclear Power Plant Program converted 2,369 or 66.7 percent of these households to sustainable energy over the three years from 2012 to 2014.

Ambition to become the world's best resource-recycling city

In May 2013, the SMG announced the Zero Waste Seoul 2030 Plan, introducing an improved recycling system for neighborhoods, widening the range of cooperation with large retail establishments and schools, and installing additional recycling stations at key locations in residential neighborhoods. In December 2014, the SMG also introduced the Zero Household Waste Burial Plan so as to eliminate pollution, free residents living around landfills from odors and other such nuisances, and encourage citizens across Seoul to

embrace lifestyles that produce less garbage.

In September 2012, the SMG announced its plan for the development of the Seoul Recycling Plaza, whose construction began in April 2015 after authorization was granted on its specific plan and design in March 2014. The SMG intends to transform the entire area of Janganpyeong into Korea's largest recycling and upcycling town by 2017, featuring not only the Seoul Recycling Plaza on the former site of the Jungnang Water Recycling Center in Seongdong-gu, but also secondhand car dealerships, the Jungnang Water Recycling Center, the Sewage Museum, and a park. The groundbreaking ceremony for the project also saw the SMG announce its Vision for Seoul as a Resource-Recycling City 2030.

ICLEI Seoul Declaration and other international efforts to fight climate change

In April 2014, the mayors of Beijing and Seoul together drafted and released a joint statement on strengthening the cooperation between the two cities to solve the problem of air pollution that was seriously affecting citizens' lives in both cities. The two cities agreed to install a new working-level environmental team as part of their joint committee

to handle and implement specific projects of collaboration. In April 2015, the International Council of Local Environmental Initiatives (ICLEI), the world's largest network of local governments, held its conference on climate change in Seoul. Newly elected as the president of the ICLEI, Mayor Park worked hard to build a consensus among the 1,200 member cities participating in the conference, which culminated into the Seoul Declaration, providing a practical guideline for local governments on fighting climate change and reducing greenhouse gas emissions. In December 2015, Mayor Park also attended the climate change summit of local governments and the Action Day event organized by the United Nations Framework Convention on Climate Change (UNFCCC) in Paris, seeking new and better ways for inter-city partnership on climate change management.

The parties to the Paris Agreement agreed to establish a new climate regime that would guide all nations' greenhouse gas reduction efforts post-2020, and to draft and establish a new agreement to that end. Mayor Park participated in the Action Day panel debate on climate change, sharing the SMG's measures, including the One Less Nuclear Power Plant Program, and adopting the ICLEI Declaration, for tackling climate change.

Core Projects and Major Achievements

One Less Nuclear Power Plant Program



April 2012:
One Less Nuclear Power Plant Master Plan announced, aiming to transform Seoul into an energy-generating city.



45,019_{GWH}

Citywide electricity consumption reduced by 4.8 percent
(47,295 GWh in 2010 to 45,019 GWh in 2014).

Seoul as a Solar City



June 2012:
Solar City Declaration released and the Civic Photovoltaic Power Plant launched.



August 2012:
Public-private partnership on photovoltaic energy formed.

May 2013:
Seoul Energy Generation Subsidization Program introduced.

August 2015:
Civic Fund for Photovoltaic Energy launched.



Resource-Recycling City



May 2013:
Zero Waste Seoul 2030 released.

December 2014:
Zero Household Waste Burial
Plan announced.

April 2015:
Construction of the Seoul Recycling
Plaza launched and Vision of Seoul as a
Resource-Recycling City 2030 released.

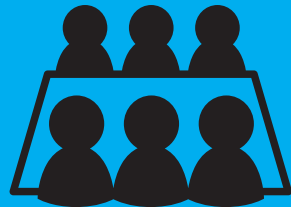


ICLEI Conference



April 2015:
ICLEI conference held in Seoul,
and the Seoul Declaration adopted.

December 2015:
Mayor Park attends the climate
change summit for local
governments held in Paris,
sharing Seoul's efforts and
adopting the ICLEI
Declaration.



Peace is a fundamental condition for the sustainable future and prosperity of everyone on the Korean Peninsula. National unification is the most important and urgent mission imposed upon us by our national and historical circumstances. We should not let any ideological or economic interests blind us to this fact.

Now is the time we end the decades of the Cold War, destruction, and confrontation, and restore stability to the lives of citizens in Seoul and across Korea through peacebuilding efforts and civilian exchange.

I hope we would gather all our wisdom, best intents, courage, and faith to this end.

That is the only way we could break the cycle of antagonism and history, and invite new streams of peace and prosperity for the Korean Peninsula.

- Excerpts from the keynote address at the Fifth Anniversary Ceremony for the 2007 Inter-Korea Summit Declaration, held on October 4, 2012.

SECTION 19



Inter-Korean Relations





A Vision for Seoul as a Leader of Inter-Korean Relations and Peace

The state of tension between South and North Korea has never been worse than today over the last several decades. All railways and roads between the two Koreas are completely blocked. Civilian exchange, including even the tourism on Mount Kumkang, has all stopped. The current state of tension has also resulted in the tragic and gratuitous deaths of South Korean civilians and soldiers. Of the 130,000 South Koreans who were registered on the South Korean national database of families with family members on the other side of the border as of 1988 and afterward, 63,000 have died without ever having chances to have even brief meetings with their loved ones.

National unification and peace, for which all Koreans have longed for, would be the natural outcomes of accumulated years of mutual exchange, recognition, understanding, and respect. When we are able to entertain the ideas of organizing joint soccer games and music concerts between the citizens of the two Koreas, we will be that much better poised to achieve national unification. Peace is a fundamen-

tal condition for the sustainable future and prosperity of everyone on the Korean Peninsula. National unification is the most important and urgent mission imposed upon us by our national and historical circumstances. We should not let any ideological or economic interests blind us to this fact.

The term “Korea discount” refers to the phenomenon of Korean corporations’ values being underestimated in comparison to those of comparable corporations elsewhere in the world. One major cause for the Korea discount is the ongoing confrontation between the two Koreas. The Korea discount is the Seoul discount. Given its position as the political, social and economic capital city of Korea and its physical location, Seoul stands to lose the most in the continuing and escalating tension between the two Koreas. Local governments need to be actively involved in promoting civilian exchange and providing humanitarian aid in the inter-Korean relations so as to usher in the much-needed peace.

The SMG will continue with its efforts to expedite reconciliation between the two Koreas by supporting cultural and artistic initiatives, such as the Seoul-Pyongyang Soccer Games and the Seoul Philharmonic Orchestra’s concert in Pyongyang, for increasing civilian exchange. All these efforts that Seoul is making, however, would be meaningless with-

out agreement and backing from the national government.

Peaceful national unification is not only the national and historical mission required of us, but should also be thought of as a key strategy for Korea's sustainable growth in the future. Small steps are at the beginning of realizing great dreams. Increasing civilian exchange between Seoul and Pyongyang would mark such small steps. When we walk together, we create a new road. When we dream together, it becomes reality.

Reality of Inter-Korean Relations Today

Deterioration of the inter-Korean relations over the last several years reminiscent of the Cold War days

The Geun-Hye Park administration promised, in its early days, that it would launch the Vision Korea Project and the Korean Peninsula Mutual Trust-Building Process. The former was meant to facilitate efforts for developing an integrated economic community on the Korean Peninsula,

and the latter, to expedite reciprocal economic, social, and cultural exchange between the two Koreas. Yet the Park administration has done nothing to lift or change the May 24 Sanction Measures that were activated in the aftermath of North Korea's attack on ROKS Cheonan in 2010. Aside from the exceptional effort that the Park administration made at organizing a union of separated family members in 2015, no progress has been made in the inter-Korean relations.

Growing constraints on inter-Korean economic cooperation and the weakening of the Kaesong Industrial Park

The Kaesong Industrial Park, an icon of inter-Korean relations and efforts at peacebuilding, was first proposed by the Dae-Jung Kim government at the June 15 Summit of 2000, and finally opened with the Moo-Hyun Roh government's October 4 Inter-Korean Declaration in 2007. By September 2010, the gross product of the tenant companies exceeded USD 1 billion. As of January 2012, the industrial park was hiring well over 50,000 North Korean employees. The subsequent two administrations in South Korea, under Presidents Myung-Bak Lee and Geun-Hye Park, contracted

and eventually withdrew all South Korean involvement in the Kaesong Industrial Park, putting an abrupt stop to inter-Korean economic partnership.

Seoul's Endeavors to Promote Inter-Korean Relations and Peace

Cultural and athletic exchange:

Looking for practical solutions to improving inter-Korean relations

While paying a visit to Madam Hee-Ho Lee, a former first lady and the widow of the late ex-President Dae-Jung Kim, in December 2011, Mayor Won-Soon Park relayed a wish to resume the Seoul-Pyongyang Soccer Games and also to organize the concerts of the Seoul and Pyongyang Philharmonic Orchestras in each other's city. Mayor Park officially proposed these ideas in January 2012 as part of his new year's address. Ever since, Mayor Park has been making the same propositions at all the major unification-related events he attended, such as the anniversary ceremonies for the June 15 Joint Declaration of 2000 and the October 4 Joint Declara-

tion of 2007. He even met with the Minister of Unification in February 2012 to ask for the national government's help with implementing the proposed ideas.

Early in 2015, the Incheon-Pyongyang Soccer Game was held in Qingdao, China, between the Incheon United and the April 25, a soccer team based in Pyongyang. In August the same year, the youth soccer teams of Gyeonggi-do and Gangwon-do, both provinces in South Korea, were also able to attend the International Youth Soccer Game held in Pyongyang. Another soccer game was organized in Pyongyang two months later for workers of the two Koreas. The South Korean team explained at a press conference upon their return that another similar game would be held in Seoul the following year. The year 2016 marks the 70th year after the historic Seoul-Pyongyang Soccer Games were ended in 1946 amid the escalating political tension between the two Koreas. The SMG has been making various efforts to resume the Seoul-Pyongyang Soccer Games.

Local governments' involvement in promoting civilian exchange between the two Koreas

In December 2015, celebrating the 70th anniversary of

Korea's liberation from Japanese colonial rule, the SMG launched its own program for promoting civilian exchange between the two Koreas, proposing to the Ministry of Unification that it help pass national statutes on allowing local governments to play active roles in promoting inter-Korean exchange and relations.

The SMG increased the budget for inter-Korean relations from KRW 4.92 billion in 2014 to KRW 5.5 billion in 2015, particularly assigning KRW 1.8 billion to organizing the Seoul-Pyongyang Soccer Games, the Seoul Philharmonic Orchestra's concert in Pyongyang, a table tennis match for disabled athletes of Northeast Asia, an academic conference on the preservation of historical assets, and other such exchange programs. The budget also included KRW 0.2 billion for a research and development project on developing a master plan for urban planning cooperation between Seoul and Pyongyang, and another KRW 2.4 billion for humanitarian aid projects for North Korea, including those for forestation and water quality improvement, delivery of pharmaceuticals to the Pyongyang Oncological Research Institute, and supporting vulnerable social groups.

The 2015 SMG budget for inter-Korean relations also included KRW 0.35 billion for economic cooperation with

North Korea, including the creation of a Seoul Industrial Complex in North Korea and the provision of bicycles for the workers of the Kaesong Industrial Park. Another KRW 0.07 billion was to go to organizing ceremonies in Seoul commemorating the 70th anniversary of Korea's liberation and separation, hosting public contests for ideas on improving the inter-Korean relations, and providing unification education for the public. Moreover, the SMG also plans to propose the creation of a special committee on the inter-Korean relations as part of the Governors Association of Korea (GAOK) to explore possibilities for increasing exchange between North Korea and the near-border South Korean provinces, such as Gyeonggi-do and Gangwon-do. Considering the richness of historical assets that Seoul and Pyongyang possess, the SMG is also considering helping North Korea restore important historical relics in Pyongyang and registering them on the UNESCO World Heritage, promoting tourism in Pyongyang, and sharing its experiences on urban planning. Finally, the SMG remains in communication with the national government on strengthening local governments' initiatives and involvement in promoting civilian exchange with North Korea.

Developing the Seoul Industrial Complex within the Nampo Industrial Park

In June 2015, the SMG proposed the creation of the Seoul Industrial Complex within the Nampo Industrial Park in North Korea as a first step toward restoring mutual trust and facilitating economic exchange between Pyongyang and Seoul. The Nampo Industrial Park is close to the Kaesong Industrial Park, which naturally made it attractive as an alternative to the Kaesong Industrial Park in the opinion of South Korean businesses. The now defunct Daewoo Group operated the Nampo Industrial Park from 1997 to 2000 before withdrawing completely. Creating another South Korean industrial complex in North Korea could be an effective solution to improving the inter-Korean relations by expanding the domestic market, easing the tension between the two countries, and enabling the involved light manufacturing businesses to enhance their competitiveness.

The 21st century is an era of city-level diplomacy. As the German unification example tells us, it is critical to promote and encourage specific programs of practical exchange before attempting national-level unification.

Honoring veterans:

Veterans Welfare Master Plan

In August 2012, the SMG introduced its first-ever master plan for enhancing the welfare of veterans. Although South Korea's GNI per capita amounted to USD 24,000 and the country boasted the 11th-largest GDP in the world, the Korean government refused to provide support for and honor in a proper manner veterans who sacrificed their lives in the fight against Japanese colonial rule, the Korean War, the Vietnam War, and the democratic movement of the 1980s.

According to the Veterans Welfare Master Plan, the SMG set out to raise the level of honor allowances for war veterans and other types of national heroes. The SMG, moreover, distributed plaques of honor to the families of these national heroes to be displayed on their doors, provided additional housing for veterans and their families, increased the number of hospitals authorized to treat independence fighters and their descendants, create more jobs for national heroes and their families, proposed the construction of the Hall of Fame for independence fighters and their descendants, created the Seoul Veterans Center, launched the Seoul Veterans Fund, and increased support for the activi-

ties and initiatives of diverse associations serving veterans and national heroes.



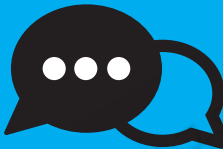
Core Projects and Major Achievements

Promoting cultural and athletic exchange



January 2012:
Mayor Park proposes the Seoul-Pyongyang Soccer Games and the Seoul Philharmonic Orchestra's concert in Pyongyang.



6·15  **10·4**

Mayor Park has been repeating the same proposal since 2012 while attending various ceremonies for the June 15 and October 4 Joint Declarations.



February 2012:
Mayor Park meets with the Minister of Unification and other high-level national government officials to ask for help.

Promoting local governments' initiatives in inter-Korean relations

June 2015:
SMG announces its plan to develop the Seoul Industrial Complex within the Nampo Industrial Park.



2016:

SMG assigns a budget of KRW 5.5 billion to promoting inter-Korean relations (increased from KRW 4.92 billion in 2014).



5,500,000,000

KRW 1.8 billion for exchange programs, including the Seoul-Pyongyang Soccer Games, the Seoul Philharmonic Orchestra's concert in Pyongyang, a table tennis match for disabled athletes of Northeast Asia, an academic conference on the preservation of historical assets, etc.

Creation of a special committee on inter-Korean relations as part of the GAOK proposed.

1,800,000,000

Veterans Welfare Master Plan



August 2012:

SMG introduces its first-ever Veterans Welfare Master Plan.

Honor allowances for veterans raised, the Hall of Fame created for independence fighters and their descendants, creation of the Seoul Veterans Center proposed.



CHAPTER 5

INNOVATION



서울연구원
The Seoul Institute



“Change starts with communication.”



서울연구원
The Seoul Institute

In order for Seoul to give you the strength you need, and in order for us to help each other out, we need to innovate. We need to create new lives and dream new dreams. Seoul's innovation continues on. It will affect every aspect of our lives and society. The essence of innovation is to restore sense to absurdity, and to replace irrationality with rationality. I am sure we are able to achieve great innovation in many fields of experience.

- Excerpts from Mayor Won-Soon Park's new year's address,
January 2, 2013.



SECTION 20



Social Innovation





A Vision for Seoul as a City of Innovation

Social innovation is generally regarded as a process of devising creative and useful solutions to social problems and needs. In order to be considered innovative, social solutions ought to be able to achieve the desired results much more efficiently and effectively than the existing solutions, to be sustainable and accepted as legitimate by the majority of members of the given society, and to generate new social values or benefits.

Social innovation starts small. The efficiency principle of social innovation requires that policymakers should be able to solve problems that affect citizens' everyday lives through truly effective measures rather than large and expensive policy projects. Fortunately, Seoul has achieved many such small-scale, yet powerful, innovations it can boast. These include the Night Owl Bus Service, the 10 Commandments of Pavements, the Safe Courier Service for Women, the Neighborhood Childcare Captains Program, the Patient Reassurance Hospital, the Corner Parking Lots, and the mechanism for settling disputes over noise complaints in

apartment buildings. All these policy programs have solved everyday problems at surprisingly little costs. The SMG has achieved these remarkable results because it actively listened to all citizens' voices and needs, and made sure that the policy measures it introduced made actual differences to citizens' lives.

The small, yet meaningful, changes that the citizens and policymakers of Seoul have made together so far will undoubtedly go on to fuel innovations at much larger scales. In order for Seoul to give you the strength you need, and in order for us to help each other out, we need to innovate. We need to create new lives and dream new dreams. Seoul's innovation continues on. It will affect every aspect of our lives and society. The essence of innovation is to restore sense to absurdity, and to replace irrationality with rationality. I am sure we are able to achieve great innovation in many fields of experience.



Reality of Social Innovation in Seoul Today

Growing demand for public information vs. policymakers' continued reluctance to disclose original policy documents

Numerous developed countries around the world, including the United States and the member states of the European Union (EU), have embraced the Government 2.0 movement and other policy measures for sharing, disclosing, and utilizing public information since 2010 in recognition of the great social and economic values of public information disclosure. The Korean government, too, has been undertaking “Government 3.0” projects as a high-priority issue on the national policy agenda since 2014. Nevertheless, only 47.6 percent of all original government documents were made available for public viewing as of July 2015, while the percentage drops further to 34.9 percent when we confine our attention to the documents of the national government only.

Increasingly diverse and complex global crises raise the demand for socially innovative solutions

Societies worldwide face a widening range of more serious, complex and difficult challenges today, including the aging

of populations, the declining birth rates, climate change, growing socioeconomic polarization, the prevalence of chronic and lifestyle diseases, technological innovation, globalization and localization, energy shortages, and the food crisis. All these problems have been raising the demand for innovation across all planes of society, including political, governmental, business, and civil innovation. Yet the intractable social discord, the unwillingness to compromise, and the perpetually confrontational political culture in Korea prevent us from finding and devising rational solutions to these deep problems.

Seoul's Endeavors for Social Innovation

Open Metropolitan Administration 2.0 Policy and the Information Communication Plaza (ICP)

While running for the mayoral by-election in November 2011, then leading candidate Won-Soon Park proposed “Open Metropolitan Administration 2.0” as a major cam-

campaign pledge. The Information Communication Plaza (ICP), a manifestation of that campaign pledge, finally opened in October 2013, readily disclosing the SMG's documents signed and authorized by senior officials (bureau heads and above) to the public the day after those documents were authorized. As of March 2014, the scope of SMG documents disclosed via the ICP was expanded to include even those signed and authorized by mid-level officials (section chief and above).

The scope of government information disclosed via the ICP kept expanding afterward, to include the documents signed and authorized by the bureau heads and higher officials in five major borough offices as of October 2014; the documents on construction projects in Seoul (interfaced with the Construction Notification System) as of March 2015; Seoul-related newspaper articles, photographs, video clips, and other diverse user-created content; all the documents signed and authorized by all the borough offices as of March 2015; and the documents signed and authorized by the 17 SMG-invested public institutions as of October 2015. The SMG was also the first non-national government in Korea to begin the creation of a public archive in February 2012. The construction of the Seoul Archive began in 2015 and is to be completed

by August 2017. After the opening of the ICP, the SMG's information disclosure ratio rose straight from 89.9 percent in 2011 to 96.2 percent in 2014. It has so far disclosed 4,498,941 government documents, attracted 1,551,058 users, and recorded 8,249,513 view counts in total.

Seoul Innovation Park (SIP):

An emerging global center of social innovation

Based upon a study conducted by the Seoul Institute, the SMG announced a plan in May 2013 to create the Seoul Innovation Park (SIP) over an area of 109,000 square meters formerly occupied by the Korea Center for Disease Control in Nokbeon-dong, Eunpyeong-gu. The SIP was meant to serve as the central hub of various social and policy innovation experiments in Seoul. Since its opening in April 2015, along with the Seoul Innovation Center, diverse intermediary support organizations of the SMG, including the Seoul Community Support Center (SCSC), the Social Economy Support Center (SESC), the Seoul Youth Hub, the Second Beginning Support Center (SBSC), the Creative Lab, and the Karl Polanyi Institute Asia (KPIA) have entered the SIP as tenants, handling a broad array of important social experiments.

The Seoul Innovation Center started by organizing unprecedented public search for 1,000 people to become innovators-in-residence at the center. The opening ceremony for the center and the park was held toward the end of June 2015. Numerous international events to help set the course and direction of the SIP's development, including the International Conference on Social Innovation (2013), the Social Innovation Forum (2014), and the Social Innovation Expo (2015), have been held so far. The SMG intends to attract and accommodate diverse Korean and international anchor organizations into the SIP until 2020 to mark it as a major hub of innovation worldwide. The SMG also plans to expand and equip the venue to provide open spaces for collaboration among diverse innovators.

Adding to the joy of everyday lives:

Fostering neighborhood communities

In March 2012, the SMC proclaimed the Metropolitan Ordinance on Support for Neighborhood Communities, as the SMG launched its Neighborhood Community Program (NCP) for adding to the joy of everyday lives of Seoul citizens. Some mistake the NCP as a strategy for exit from, or

an alternative to, new town development projects. The program, however, is rather comprehensive in scope, addressing diverse economic, cultural, environmental, and policy issues affecting local communities. The overarching objective is to restore calmness and solidarity to citizens' everyday lives that have been hurt and traumatized by the indiscriminate zeal for economic growth, development and competition over the last few decades by enabling citizens to revitalize their neighborhoods and communities. The SMG introduced the Master Plan for Neighborhood Communities in September 2012 and launched the SCSC within the SIP to implement the NCP.

Since 2012, the SMG has been organizing diverse events for fostering neighborhood communities, including the Seoul Neighborhood Community Fair, the Neighborhood Community Best Practice Presentations, and other activities centered on local residents and neighborhood activists. In September 2015, in particular, the SMG organized Seoul Neighborhood Community Fair 2015 and the Eighth National Contest for Building Neighborhood Communities simultaneously, and also launched the Council of Local Initiatives for Neighborhood Communities (CLINC), encompassing 19 boroughs in Seoul and 30 local governments

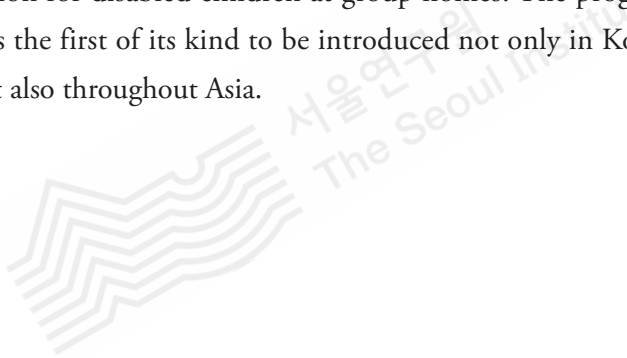
outside Seoul, including Asan in Chungnam.

Social Investment Fund (SIF) and Social Innovation Bonds (SIBs)

In April 2012, shortly after his inauguration, Mayor Park announced the Plan for the Raising of the Social Investment Fund (SIF) as the key instrument for raising sustainable financial resources necessary to support social innovation and create jobs. The SMC supported this initiative by enacting the Metropolitan Ordinance on the Management and Operation of the SIF, the first legislation of its kind in Korea, in July the same year. Based upon the principles of sharing, fairness, and transparency, the SIF supports various social experiments, including social housing projects, nongovernmental projects supported by the SMG's intermediary support organizations, social financing projects, social economy organizations and enterprises, and social performance guarantee projects. The fund has raised over KRW 18 billion and invested KRW 16 billion in 89 projects so far. The SMG intends to enhance the effectiveness and stability of the SIF and the social financing projects it supports.

In April 2013, the SMG also introduced the Social Invest-

ment Bonds (SIBs), with which innovative policy projects would be launched first and the budgets for them would be decided later based upon the projects' performances. Thanks to the SIF and SIB investments, the SMG was able to launch the trial phase of the Suicide Prevention Program for Seniors in January 2014. The SMC enacted the Metropolitan Ordinance on the Operation of Social Performance Guarantee Projects in March 2014. The first project to be supported by this bylaw, in June 2015, was the program of providing education for disabled children at group homes. The program was the first of its kind to be introduced not only in Korea, but also throughout Asia.



“

The essence of innovation is to
restore sense to absurdity,
and to replace irrationality
with rationality.

”

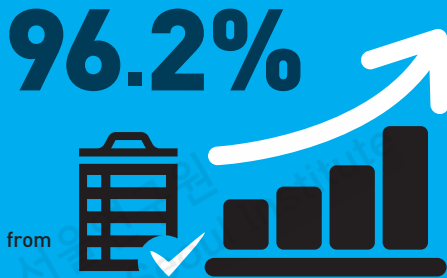


Core Projects and Major Achievements

Information Communication Plaza (ICP)



August 2012:
Open Metropolitan Administration 2.0 Policy declared.

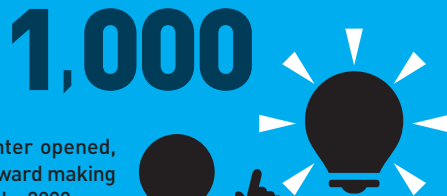


October 2013: ICP opened.
Information disclosure ratio rose from 89.9% in 2011 to 96.2% in 2014.

Seoul Innovation Park (SIP)



May 2013: SIP Development Plan announced.
May 2014: Metropolitan Ordinance on the Creation and Management of the SIP enacted.



May 2015: Seoul Innovation Center opened, and 1,000 innovators recruited toward making the SIP a global hub of innovation by 2020.



Neighborhood Community Program (NCP)

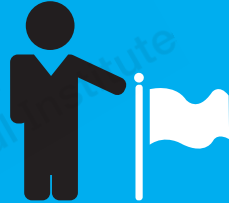


March 2012:
Metropolitan Ordinance on Support for Neighborhood Communities proclaimed.

September 2012:
SCSC opened.

September 2012:
Master Plan for Neighborhood Communities announced.

September 2015:
CLINC launched.



Social Investment Fund (SIF) and Social Innovation Bonds (SIBs)



April 2012: SIF Plan established.
July 2012: Metropolitan Ordinance on the Creation of the SIF enacted.

April 2013:
SMG introduces Korea's first SIBs.

March 2014:
Metropolitan Ordinance on Social Performance Guarantee Programs enacted.



Now that I am about to start my second term as mayor of Seoul, I am increasingly convinced that public innovation must precede social and private-sector innovation.

I have no power to order the legislation of any national statutes to this effect, but I hope that the examples Seoul sets, within its powers, would compel and motivate the National Assembly into legislating public innovation.

If Seoul tries public innovation first and succeeds with it, national policymakers can no longer remain idle in spreading similar policy practices across the nation.

The SMG's successful policy initiatives have already been benchmarked by numerous other local governments in Korea as well.

I believe the examples we set will be even more frequently emulated in the future.

And that will change our entire nation.

- Excerpts from Mayor Won-Soon Park's interview with the Dong-a Ilbo on the Plan for Innovation in Civil Service in Seoul, August 7, 2014.

SECTION 21



Public Innovation





서울연구원

The Seoul Institute

A Vision for Seoul as a People-First City

According to the OECD's "Government at a Glance 2015," the South Korean government was ranked 26th out of the 41 member states compared in 2014 in terms of public trust (34 percent). With only 27 percent of the Korean public expressing trust in it in 2013, the Korean judiciary was ranked 39th out of the 42 countries compared. The success of social and private-sector innovation is preceded by the success of public innovation. The Improper Solicitation and Graft Act (ISGA), more commonly known as the "Young-Ran Kim Act" in Korea (named after the former Supreme Court justice who first proposed it and is now generating much controversy across the nation, has its precedent in the so-called "Won-Soon Park law." This and other efforts of the SMG at innovating the public sector and ensuring the integrity of civil service compelled national policymakers to adopt a similar statute. Numerous other local governments have also benchmarked the SMG's examples. This is how innovation spreads from one city onto the rest of the nation. Yet laws and institutions are not enough to achieve the desired level

of change. We need to change people's perceptions and attitude, and ultimately foster a new culture, in order to ensure the success of innovative attempts.

Upon winning his second election, Mayor Won-Soon Park promised to replace the past mold of public administration that placed administrative expediency ahead of human needs with a new framework of metropolitan administration that would foremost emphasize the comfort and wellbeing of all citizens. Now is the time we should restore sense to absurdity and replace prevalent irrationality with rationality. The SMG should be able to meet the citizens' rising expectations of integrity and set examples for all other governmental and public institutions in Korea. It will be impossible for the SMG to make good on its promise of turning Seoul into a people-first city without demolishing the unequal and unfair practices repeated in civil service.

The SMG is determined to implement its measures for innovation until the last remaining absurd and unjust practices are removed from Seoul's bureaucracy. The SMG has begun to inspect a comprehensive range of absurd, irrational and unfair practices concerning itself and other public and semi-public organizations in which it invests. It is critical for Seoul's policymakers and civil servants to respond to today's

growing demand for innovation and integrity until citizens themselves can begin to see the tangible results of such efforts.

Reality of Corruption in Seoul Today

The ISGA is passed by the National Assembly amid constitutional and political controversies

The National Assembly finally passed the ISGA, a major Korean legislative initiative against corruption, in March 2015 into law. The statute was first drafted and proposed to prevent corruption among government officials and politicians that the anti-corruption statutes enacted in the past failed to prosecute. The bill for the ISGA had been pending before the National Assembly for years, and was made into law with much struggle and dispute after the tragic sinking of the ferry Sewol-ho raised the public demand for ending corruption. However, a lawsuit was filed shortly after the legislation of the law contesting its constitutionality, with detractors claiming

that the new statute represented an ultra-vires attempt by the National Assembly, posed threats to the freedom of the press, and encouraged arbitrary enforcement practices.

Unending cycles of corruption everywhere:

Is Korea a republic of corruption?

On the annual Corruption Perception Index (CPI) surveys done by Transparency International, an NGO based in Germany, South Korea's ranking steadily dropped from 39th to 43rd, to 45th, and again to 46th out of the 175 Countries compared from 2010 to 2013, before rising slightly back up to 43rd in 2014. Political and Economic Risk Consultancy, a consulting firm in Hong Kong, also ranked South Korea in the eighth place out of the 17 countries compared and in the ninth place out of the 16 countries compared in 2013 and 2014, respectively, on its reports on the perception of corruption in Asia-Pacific.

Seoul's Endeavors to Ensure Integrity in Civil Service

The “Won-Soon Park law” metes out harsh disciplinary actions against taking bribes, irrespective of the amount

In August 2014, the SMG announced the Measures for Innovation in Civil Service (MICS), striving to eliminate bribery, improper solicitations, and conflicts of interests from Seoul's bureaucracy. The MICS presented a stance even more uncompromising than the bill for the ISGA. Also known as the “Won-Soon Park law,” the MICS promised to apply strict punishment and sanctions against all forms of bribery irrespective of the amount, received by civil servants of any ranks. According to an internal study from November 2015, the enforcement of the MICS reduced the number of major bribery cases by 39 percent, from 71 to 43, led 51.2 percent of polled citizens to believe that the SMG was leading the efforts to end corruption in civil service, and won approval from 93 percent of civil servants who believed that the measures would contribute to integrity in civil service. By December 2015, a reinforced version of the MICS was released,

requiring mandatory auditing on the potential financial conflicts of interests involving high-ranking officials in Grade 4 and above.

Restoring humility to civil service:

Measures of Innovation for Fair Partnerships (MIFP)

In August 2014, Mayor Park announced the Measures of Innovation for Fair Partnerships (MIFP), declaring his commitment to ending the unfair and unequal relations between civil servants and lay citizens. The measures were introduced to put an end to a series of authoritarian and unjust habits and practices of civil servants, including the referral of civil complaints to multiple departments, requiring civil petitioners to visit multiple departments and submit unnecessary paperwork, repeatedly requiring the submission of the same paperwork from nongovernmental agencies handling public services, delegating the duties of the SMG to semi-public and public organizations in which the SMG invests, maintaining an authoritarian attitude (including rude verbal behavior) toward lay citizens, imposing unilateral instructions of jobs to be done and convening unnecessary numbers of meetings, requiring unnecessary visits in person from clients

and delaying the handling of license or certificate applications without justifiable reasons. The MIFP listed 10 major forms of practices prevalent in civil service that had to be stopped.

Reforming and innovating the agencies of the SMG for improving the welfare of citizens

In November 2014, the SMG announced the Plan for the Innovation of Public Organizations, aiming to reform the 18 public and semi-public organizations in which it invested, in order to provide better services for citizens at large. The plan marked the first instance upon which the SMG sought to reform the entire organization of the 18 agencies it managed. Based upon the plan, the two metro companies (December 2014), Seoul Housing Corporation (March 2015), Seoul Facilities Corporation (March 2015), Seoul Medical Center (March 2015), the Seoul Business Agency (April 2015), the Seoul Credit Guarantee Foundation (April 2015), the Seoul Foundation of Women and Family (May 2015), Seoul Agro-Fisheries and Food Corporation (June 2015), and the Seoul Tourism Organization (July 2015) adopted their own plans and pledges of innovation.

Ensuring fair personnel management in civil service:

Civil service reform measures for innovation in human resources and auditing management

In December 2014, the SMG announced the Human Resources Management Reform Plan (HRMRP) in an effort to enhance the professionalism of civil servants and open up the local civil service to change and innovation. The plan proposes increasing the proportion of expert civil servants from the current 17 percent (1,644) to 54 percent (5,370) by 2020 so as to provide better public services required by globalization, multiculturalism, and convergence in administration. The plan also proposes significantly increasing the quotas for the employment of minorities in civil service, including people with disabilities and high-school graduates.

In January 2015, the SMG also unveiled the Auditing Organization Reform Plan (AORP), proposing to reorganize its own auditing organization into a representative administrative organization so as to strengthen the internal control over civil service in accordance with the MICS. The plan sought to enhance the fairness, independence, and transparency of the internal auditing organization by reorganizing it into the Auditing Committee directly answerable to the mayor. The

plan also expanded the ombudsmen system into a professional organization charged with solving civil complaints, and sought to enhance the professionalism and expertise of civil servants conducting auditing.

Fiscal innovation for catching two birds with one stone:

Reducing fiscal debts by KRW 7 trillion

Upon taking up office as a first-time mayor in November 2011, Won-Soon Park promised to reduce the SMG's debts by KRW 7 trillion by revising the 2012 budget. Thanks to the hard work of the SMG and its agencies and organizations, the city government was able to reduce its debts by KRW 7.6669 trillion as of June 2016. No other comparable city on earth has achieved such debt reduction over such a short time span, especially all the while increasing the number of public housing units made available to citizens to 80,000. In May 2012, the SMG also launched the Public Investment Management Center, the first of its kind in Korea, to ensure the thorough review and auditing of large-scale public investment projects. In October the same year, the SMG commissioned research on the details and causes of its debts in order to establish a systemic plan for managing

its debts and restoring soundness to its fiscal management.

**Promoting social innovation through public procurement policy:
Public Procurement Innovation Plan**

In March 2012, the SMG announced the Master Plan for Ending Unfair Subcontract Practices and introduced a digital system for monitoring the payment of subcontract fees on a real-time basis for the first time in Korea. Two months later, the SMG introduced the Contract System Reform Plan, goading the public and governmental organizations in the city to use their power of procurement and purchase to induce positive change in the business environment and society at large. In November the same year, the SMG also announced the Four Measures for Reforming the Bidding and Contracting Practices Involving Major Construction Companies, calling for a stop to the turnkey-type contracts that had been the norm for large-scale development projects. In December 2013, the SMG introduced measures for reinforcing the public control of contracts over construction, service, and procurement deals so as to ensure fairness and public interest in public transactions that had formerly emphasized efficiency and expediency. Finally, in December 2015, the

SMG introduced the Tax Administration Innovation Plan toward enhancing the transparency and fairness of taxation and reducing undue tax investigations on businesses.



Core Projects and Major Achievements

Won-Soon Park law

August 2014: MICS ("Won-Soon Park law"), based upon the draft for the ISGA and targeting civil service in Seoul, announced.



39% 

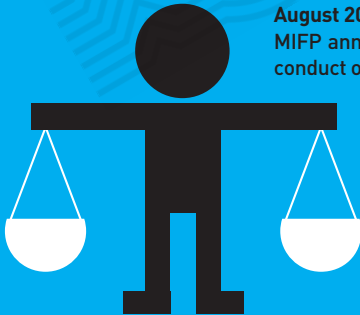
November 2015: MICS reduces the number of corruption cases by 39 percent, and wins the approval of 51.2% of citizens and 93% of civil servants in just a year.

Measures of Innovation for Fair Partnerships (MIFP)

and reforming service agencies

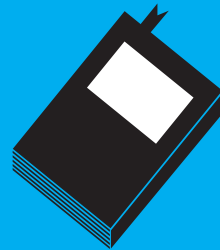
August 2014:

MIFP announced to end the authoritarian and unfair conduct of civil servants.



November 2014:

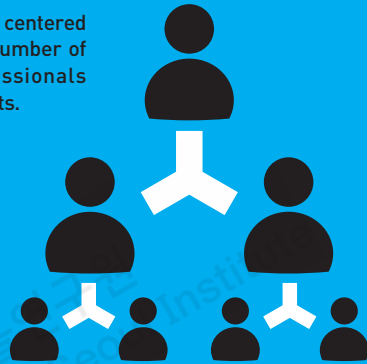
Measures for the reform of the SMG-invested public organizations announced in line with the Won-Soon Park law and the MIFP.



Measures for reform in human resource management and auditing



December 2014:
HRMRP announced, centered on increasing the number of experts and professionals hired as civil servants.



January 2015:
Auditing Committee, a representative body answerable directly to the mayor, created, and the measures for reforming the SMG's auditing announced.

Fiscal innovation and debt reduction by KRW 7 trillion



November 2011:
SMG budget for 2012 and the plan to reduce debts by KRW 7 trillion announced.



May 2012:
Public Investment Management Center opened.

June 2016:
SMG's debts reduced by KRW 7.6669 trillion.



The experiment with local self-governance began two decades ago.

Local self-governance in Korea, however, still remains grossly immature, dependent as it is upon the national government. Few Koreans today believe that local self-governance flourishes across the nation.

Cynics even say that local self-governance in Korea is only a “20-percent self-governance,” referring to the fact that local governments control only 20 percent of government revenue and services.

Korea can achieve true progress and further growth only when a decentralized and more democratic system of governance, in which the national and local governments equally share their rights and responsibilities, is firmly established.

We need to embrace a new paradigm on governance in order to ensure the sustained growth of our national community as well.

- Excerpts from the keynote address for the Seminar on Local Self-Governance, Decentralization, and Increasing Local Fiscal Revenue, April 20, 2015.

SECTION 22



Local Self-Governance





서울연구원

The Seoul Institute

A Vision for Seoul as a Leader of Local Self-Governance in Korea

The age of local self-governance dawned in Korea two decades ago, in 1995, when the nationwide local elections were revived after the collapse of the authoritarian regime. Twenty years in human life are enough to guarantee transition into adulthood. Yet the state of local self-governance in Korea remains grossly immature, dependent as it is upon the whims of the national government. Few Koreans today believe local self-governance flourishes across the nation. Cynics even call local self-governance in Korea a “20-percent self-governance,” referring to the fact that local governments control only 20 percent of the fiscal revenue and government services.

Public administration can begin to cater to actual needs and provide services that effectively change citizens’ lives only when local governments are given substantial power and autonomy over policy planning and implementation. Strengthening local governments is critical to ensuring the sustainable growth and development of Korean society and also to responding to the increasingly diversified and complex administrative requirements. National competitiveness

depends upon the success of local self-governance.

Local self-governance and decentralization are urgent missions imposed upon us in this day and age, and are also the ideals our society ought to try to approximate. Local self-governance is not about maximizing local community's interests at the expense of others, but is about serving the whole nation by serving the needs of citizens at the local level. We need to find and embrace a new paradigm of national governance in line with the importance of local governments in order to ensure new progresses and sustainable development for the whole national community.

Our future path lies in decentralization. The competitiveness of our cities and nation is found in strong local self-governance. Democracy and self-governance are the reservoirs of strength for new growth. Happy citizens make happy cities, and happy cities make happy nations.

Reality of Local Self-Governance in Korea Today

Boldly contradicting the paradigm shift elsewhere in the world

The strength of cities will determine the competitiveness of nations in the 21st century. In order to strengthen cities, it is crucial to equip them with extensive powers of local self-governance, allowing them to design and implement policies according to their needs. Although Korean law assigns powers of legislation, organization, and finance to local governments, the vast majority of local governments remain excessively dependent upon the national government in order to implement the policies they need.

The tax revenue structure remains unchanged despite two decades of local self-governance in Korea

Over the last two decades of local self-governance, the tax revenue structure in Korea has remained unchanged, with 80 percent of the revenue collected from national taxes and the remaining 20 percent from local taxes. However, local governments' spending has increased dramatically, raising the need for a fundamental reform in the public finance structure. Local governments need to be given powers to raise local tax rates in order to finance the services they provide. The national government, however, is increasingly forcing the already financially burdened local governments

to pay for various nationwide policy service programs, in such areas as childcare, education, healthcare, and old-age pensions.

Seoul's Endeavors for Strengthening Local Self-Governance

Enhancing the financial autonomy of borough offices as a key measure for decentralization

In July 2015, the SMG announced its plan to provide an additional KRW 286.2 billion in financial subsidies for self-governing borough offices toward raising the financial self-sufficiency of the borough governments from 97.1 percent to 100 percent. In 2015, the borough governments in Seoul were struggling to find an additional KRW 120.3 billion to finance their service programs because they had been forced to spend much of their budgets on running the universal welfare policy programs promised by the national government. Because it was crucial for the borough governments to secure this additional budget in order to provide important

services for children and minorities, the SMG responded by assigning an additional budget for subsidizing the borough governments' programs. The SMG also assigned an additional KRW 286.2 billion to be provided for the borough governments starting in 2016 so as to enhance their financial autonomy.

In May 2013, Mayor Won-Soon Park attended a Cabinet meeting and strongly requested that President Geun-Hye Park and her administration make good on the promise of providing free and universal childcare for all children by taking up the financial responsibility for it. The President, however, failed to keep her promise, letting the childcare crisis drag on. As a result, the SMG had to issue additional local government bonds worth KRW 200 billion in September 2013 in order to finance free childcare services provided by itself and the borough governments.

Thanks to the SMG's initiative, Seoul was able to minimize the cost and burden of free childcare, and also led the movement for raising the rate of national subsidization for childcare services by over 15 percentage points and also for raising the local consumption tax rate by 6 percentage points in 2014. By 2016, however, the national government made it the sole responsibility of local education offices to finance

free childcare services. Already strapped for financial resources, local education offices were able to finance only part of the services, and had thus to incur further debts.

Organizing collaboration among local governments to promote decentralization and local self-governance

Since his inauguration in October 2011, Mayor Park has been actively leading the efforts to strengthen collaboration among local governments in Korea, through the Seoul-Gyeonggi Metropolitan Development Council and the Governors Association of Korea (GAOK), to promote decentralization and local self-governance. In addition, the SMG has also been actively lobbying the national government and the National Assembly to introduce diverse measures to strengthen local self-governance, including greater financial autonomy, greater organizational autonomy, the introduction of metropolitan and provincial police authorities, deregulation on local governments' policy initiatives, and the devolution of greater powers to local governments. The SMG opened the Decentralization Research Center as part of the Seoul Institute, which has been organizing seminars and conducting research on effective measures for local self-

governance in Korea.

The SMG also organized a number of public events to promote local self-governance, including seminars for finding a new governance structure and a new model of leadership for the future of local self-governance in April 2014 and for enhancing decentralization and the financial autonomy of local governments in April 2015, the Seoul International Forum on Decentralization in October 2015, a seminar on the organizational diversification of local governments in November 2015, and a seminar on the future outlook of national and local finance in December 2015. In September the same year, the SMG introduced measures to enhance local governments' autonomy and accountability over organizational management, and launched the Seoul Local Decentralization Council in December that year, an advisory council tasked with promoting decentralization.

Supporting the balanced and mutually beneficial growth of regions outside Seoul

In May 2012, the SMG released a joint statement with Goyang, a city in Gyeonggi-do, on the agreement that the two

city governments finally reached on the matter of managing Seoul Seunghwawon, a metropolitan crematorium. Which city government should be responsible for running the crematorium had been a thorny issue of controversy between the two cities over the preceding years. In November 2013, the SMG also entered an agreement with Jinju, a city in Gyeongsangnam-do, on resolving the acute conflict over the Jinju Namgang Lantern Festival, agreeing to increase mutual collaboration over the festival. In June 2015, the SMG also reached the final agreement with the Ministry of Environment, the Incheon Metropolitan Government, and the Gyeonggi Provincial Government on renewing the license to use the landfills in the Seoul-Gyeonggi region, which had sparked a sharp conflict among the regions involved.

Conflicts with other provinces and cities are inevitable parts of undertaking major and diverse regional projects. The SMG has sought to overcome and solve these conflicts by emphasizing the need to ensure the balanced and mutually beneficial growth of all the regions involved. In 2014, the SMG completed the construction of public dormitories for college and university students from outside Seoul with the involvement and contributions of seven metropolitan and provincial governments elsewhere in Korea. The SMG

**SMG's Tasks and Promises for Promoting Mutually Beneficial Growth across Korea
(June 4, 2015)**

Nine Tasks

- Partnership for food safety and health: Increasing the number of direct farmers' markets in Seoul to 30 by 2018.
- Partnership for enjoyment and happiness: Helping local governments outside Seoul identify and develop 2,000 new tourist destinations by 2018.
- Partnership over the management of closed-down schools: Supporting the renovation of at least 20 closed schools in the countryside into lodging and camping facilities by 2018.
- Partnership over raising children: Launching educational programs (e.g., farming, camping, and so forth) for children that would reduce the urban-rural divide.
- Partnership over employment and labor: Helping to develop and create jobs in rural areas, through Seoul's social economy, for retirees and young people.
- Partnership over supporting rural returnees: Doubling the training and education opportunities available for people wishing to return to the countryside by 2018.
- Partnership over housing: Increasing public dormitories for students in Seoul who are from other regions (the public dormitory at Naebalsan-dong in Gangseo-gu has already been completed).
- Partnership over policymaking: Sharing information and knowledge on exemplary policy programs, such as the Seoul Innovation Park

and the Chungnam Hope Taxis.

- Partnership over humanitarian aid and relief: Jointly raising humanitarian relief funds (KRW 1 billion each year) and financial resources for providing aid goods.

Three Promises

- The SMG is to establish local PR centers, 900 to 1,650 square meters in area each, to display, advertise and promote the specialties of various regions.
- The SMG is to create the Urban-Rural Partnership Support Center to organize and manage partnership and exchange programs and train activists.
- The SMG is to raise KRW 50 billion, from its own budget and other external funds, by 2018 in order to promote partnership with other local governments in Korea.

has also organized diverse collaborative projects with Suwon, Wanju, and other local governments since 2012. The Seoul-Gyeonggi Policy Council, representing the Seoul, Incheon, and Gyeonggi Metropolitan and Provincial Governments, was also launched in July 2014. In June 2015, the SMG teamed up with 19 other local governments to organize Local Government Partnership Forum 2015, where the SMG

proposed nine major tasks and three main promises to be accomplished.



Core Projects and Major Achievements

Enhancing the financial autonomy of local governments



May 2013:

The problem of free childcare discussed at a Cabinet meeting.

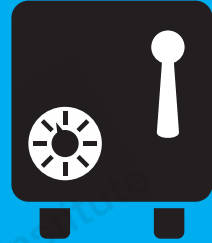
September 2013:

SMG issues local government bonds worth KRW 200 billion to finance free childcare.

2014:

SMG leads efforts to raise the rate of national subsidies for free childcare and the local consumption tax rate by 15 percentage points and 6 percentage points, respectively.

15%_{OP} ↑↑↑
6%_{OP} ↑↑↑



2,862 ↗

July 2015:

SMG announces its plan to increase subsidies for borough governments by KRW 286.2 billion to raise their fiscal self-sufficiency to 100%.

Promoting decentralization and

local self-governance

Efforts are made via the Seoul-Gyeonggi Metropolitan Development Council, the GAOK, and other such organizations.





SMG lobbies the national government and legislature to adopt measures for strengthening local governments.

September 2015:
SMG introduces measures for enhancing organizational autonomy and accountability.



SMG hosts diverse events, including the International Forum on Decentralization, to promote local self-governance and launches the Seoul Local Decentralization Council in 2015.

Promoting balanced growth and partnership with other regions

July 2014:
Seoul-Gyeonggi Policy Council launched.
Actively devises measures for enhancing partnership among local governments.



June 2015:
19 local governments, including SMG, attend Local Government Partnership Forum 2015, agreeing on the list of nine major tasks.

We have learned from the past how public administration that neglects communication with citizens could undermine our lives so deeply, and how politics that takes little interest in citizens' needs and concerns engenders severe discord and conflicts.

I believe it is crucial for policy initiatives to produce tangible results and benefits.

But I believe it is even more important to achieve a paradigm shift in public administration toward emphasizing the importance of due process and democratic participation.

“Communication,” “Participation,” and “Governance” are three keywords that shape my vision for Seoul as a city run by citizens.

Over the last few years, public administration in Seoul has changed dramatically thanks to active communication with, and participation from, citizens through public hearings, deliberation, the Citizens' Podium, the Honorary Vice-Mayors Program, the Mayor's Office on Site, Simincheong, the social media, and the participatory budget-making program.

- Excerpts from Mayor Won-Soon Park's new year's address, January 2, 2014.

SECTION 23



**Communication and
Co-Governance**





A Vision for Seoul as a City Run by Citizens

In his address celebrating the dawn of the new year in 2014, Mayor Won-Soon Park declared his commitment to making communication a centerpiece of his philosophy for public administration. Communication with citizens is key to the sustainability and effectiveness of any policy measures. Now that Seoul are rapidly changing, bilateral communication and mutual collaboration are quickly replacing unilateral directions and perfunctory procedures as the new norm of policymaking. Communication has reduced conflicts and misunderstanding, and strengthened the effectiveness of policy measures. While it is important for policy initiatives to produce specific and tangible results, it is just as important to adopt a new paradigm in public administration toward emphasizing the importance of communication.

Change starts with active listening. Without listening to one another, we cannot achieve the desired change. Attempts at innovation not based upon active listening will ultimately fail to solve the given problems, no matter how ingenious they are. Seoul's policymakers are convinced that the first

and foremost step toward making Seoul a city for, by, and of citizens starts with listening carefully and thoroughly to citizens' voices. Active listening is the key to empathy. And the freedom to speak one's mind, with confidence that one will be heard, is the key to mutual trust. The success of public administration in a city as large as Seoul, with over 10 million residents, depends crucially upon leaving the channels of policymaking widely open to citizens.

Happy change starts with heart-to-heart communication. We should not stop our conversations with one another in order to usher in a better future we all dream of. We should keep our ears open. Communicative administration starts from communication with citizens and ends up supporting administration run by citizens. Seoul is a city run by citizens.

Reality of Communication in the Korean Society Today

**Catastrophes, miscommunication,
and criticism**

As citizens, we often wonder whether the public opinion is communicated to our leaders, such as the President, by their aides and ministers without any interference. The recent controversy over the Korean government's hasty settlement of the wartime sexual slavery issue with the Japanese government, the incredulous tragedy of the sunken ferry Sewolho, the utter mishandling of the Middle Eastern Respiratory Syndrome (MERS) outbreak, and the raging conflicts over the proposed amendment of the National Assembly Act and the government-regulated history textbooks confirm our long-held suspicion: that our national leaders do not know what the public really wants. Citizens today want to see the politics of success, communication, and compromise, rather than the politics of catastrophes, miscommunication, and criticism (The Maeil Shinmun, January 1, 2016).

Strengthening communication with citizens:

The first step toward citizen-centered co-governance

Governors, such as Hee-Ryong Won of Jeju-do and Kyung-Pil Nam of Gyeonggi-do, have been at the forefront of the recent political trend emphasizing co-governance and coalition as the key to overcoming chronic discord and ushering

in a new era of cohesion. Another noteworthy trend in Korean politics today is the increasing range and depth of active civic participation in all areas of policymaking. Politics is no longer a zero-sum game between two fiercely opposing ideological (or self-interest) camps. Just as our politics is changing, our society and culture, too, should change.

Seoul's Endeavors for Becoming a City Run by Citizens

A major democratic experiment:

The Won-Soon Park Process

Mayor Won-Soon Park launched the so-called “Won-Soon Park process” on November 26, 2011, by organizing the public debate for the Hope Ondol Project. The Won-Soon Park process is a major exercise in democracy, inviting citizens to listen, debate, plan, and execute policies together.

Mayor Park is convinced that citizens already have solutions to policy problems, and actively seeks out their voices whenever needed. He then discusses citizens’ voices he has

heard with direct policy stakeholders and experts to distill and refine those voices into workable policy solutions. He advocates our turn to deliberative democracy, an ideal that is even more demanding than participatory democracy. The Won-Soon Park process thus crucially involves policymakers visiting the actual sites of policy problems, listening actively to citizens, deliberating upon policy opinions and options, announcing policy solutions, and ensuring the co-governance of those solutions through the active participation of citizens.

Policy solutions lie on the sites of policy problems:

Mayor's On-Site Office Campaign

The Eunpyeong New Town Development Project was what led Mayor Park to operate his “on-site offices” for various policy problems, starting on November 1, 2012. The apartment complexes in the project area had been completed a long time ago, but more than 600 units remained unsold or unrented despite the intervening four years. Having first discovered the fact that the most effective solutions to policy problems are often found on the sites of those problems, Mayor Park has since visited 150 sites of policy problems

and answered questions concerning 386 pressing policy issues, actively enlisting the participation of the respective borough offices, local residents, experts, and related organizations in finding solutions. Since Mayor Park's inauguration, the SMG has tackled a wide range of problems with a firm conviction that solutions lie on the sites of the problems. The Mayor's On-Site Office Campaign has become a hallmark of the Park administration in Seoul, with the mayor making personal visits to the actual sites of pressing problems in various boroughs, initiating contact and communication with the involved individuals and organizations, and organizing the search for solutions.

Making Seoul a city by, for, and of citizens:

Listening-Based Policy Debates

The SMG began its first Listening-Based Policy Debate (LBPD) on November 26, 2011, for the Hope Ondol Project. The LBPDs have since become central to the SMG's efforts to transform Seoul into a city by, for, and of citizens. LBPD Version 2.0 was unveiled in May 2013. Whereas the SMG decided the main themes of debates and invited citizens and experts to attend the debates in the past, the new

version limited the SMG's role to deciding the main themes of debates only, letting citizens decide all the rest of the debates, including their structures and timing.

LBPDs represent the SMG's belief that positive change starts with active listening, and effective policy solutions are found in the voices of citizens. LBPDs now embody the process of co-governance in Seoul, enabling policymakers to listen to the diverse voices of citizens from all walks of life and to develop and implement effective policy solutions through communication.

LBPDs, which have been held at least once a week since the launching of the Hope Ondol Project in November 2011, were held 100 times and attended by 14,817 citizens as of June 2016. The participating citizens made 1,662 policy proposals in total, 75 percent of which made their ways into actual policies. The satisfaction surveys on LBPDs, held twice in 2013, led to satisfaction scores of 81 percent and 84 percent from citizens, respectively.

Communication continues online:

Seoul leads public administration on the social media

Mayor Park was the first mayor in the world to broadcast

live his inaugural ceremony online on November 16, 2011. His inauguration ceremony marked the beginning of Seoul's leadership over public administration on the social media. In July 2012, the SMG launched "Live Seoul" podcast, and followed it up by launching the trial operation of the Social Media Center in November the same year. The SMG opened its Kakao Talk Story account in May 2013, and Instagram account in June 2014, thus completing its presence on all the five major social media channels popular in Korea, including Twitter (December 2009) and Facebook (March 2011). The on-line inauguration ceremony of the second round of the Seoul Social Media Supporters was held in July 2012. The SMG also established the Twitter Lifeline in July 2013 to deliver up-to-date information in emergency situations. Through its five social media accounts, the SMG delivered 139 emergency messages over the two years from November 2012 to December 2014, and also received 28,289 suggestions and complaints from citizens via those channels. The SMG counted 390,000 followers on all its social media accounts as of June 2015 (except the subscribers to its official blog). The five social media accounts succeeded in garnering over 50,000 followers in just two years and five months on average.

“

I believe it is crucial for policy initiatives to produce tangible results and benefits.

But I believe it is even more important to achieve a paradigm shift in public administration toward emphasizing the importance of due process and democratic participation.

”

Core Projects and Major Achievements

Won-Soon Park Process

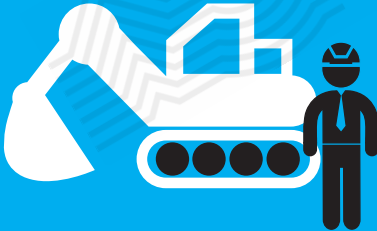


November 26, 2011:
First LBPDP for the Hope
Ondol Project organized.



Won-Soon Park process, featuring visits to policy problem sites, LBPDPs, deliberative debates, policy development, and co-governance with citizens, becomes the new norm of policymaking in Seoul.

Mayor's On-Site Office Campaign

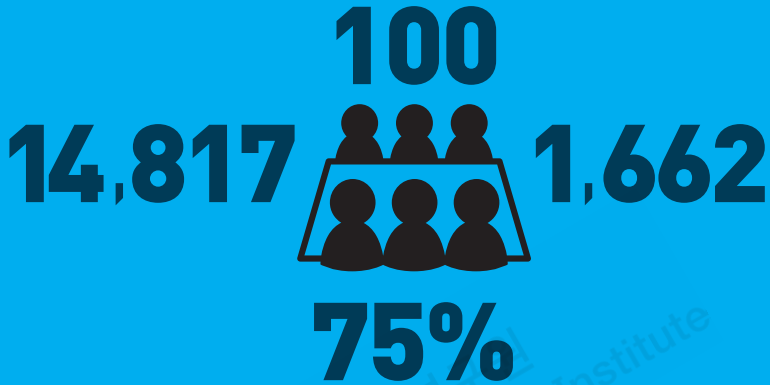


November 1, 2012:
Mayor's frequent visits to the sites of policy problems began with the goal of solving the Eunpyeong New Town problem.

2012 to 2015:
The Mayor visits 150 policy problem sites and answers issues on 386 policy issues in 26 boroughs.



Listening-Based Policy Debates (LBPDs)



From November 2011 to June 2016, 100 LBPDs were held, drawing 14,817 participants, receiving 1,662 policy proposals, and translating 75% of these proposals into actual policy measures.

Seoul's leadership over public administration via the social media



November 16, 2011:
SMG's social media administration begins with Mayor Park's inauguration being broadcast online.

July 2012:
SMG launches "Live Seoul" podcast and the trial operation of the Social Media Center in November 2012.

**LIVE
SEOUL**



