Urban and Metropolitan Management of Seoul: Past and Present

· Metropolitan Management Challenges in China
· World Bank Institute
- April 2006 Workshop

Chan-Gon Kim, Ph.D
Director–General, Seoul Metropolitan Government
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1. Seoul – Overview
2. The Growth of Seoul
3. Cross-Jurisdictional Cooperation in Seoul
4. Cooperation Between Seoul and Neighboring Local Governments
5. Seoul’s Recent Reform
6. The Key Elements of Successful Intergovernmental Relationships
7. Lessons from Seoul’s Experience
1. Seoul – Overview
## Population and Area

<table>
<thead>
<tr>
<th>Population (thousand)</th>
<th>Seoul</th>
<th>Beijing</th>
<th>New York</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,287</td>
<td>14,930</td>
<td>8,168</td>
<td></td>
</tr>
</tbody>
</table>

| Area (km²)           | 605       | 16,808     | 786       |

Source: wikipedia

- Population: 21% of total population (47,925 thousand persons)
- Area: 0.6% of Republic of Korea (99,461 km²)
**Seoul**: The Center of Politics, Economy, Culture, and Education

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Bank</th>
<th>Automobile</th>
<th>GRDP</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Seoul</strong></td>
<td>10,287 (thou.)</td>
<td>2,355</td>
<td>2,780 (thou.)</td>
<td>175 ($ bil.)</td>
<td>41</td>
</tr>
<tr>
<td><strong>Degree of concentration</strong></td>
<td>21%</td>
<td>36.6 %</td>
<td>18.6 %</td>
<td>24 %</td>
<td>23.9 %</td>
</tr>
</tbody>
</table>
Seoul Metropolitan Government

- **Organization**
  - Main Office: Mayor, 3 Vice mayors, 23 Bureaus, 65 Divisions, City Council
  - Autonomous Gu (District): 25
  - Number of public servants: 47,156 (Main Office 16,121, Gu 31,035)

- **Public Corporations**

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of employees</td>
<td>9,732</td>
<td>6,483</td>
<td>297</td>
<td>513</td>
<td>672</td>
<td>1,073</td>
</tr>
</tbody>
</table>
1. Seoul – Overview

Organization Chart – **GU** *(District)*

- **District Mayor**
  - **Secretarial**
  - **Vice Mayor**

- **Audit & Inspection Division**

- **Council Bureau**
  - Administration Management Bureau
  - Planning & Finance Bureau
  - Social Welfare Bureau
  - City Planning Bureau

- **Construction & Transportation Bureau**
  - Construction Management Division
  - Transportation Administration Division

- **Community Health Center**
  - Health Administration Division
  - Medical & Pharmaceutical Division
  - Community Health Service Division

- **Construction & Transportation Bureau**
  - Public Roads Division
  - Swerage Division

- **Planning & Finance Bureau**
  - General Affairs Division
  - Local Autonomy Assistance Division

- **Social Welfare Bureau**
  - Planning & Public Information
  - Finance Division

- **City Planning Bureau**
  - Administrative Service & Information Division
  - Cultural & Sports Affairs Division
  - Emergency Management Division

- **City Planning Bureau**
  - Tax Administration Division (I)
  - Tax Administration Division (II)

- **Social Welfare Bureau**
  - Social Welfare Division
  - Regional Economy Division

- **City Planning Bureau**
  - Environment & Sanitation Division
  - Wastes & Management Division

- **City Planning Bureau**
  - Land Registration Division
  - Parks & Landscape Division

- **City Planning Bureau**
  - Building Perints Division
  - Urban Planning
Korea’s Local Government System: two tiers
- Upper-level: 7 Metropolitan Cities, 9 Provinces
- Lower-level: 231 Cities, Counties, Districts

1. Seoul – Overview
⇒ Local autonomy by local election since 1995 (every four year)
# Division of Responsibilities between Seoul Metropolitan Government and Autonomous Gu

<table>
<thead>
<tr>
<th></th>
<th>Seoul Metropolitan Government</th>
<th>Autonomous Gu</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Road construction</strong>&lt;br&gt;and management</td>
<td>- Over 20 m (width of road)&lt;br&gt;- Expressway</td>
<td>- Under 20 m</td>
</tr>
<tr>
<td><strong>River</strong></td>
<td>- The Han river</td>
<td>- Small river, the branch of the Han river</td>
</tr>
<tr>
<td><strong>Sewage pipe</strong></td>
<td>- Over D = 900mm</td>
<td>- Under D = 900mm</td>
</tr>
</tbody>
</table>
Local Finance System

- **Total Budget**
  - Main Office: 25 Gus (District) = $15,313 mil. : $5,323 mil.

- **Tax Revenue**
  - Main Office: 25 Gus (District) = $8,854 mil. : $1,207 mil.

<table>
<thead>
<tr>
<th><strong>Seoul Metro. Gov Tax</strong></th>
<th><strong>Amount ($, mil)</strong></th>
<th><strong>Ratio</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident tax</td>
<td>2,231</td>
<td>21.6%</td>
</tr>
<tr>
<td>Registration tax</td>
<td>1,686</td>
<td>16.6%</td>
</tr>
<tr>
<td>Acquisition tax</td>
<td>1,535</td>
<td>14.9%</td>
</tr>
<tr>
<td>Cigarette consumption tax</td>
<td>553</td>
<td>5.4%</td>
</tr>
<tr>
<td>Driving tax</td>
<td>539</td>
<td>5.2%</td>
</tr>
<tr>
<td>Automobile tax</td>
<td>456</td>
<td>4.4%</td>
</tr>
<tr>
<td>Leisure tax</td>
<td>109</td>
<td>1.1%</td>
</tr>
<tr>
<td>Butchery tax</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Non-tax revenue</td>
<td>829</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>25 Gu (District) Tax</strong></th>
<th><strong>Amount ($, mil)</strong></th>
<th><strong>Ratio</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>License tax</td>
<td>19</td>
<td>0.4%</td>
</tr>
<tr>
<td>Property tax</td>
<td>984</td>
<td>20.4%</td>
</tr>
<tr>
<td>Non-tax revenue</td>
<td>1,353</td>
<td>28%</td>
</tr>
</tbody>
</table>

※ Central government determines local tax bases and tax rates
1. Seoul – Overview

- **Debt:** total $5,207 mil.
  - Subway construction $4,173 mil. (80.1%)
  - Water supply $90 mil. (1.7%)
  - Housing $692 mil. (13.3%)
  - Sewage $198 mil. (3.8%)

- **Financial transfer**
  - Central Government → Seoul (subsidies) = $1,132 mil. (7.4%)
  - Main Office → Seoul Metropolitan Office of Education: 10% of tax income
    → Gu: 50% of acquisition tax and registration tax of Seoul

※ Autonomy of Education: 1991. 3. 26
- The superintendent of education affairs: elected by the representatives of residents
- Revenue: ① Central government $2,854,367 (56.9%), ② Seoul $1,933,074 (38.6%),
  ③ Self $226,482 (4.5%)

※ Seoul → Autonomous Gu (Grant-in-aid): $1,377 mil. (25.8% of total budget of Autonomous Gus)
  (7.6% of total Budget of Autonomous Gu-districts)
2. The Growth of Seoul

- **Population**

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1945</td>
<td>900 thousands</td>
</tr>
<tr>
<td>1992</td>
<td>10,970 thousands</td>
</tr>
<tr>
<td>2004</td>
<td>10,290 thousands</td>
</tr>
</tbody>
</table>

- **Area**

<table>
<thead>
<tr>
<th>Year</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1945</td>
<td>134 km²</td>
</tr>
<tr>
<td>1963</td>
<td>595 km²</td>
</tr>
<tr>
<td>2004</td>
<td>605 km²</td>
</tr>
</tbody>
</table>
2. The Growth of Seoul

History of Urban Growth (last 50 years)
## 2. The Growth of Seoul

<table>
<thead>
<tr>
<th>Focus</th>
<th>Year</th>
<th>Society</th>
<th>Population</th>
<th>Urban Problem</th>
<th>Public Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development</td>
<td>60s’</td>
<td>Industrialization Economic growth: 11.7% (1965-1969)</td>
<td>3.5 mil. (1965)</td>
<td>Wide spread of slum, Sudden increase of demand: housing, roads, water supply, and Sewage</td>
<td>Land development through readjustment, Construction of housing complex and urban infrastructure</td>
</tr>
<tr>
<td>Development and Preservation</td>
<td>70s’</td>
<td>Rapid growth in Urban population concentration on urban area Introduction of Green Belt (1971)</td>
<td>6.8 mil. (1975)</td>
<td>Housing and traffic problems</td>
<td>Development of large-scaled housing land, artery of city roads</td>
</tr>
<tr>
<td></td>
<td>80s’</td>
<td>86 Asian Games 88 Seoul Olympic Games</td>
<td>9.6 mil. (1985)</td>
<td>Parking, traffic, environment and demanding more financial investments</td>
<td>Development of Gaepo, Koduk housing land area, Construction of subway line 2~4</td>
</tr>
</tbody>
</table>
## 2. The Growth of Seoul

<table>
<thead>
<tr>
<th>Issues</th>
<th>Year</th>
<th>Society</th>
<th>Population</th>
<th>Urban Problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welfare and Culture</td>
<td>2000s</td>
<td>2002 World Cup Soccer games, Widening income gaps between the rich and the poor</td>
<td>10 mil. (2005)</td>
<td>Increasing demand for leisure, sports, and culture, Unbalanced development between northern and southern part of Seoul, Unemployment of the young and aged</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Investment for the safety of urban facilities and the prevention of disasters, Establishing a master plan of welfare, Building garbage incineration plants</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Reform of public transport, Restoration of Chonggye stream in downtown, Opening of the Seoul forest, Development of New towns, Establishing a 10-year master plan for Cultural City Seoul</td>
</tr>
</tbody>
</table>
3. Cross-Jurisdictional Cooperation in Seoul

Inclusive Authority Model

Central Government
Province
Cities

Overlapping Authority Model

Central Government
Province
Cities

Coordinate Authority Model

Central Government
Province
Cities

<Source: Wright (1988)>
Hierarchical Relationship before Local Autonomy
- Little problems between Main Office and Gu (Districts)
- Rotation of personnel planned by Seoul Metropolitan Government

Local Autonomy since 1995
- Increased Autonomy, reduced hierarchy

Conflicts often arise
- Widening gaps in financial capacities between Gu (Districts)
- Unbalanced development between Gu (Districts)
- Policy conflicts between Main Office and Gu (Districts) induced by regional self-interests
1) Adjustment of Gaps in Fiscal Capacities between Districts

- The Degree of Fiscal Independence

![Diagram showing the degree of fiscal independence for different districts.](image)
Components of Revenues in Autonomous Gu
- Own Source Revenues: tax revenues and non-tax revenues
- Dependent Source Revenues: local grants and subsidies

Coordination by the Metropolitan Government
- Basis: The Ordinance on equalizing financial capacities between autonomous Gu (Districts)
- Financial resources for equalizing: 50% of acquisition tax and registration tax of metropolitan government
- Method: Grant-in-aid to Districts
  ① General Grant-in-aid (90%): on the basis of the Socio-economic needs
  ② Special grant-in-aid (10%): on the basis of the unexpected demand

Dependent Source Revenues (46.9% Avg.)
Own Source Revenues (53.1% Avg.)
2) Placement of Unwanted Facilities: Incineration Plants

- The treatment of garbage: dumping to the suburban area before 1993, both dumping and incinerating since 1996
- Garbage incinerating plants: Indispensable facility, but conflicts among Gu, residents, and Metropolitan Government

Garbage incineration plants

<table>
<thead>
<tr>
<th>Gu</th>
<th>Capacity</th>
<th>Covering region</th>
<th>Daily throughput</th>
<th>Constructed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yangchun</td>
<td>400 ton</td>
<td>3 Gu (Districts)</td>
<td>131 ton (33%)</td>
<td>'96. 2.28</td>
</tr>
<tr>
<td>Nowon</td>
<td>800 ton</td>
<td>3 Gu (Districts)</td>
<td>148 ton (19%)</td>
<td>'97. 1.15</td>
</tr>
<tr>
<td>Gangnam</td>
<td>900 ton</td>
<td>4 Gu (Districts)</td>
<td>212 ton (24%)</td>
<td>'01.12.29</td>
</tr>
<tr>
<td>Mapo</td>
<td>750 ton</td>
<td>3 Gu (Districts)</td>
<td>443 ton (59%)</td>
<td>'05. 5.21</td>
</tr>
</tbody>
</table>
Conflicts

- Nowon-gu: Construction delayed for 2 years by the residents' objection
- Gangnam-gu: Not allow other Gu (districts) to use the plant

Solution

- Agreements
  - Consent to sit incineration plants and allow other Gu (districts) to use the plant
  - Provide (welfare fund, convenience facilities, health care, etc.)

- Further efforts
  - Persuade the residents to understand the necessity of the project by frequent meetings
  - Incentive increase: heating cost aid to residents (50% → 70%)
3) Collaboration through e-Government

- Sharing information by the system of Intranet, WAN, electronic document approval system, on-line procedure for civil applications (OPEN) for the citizens

- e-Seoul net
### Management and Communication

<table>
<thead>
<tr>
<th>Type</th>
<th>Frequency</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Association of District Mayors</strong></td>
<td>Regular meetings (quarterly)</td>
<td>- Discussion between metropolitan and Gu-districts</td>
</tr>
<tr>
<td>(with Mayor of Seoul Metropolitan</td>
<td>Irregular meetings</td>
<td>- Proposal of the enactment and national policies that affect local governments</td>
</tr>
<tr>
<td>Government)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Conference of District Vice Mayors</strong></td>
<td>Regular meetings on Monday of the</td>
<td>- Delivering main policies of metropolitan government and sharing Gu-districts’ works and plans</td>
</tr>
<tr>
<td>(with Vice mayor and department heads at</td>
<td>third week every month</td>
<td>- Discussion of the mutually cooperative works</td>
</tr>
<tr>
<td>Seoul Metropolitan Government)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. Cooperation between Seoul and Neighboring Local Governments

- Seoul, Inchon, Gyonggi (Gwachon, Anyang, Sungnam, Gwangmyong, Goyang, Guri)

Capital Region’s population: 23 mil. (48% of total population of Korea)
4. Cooperation between Seoul and Neighboring Local Governments

System

- **Legal**
  - Act on Special Cases Concerning the Administration of Seoul Metropolitan Government
  - The Prime Minister coordinates issues arising between Seoul and neighboring Local Governments
    : planning or execution of the construction of roads, transportation, environment which are connected with national government and Seoul and other provincial governments

- **Administrative**
  - meetings, creation of associations
  - creation of funds
  - agreements
### Cross-jurisdictional Issues

<table>
<thead>
<tr>
<th>Issues</th>
<th>Transportation</th>
<th>Environment</th>
<th>Water supply and Sewage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Transportation system (Bus)</td>
<td>Road construction</td>
<td></td>
</tr>
<tr>
<td>Issues</td>
<td>- coordinating routes and fares</td>
<td>- constructing road (covering two provincial governments)</td>
<td>- securing garbage dumping sites</td>
</tr>
<tr>
<td>Cases</td>
<td>- Capital Region Transport Association</td>
<td>- Sharing costs between Central Gov. (50%) and Seoul (50%)</td>
<td>- operating Capital Region Landfill Management Corporation</td>
</tr>
</tbody>
</table>
Case 1: Megalopolitan Bus Operating System

- **Cross-jurisdictional Buses**
  - Routes: 397 (Seoul 101, Gyonggi Province 283, Inchon 13)
  - No. of bus: 5,648 (Seoul 2,063, Gyonggi Province 3,394, Inchon 191)

※ No. of daily traffic passengers in Megalopolitan area: 8.8 million persons (2004)
Case 1: Megalopolitan Bus Operating System

- Lack of coordination of transportation system in megalopolitan area
- Demand for a united transportation management for suburban citizens

Solution: Capital Region Transport Association (2005. 2. 4)

- Function
  Coordinating intergovernmental transportation policies and facility investments: Fare and transit system, Bus routes
Case 2 : Constructing Area-wide Roads

- **Conflicts**
  - Seoul : objection to extending roads to neighboring regions for the reason of traffic congestion in Seoul
  - Gyonggi Province : willing to extend roads to Seoul for commuters in the Province

- **Solution**
  - Law : Special Act on area-wide transportation management
  - Created the **Committee for Area-wide Transportation**
    - Committee : 30 members
      - (central government, local governments, transportation experts)

- **Area-wide Roads**
  - 18 Routes (completed 7, constructing 7, planning 4)
  - Length : 79.94 km

- **Cost sharing**
  - Central government 50 % : Local government 50 %
Case 3 : Managing Garbage Dumping Area

- **Status of Landfill**
  - The end of filling-up in Seoul area in 1993
  - Using Kimpo dumping area since 1992
    - area: About 15 km² (capacity: 228 million ton, 1992~2022)
    - dumping: 23,800 ton/day (Seoul 56%, Inchon 16%, Gyonggi 28%)
    - resident living in the area: 22,560 persons

- **Created a Corporation**

![Diagram showing the structure of Capital Region Landfill Management Corporation with Seoul, Gyonggi, and Inchon as main nodes, and the Council and Bureau as sub-nodes.](Image)
Cooperation between Local Governments and Residents

- Revenue: allotment of costs to local governments, dumping fees per ton

- Expenditure
  - operating costs, labor costs, funds
  - providing a fund for residents (10% of dumping fee): welfare and environment
  - reserve a fund for the management of the dumping area (37% of fund)
Case 4: Managing Water Quality of the Han River

- **Conflict**
  - Protection of water resource vs. Regional development

- **Solution**
  - Law: Act on the Improvement of Water Quality of the Han River and Support for the Residents
  - Established Committee for the Management of Han River Water Quality
  - Jurisdiction: areas from the upper stream to the lower stream of the Han river 5 local governments (Seoul, Inchon, Gyonggi, Gangwon, Chungbuk)
Committee for the Management of the Han River Water Quality

- Major functions
  - building sewage treatment facilities to protect water resource
  - support residents living in the upper stream
    → hospital, facilities for convenient life, discount electricity fare, aid to house remodeling, etc

- Revenue: water-use charge (140 Won = $ 0.14 /ton) ➔ Fund for Water Quality
  (collect from local governments to accumulate funds)

< Share of Costs (2005) >

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Seoul</th>
<th>Inchon</th>
<th>Gyonggi</th>
<th>Gangwon</th>
<th>Chungchung</th>
<th>Korea water resources corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share ($mil.)</td>
<td>326.5</td>
<td>141.6 (45.6%)</td>
<td>36.7</td>
<td>124.1</td>
<td>No share: upper stream</td>
<td>No share: upper stream</td>
<td>24.1</td>
</tr>
</tbody>
</table>
Case 5 : Sewage Treatment System

- Sewage Treatment Plants

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Jungrang</th>
<th>Tanchon</th>
<th>Seonam</th>
<th>Nanji</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily (mil., m³)</td>
<td>5.8</td>
<td>1.7</td>
<td>1.1</td>
<td>2.0</td>
<td>1.0</td>
</tr>
</tbody>
</table>

- Covering Area

<table>
<thead>
<tr>
<th></th>
<th>Seoul: 25 Gu Other: 4 cities</th>
<th>Seoul: 10 Gu Other: 2 cities</th>
<th>Seoul: 7 Gu Other: 1 city</th>
<th>Seoul: 7 Gu Other: 1 city</th>
</tr>
</thead>
</table>

<Covering Area>
Case 5 : Sewage Treatment System

- **Cross-Jurisdictional Cooperation**
  - Seoul
    - (Sewage Treatment, 1985)
    - (Garbage incineration, 2000)
    - (Sewage Treatment, 1986)
    - (Protecting Water Resources, 1994)
    - (Sewage Treatment, 1994)
    - (Offering Site for treatment Plant, 1984)
  - <Neighboring Cities>
    - Gwangmyong City
    - Hanam City
    - Goyang City

- **Effect**
  - Prevention of redundant Investment for sewage and garbage incineration facilities
  - Exemplary cases overcoming cross-jurisdictional conflicts related to NIMBY
Summary: Cooperation for Cross-jurisdictional Issues

- Establish Associations, Committees, Corporations
  - Association of District Mayors
  - Capital Region Transport Association
  - Capital Region Landfill Management Corporation

- Establish Funds by Local Governments
  - Fund for Residents in Garbage Dumping Area
  - Fund for Water Quality
5. Seoul’s Recent Reform

1) Restoration of Cheonggyecheon (Stream)

- **New Paradigm of Urban Planning**
  - Change of Urban Development Strategy
    - New approach: from Quantitative to Qualitative
    - Restore Historic, Cultural & Natural Environments

**GROWTH-ORIENTED MODEL**
(Quantitative Growth)
- Expansion of urban space
- Based on vehicle transport
- Focused on large-scale infrastructure

**GROWTH-MANAGEMENT MODEL**
(Qualitative Growth)
- Based on humanism & naturalism
- Based on pedestrian transport
- Improvement of life quality
5. Seoul’s Recent Reform

Cheonggyecheon (Stream) Project

- Restoration area: 5.84 Km
- Project duration: July 1, 2003 ~ Sep 30, 2005
- Expense: $366 Million USD

Site Plan

Length = 5.84km
5. Seoul’s Recent Reform

Before (2003)  

After (2005)
5. Seoul’s Recent Reform

New Attraction for Citizens
5. Seoul’s Recent Reform

Night View (Oct. 2005)
2) Public Transportation Reform (July 2004)

**Before**
- Operated by Non-Public Owners
  - Lack of service improvement
  - Focus on profit only
- Non-Systematic Bus Routes
  - Lack of connection between public transportation
  - Existence of overlapping, irregular routes
- Lack of Basic Bus Facilities
  - Buses slower than cars
  - Inefficient bus management
- Individual Fare for each means of transportation

**After**
- Semi Public System
  - Public management of routes, non-public operation
  - Shared management of revenue
- Bus Line Reformation
  - Connective Network between buses-subways
  - Bus Color: Red (Wide-area lines), Blue (Trunk lines), Green (Feeder lines), Yellow (Circular lines)
- Groundwork for Bus Improvement
  - Median bus-only lane
  - Bus Management System
- Combined Fare system: Distance based fare
  - Free of charge for transfers (Bus-subway)
  - T-money (Bus-subway-shopping, etc)
5. Seoul’s Recent Reform

Plan of Median Bus-only Lanes

- **before 2004**
- **in 2004**
- **after 2004**
3) Policy for Regional Balanced Development - New Town Development

- Increasing Gaps between Northern and Southern Districts
  - Urban infrastructure, Housing, Educational environment, Finance

< Increasing Gap between Districts (2002) >

<table>
<thead>
<tr>
<th>District</th>
<th>Degree of ageing houses (over 30 years)</th>
<th>Price of house per pyong (about 3.3㎡)</th>
<th>Degree of Fiscal Independence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gangnam</td>
<td>0.1%</td>
<td>$4.7 mil.</td>
<td></td>
</tr>
<tr>
<td>Jongro</td>
<td>23.4%</td>
<td>$14.7 mil.</td>
<td></td>
</tr>
<tr>
<td>Gumchon</td>
<td>29.3%</td>
<td>$4.7 mil.</td>
<td></td>
</tr>
<tr>
<td>Gangnam</td>
<td>90.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jungrang</td>
<td>29.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seocho</td>
<td>90.4%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
New Town Project

- Comprehensive urban redevelopment centered on residential areas
- A balanced regional development between Northern and Southern Districts
- Creating high quality living environment

Before
- Small sized urban redevelopment
- Urban infrastructure by private investment
- Disordered development for aged and worn-out houses
- Led by private housing companies

After
- Interregional urban planning (by zone of life)
- Increased role of local government (investment in infrastructure: school, park, road)
- Comprehensive and well-planned urban planning
- Formation of world-class urban environment
5. Seoul’s Recent Reform

Project Plans: 26 Areas

- Pilot Scheme: 3 Areas
  (Oct. 2002~2008)
- 2nd Phase: 12 Areas
  (Nov. 2003~2012)
- 3rd Phase: 11 Areas
  (Aug. 2005~2014)
Eunpyeong New Town Project
6. The Key Elements of Successful Intergovernmental Relationships

- Willingness to cooperate vs. Regional self-interest
- Institutions and systems for cooperation vs. Laissez-faire
- Financial aid vs. Few financial resources
- Citizens’ active participation vs. Unconcern
7. Lessons from Seoul’s experience

Value

- Efficiency vs. Democracy
  Harmony between expertise of bureaucrats and citizen participation

Long-term urban planning for future

- The earlier stage:
  - little concern for environment and parks for citizens
  - weak urban planning for tourism and culture of Seoul

- 2000: Increased concern for Welfare, Environment, Culture in urban life
Organization and System

1. Create Special Subsidiary Organizations for Area-wide Public Service

- Water tariffs: Proposed by the Office, approved by City Council
- Reading Water Supply meters: Contracted out to private companies
- Charging and Collecting water tariffs: District waterworks office
< Road >

Construction Planning Bureau
( 5 Divisions )

Planning of Roads Bridges and Infrastructure

Office of Infrastructure Management
( Director )

934 employees

District Road Management Office (6)

Eastern  Southern  Western  Northern  Gangseo  Seongdong
• Construction Cost: Central gov’t subsidy (40%)

• Self – governance through Boards of Directors

< Transportation >

Mayor, Vice Mayor

Transportation Bureau
(9 Divisions)

Planning of Transportation

Office of Subway Construction

197 employees

Seoul Metro Corporation
Operation of Line 1~4 (135 km)
9,732 employees

Rapid Transit Corporation
Operation of Line 5~8 (152 km)
6,483 employees
(2) Task Force
   - Efficient management tool for a specific project within limited time period

(3) Association and coordinating system

- **Human Resource**
  - Recruit: diversifying recruit channel and method
    - hiring professionals from outside
  - Education: Good quality education and training program
7. Lessons from Seoul’s Experience

- **Accountability**: Performance Monitoring
  - MBO (Management By Objective)
  - Performance-based Budget
  - Incentives for performance

- **Enhancing Transparency in administration**
  - Policy Input: Participation (citizens, private experts), Public hearing
  - ex) **OPEN** system: Online Procedure ENhancement for civil applications
Thank you!