

## **Republic of Korea**

### **5. Rural Development (Focal point: Ministry of Agriculture and Forestry)**

#### **General**

The Republic of Korea enacted (promulgated in March 2004, enforced in June 2004) the Special Act on the Elevation of Life Quality of Farmers, Foresters, and Fishermen and the Promotion of Development of Agricultural, Forestry and Fishery Areas encompassing regional development, welfare and education in rural areas to improve poor living standards in rural areas. To promote regional development and improve welfare and education system in rural areas in a comprehensive and systematic manner under the act, Basic Plan on Improving the Life Quality of Farmers, Foresters, and Fishermen and Development of Agricultural, Forestry, and Fishery Areas is to be established every five years.

Against this backdrop, based on the status survey on rural areas ('04.8~11), 15 relevant authorities including the Ministry of Agriculture and Forestry, jointly established the 1st 5-year Basic Plan ('05~'09) after reflecting opinions from local governments and farmers' groups.

This plan aims to address 133 tasks including the 4 major tasks of expanding welfare services, improving education system, promoting regional development, and facilitating industrial complexes in rural areas under the vision of developing rural areas into a cluster embracing life, recreation and industry where more than 20% of the total population resides.

To address these tasks, a pan-governmental body was set up, led by the related committee. A total of USD 21.5 billion will be invested for 5 years of time frame from 2005 to 2009.

#### **Economic Growth and Social Development in Rural Areas**

The Republic of Korea is promoting many policies to facilitate rural economy and to raise farmers' income from non-farming activities, including creating an industrial complex of rural areas, and nurturing indigenous industry.

The project for building industrial complexes in rural areas had been implemented since 1984, aiming at establishing 400 complexes by 2014. Until now, USD 32 million was invested in building 32 complexes including the 10 new ones built in 2005. As of late 2005, 314 complexes have been completed, and the rate of sale and the rate of operation stand at 98.0%, and 90.6%, respectively, which is slightly higher than that of general industrial complexes.

To facilitate the entry into the complexes by companies which utilize natural resources of rural areas like processing indigenous products, the government plans to strengthen technical management guidance and support for securing market, thereby fostering regionally specialized industry.

An indigenous industry is an industry which creates added values by exploring or utilizing distinct indigenous resources in a specific local community. As a result of pan-government efforts for regionally balanced development, it is gaining interests that fostering indigenous

industry using indigenous resources is used as a way to increase non-agricultural income and to promote rural development

Against this backdrop, the Republic of Korea laid the legal foundation of policy for promoting indigenous industry. It established the plan for nurturing indigenous industry for facilitating rural economy in 2005, and completed selecting indigenous resources with potential for business, after conducting exploration of the resources by the local government. The selected resources will be utilized as the basis for developing and commercializing foods and functional products that are made of regional indigenous products. This project will be started from 2007 in full scale.

### **Improvement of Basic Living Condition in Rural Areas and Enhancing Access Right to Infrastructure**

The Republic of Korea is pushing ahead with various projects to improve basic living environment and to expand access to infrastructure in rural areas. These include renovating living environment, developing water supply for households and agricultural use, creating environment-friendly village, building health care centers for farmers, and promoting “rural longevity villages.”

The project for renovating rural living environment is divided into two parts. The first part, the project for expanding settlement basis, is to improve basic living environment in rural areas by renovating roads, water supply, sewerage, convenient and welfare facilities, and housing. The second part, the project for creating pleasant pastoral village, is to encourage inflow of urban residents into rural areas by expanding spaces for decent residence.

The first stage of the project for expanding settlement basis had been completed in 755 myeons (townships) and 15 autonomous districts from 1990 to 2004. In addition, the project for creating pleasant pastoral village had been promoted in 197 sites. In order to renovate rural living environment, a total of USD 242 million was invested in 2005 in renewing 247km of roads, and building 21 waterworks, 43km of sewerage system, 163km of roads connecting villages, and 73 welfare centers and halls for villagers in 338 myeons.

The project for developing water supply for households and agricultural use has been implemented since 1994. This project is to supply household water developed from rock groundwater in rural villages by the unit of myeon, and to supply water for agricultural use and for cleansing agricultural products in case of droughts. A total of 5,097 sites have been established so far, of which 346 were built in 2005 with USD 62.4 million of investment, providing water for multi purposes including for domestic use as well as agricultural use to 1,079,000 persons.

As part of the project to create environment-friendly village, 1,218 environment-friendly toilets using natural circulation method were built from 2001 to 2004. Environment-friendly model houses were provided to 82 farmhouses in 15 villages from 2004 to 2006.

Building health care centers for farmers aims to provide facilities and equipment to reduce stress of farmers exposed to excessive workload and poor working conditions. In 2006, USD 8.4 million was invested in building 158 centers which have contributed to improving health

of farmers and enhancing quality of life.

The project of creating “rural longevity villages” is a relatively new project initiated in 2005. A plan for nurturing rural longevity villages aims to develop more of such villages until 2011, thereby raising living standards for seniors.

### **Expansion of Welfare Measures for Rural Areas**

Taking into account the difficult situation in rural areas, the Republic of Korea is continuously striving to expand the social security net befitting the rural areas. Reduction of expenses for pension and health insurance and increase of support for agricultural disaster are undertaken to constantly enhance general living standards of rural workers to the level of those of urban workers.

In order to improve medical service in rural area, the Republic of Korea is expanding medical facilities and equipments, and strengthening infrastructure and service function for emergency medical care. In particular, the government establishes health and leisure facilities in rural villages to help the aged and female farmers relieve their fatigue.

The Republic of Korea expands basis of welfare for the aged, such as establishment of protection system for the aged, and development of longevity villages. The longevity village project provides the seniors living in rural areas with works suitable for them, health care program, and community activities. In 2005, 100 villages were developed as the longevity villages, and **the government** plans to expand the number of villages of the project.

In order to relieve farmers’ burdens of educational expenses, **the government** constantly operates scholarship program for high school students and tuition finance program for university students from rural areas.

Meanwhile, the government newly introduced human resources support project where manpower for farming is provided when farmers have accidents and housemaid is provided for the aged farmers. The purpose of the project is to support farming and living in rural areas, and to create social job opportunities. **The government** plans to expand this project, so that manpower would be provided when there is no manpower available for farming due to sickness or training

### **Promotion of Green Tourism**

It is projected that the demand for green tourism will be continuously increased as interest in rural areas’ ecological and environmental values and demand for safe produces and health foods are increasing. **The government**, responding to such changes in circumstances, promotes various types of exchange programs between urban and rural areas in order to increase farm households’ income and vitality of rural areas.

Special training for strengthening capacity of regions which would lead the development of rural areas, has been provided to the residents of rural areas. For the development of rural areas, **the government** also established foundation for green tourism and farming community tour. In order to encourage people’s interest in green tourism, **the government** is operating

various promotion activities and establishing promotion system.

As a result, the exchanges between urban and rural areas have been increased, resulting in the restoration of vitality and increase of income of rural areas. In addition, people understand and have interest in rural areas more than before, creating cooperative atmosphere between urban and rural areas.

### **Promotion of pleasant and environmentally friendly farm village development.**

For small sectors (3-5 ris (towns)) within the same life zone, 5-year plan is established in accordance with the characteristics of the region. According to the plan, improvement of living environment, renovation of landscape, and software project to enhance people's capability are promoted.

Since the selection of program area, local residents establish the development plan by themselves, and lead the development project through partnership with government officials and experts. By exploring and utilizing the potential resources in each small sector, various types of rural spaces are developed.

In 2005, development project for 36 sectors had been started with the investment of USD 56 million, and development plan for 40 additional sectors had been established.

### **Collection and treatment of waste vinyl and waste agrichemical bottles in rural areas**

Waste vinyl collected from farmlands is recycled to make plastic recycle material. In 2006, 71% of waste vinyl generation, 229,000 ton out of 322,000 ton, was collected and treated. Waste agrichemical bottles are collected to make glass and plastic recycle material. In 2006, 68% of waste bottle generation, 40 million bottles out of 59 million, was collected and treated.

In order to increase collection of waste generated from farming, the government provides farmers with compensation for collecting wastes. The compensation has been sharply increased from USD 12 million in 2004 to USD 18 million in 2007. The government currently reviews a plan to increase the monetary compensation.

Korea Environment and Resources Corporation, in charge of collection and treatment of wastes, is promoting outsourcing project to treat waste generated from farming efficiently. The outsourcing project includes, improvement of collection methods such as modernization of equipments, outsourcing waste collection to a private company, and contest of waste vinyl treatment technology.

The government planned to build up 130 waste treatment facilities in rural areas by 2006, among which 119 facilities (1,924,000m<sup>2</sup>) were completed and 11 facilities (185,000m<sup>2</sup>) are under construction or design.