Special High-Level Event
A New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model Inspired by the Saemaul Undong

Organized by UNDP, OECD and the Ministry of Foreign Affairs of the Republic of Korea

New York, 26 September 2015

Concept Note

I. Background

1. The year 2015 is a historic year for the United Nations. Heads of State and Government of the 193 member States of the United Nations will meet in New York in September 2015 to celebrate the UN’s 70th anniversary and launch the new global development agenda and the Sustainable Development Goals (SDGs). Such a global commitment will be ambitious, comprehensive and inclusive, including but not limited to, innovative and new modalities for international cooperation to make changes and sustainable development happen for the people and the planet.

2. The report by the High Level Panel of Eminent Persons on the Post-2015 Development Agenda, which was established in 2013; the UN Secretary General’s report, “A Life of Dignity for All,” and the report by the Sustainable Development Goals Open Working Group, which was established in 2014 have all emphasized the significance of intangible assets such as people’s participation, group consciousness, and sense of responsibility as core values in the discussions about sustainable development at the UN. In addition, enhancing access to cross-cutting enablers including gender and ICT technology has received increasing attention.

3. The Post-2015 Development Agenda’s key development goals are comprehensive of the economic, social and environmental dimensions of development. The SDGs reflect six essential elements of dignity, people, prosperity, planet, justice, and partnership.

4. In the new Post-2015 Development Agenda, local development is a key dimension to achieve all the proposed SDGs. It is also clearly reflected in goals related to sustainable agriculture and to making cities and human settlements inclusive, safe, resilient and sustainable.
5. Transforming rural areas into development-friendly and sustainable agriculture-friendly places is a key priority in global development. However, in many rural areas, we must recognize that their development is inexorably tied to that of urban areas and industrial development. Thus, it is important to help reduce rural poverty in the face of great challenges including, but not limited to, rural to urban migration especially of the young and able labour force which exacerbates the ageing problem of the labour force in rural areas; environmental degradation due to rapid urbanization and industrialization; and a widening gap of living standards including infrastructure. A new rural development paradigm and an inclusive and sustainable new communities approach are needed to bring synergy and balance between rural and urban areas for a nation’s development. Environmentally sustainable development of rural areas in the broader scheme of national development and urban/industrial development is increasingly important in the era of rapid urbanization and industrialization.

6. We must recognize the need to transform agriculture and rural areas in order to better respond to the continued increase of population in developing countries, volatile changes in food production due to climate change and other causes, and the consequent instability of food prices. Without dramatic changes in agriculture and rural areas, we cannot attain food security in the new development era.

7. In addition to the economic significance of rural areas, we must recognize their social challenges. The development gap between urban and rural areas has widened, and social and environmental problems have increased, which have contributed to the rural areas becoming a great challenge for developing countries. Many rural residents migrate to urban areas seeking jobs and better conditions, but there usually are not enough productive job opportunities in urban areas to match their skills. This leads to the expansion of urban slums and deterioration of urban living standards. Thus, governments of developing countries are seeking policy options to address the challenges of rural areas.

8. Agriculture has an important role in rural development. However, rural development strategies need to go beyond agriculture. To absorb a rapidly growing rural labour force, it will be necessary to provide productive employment opportunities beyond agriculture in rural industry and services. It will also be important to provide basic public goods such as education, health and infrastructure, as well as social protection systems to improve the livelihoods of people in rural areas.

9. In order to reach the sustainable and inclusive goal of the Post-2015 Development Agenda, we recognize the global community’s rising demand to formulate new rural development models and policies that have already demonstrated a successful track record in developing countries and that are applicable in diverse contexts of developing countries.

10. Rural development policies in the Post-2015 developmental era should be broadly applicable in diverse contexts as well as be able to bring meaningful and successful outcomes when applied. We would like to propose a New Rural Development Paradigm and an Inclusive and Sustainable New Communities Model for developing countries in the 21st century. It is based on an examination of the Republic of Korea’s Saemaul
Undong (New Community Movement) and other successful rural development experiences, adjusted to the current global context which offers new challenges as well as opportunities. It is offered as a contribution to thinking about how to effectively respond to the growing need for alternative rural development initiatives given the great challenges and demands for better rural development strategies needed by developing countries in the new context today.

11. We believe that the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model can play vital roles in assisting developing countries faced with great challenges in their rural areas to establish new development governance systems, help solve food security problems, help increase women’s social and economic participation, create incentive schemes in order to make development sustainable, and enhance national ownership. In short, these approaches can assist developing countries achieve the Post 2015 Sustainable Development Goals by providing them with guidance for strategies to successfully overcome diverse development challenges in rural areas.

12. The Saemaul Undong (SMU), which was first introduced in the 1970s in the Republic of Korea, has demonstrated a successful track record and has been recognized as a key development experience of the Republic of Korea. Elements of this approach have been adopted in more than 30 developing countries, with varied size and application levels, and thus demonstrated its applicability in diverse contexts of many different developing countries from a socio-economic standpoint. The SMU is a good example of many of the elements of the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model since it has shown the following traits: increased participation of rural communities with enhanced ownership; incentive scheme that has enabled sustained participation and innovation; income generation and improvements in living conditions based on transformational changes; and the establishment of an efficient governance and partnership system among the central government, local government and local community.

13. As an integrated rural and local development programme that aimed to increase incomes of the poor through small-scale self-help projects, the SMU featured strong government and system-wide support to be eventually scaled up beyond the community level and rural areas to “encompass the entire spectrum” of the government’s local development policies and programmes.

14. The SMU held strong belief in diligence, self-help and cooperation. These fundamental principles of SMU have helped the country to avoid aid dependency and have encouraged community members to develop their potential to overcome challenges and creatively explore new economic resources and means of increasing productivity. Over time, SMU projects became increasingly funded from community resources and financing instead of from the government budget. Community SMU investment, including self-support and public loans, grew and eventually exceeded government support to SMU projects by the late 1970s in both the national and local budgets.

15. Forty-five years later, ROK is now a donor committed to sharing its own experiences of growth and transformation in a world of rising inequalities and changing demographics that require sustainable human development pathways and take into account the distribution of populations across urban, peri-urban and rural areas.
16. There are limitations in the applicability of successful rural development schemes including the SMU due to the divergent contexts of developing countries. This is because successful rural development experiences are typically rooted in the specific social, economic and institutional capital and other conditions of the specific country. Thus, it is important that we recognize the need to modify the original scheme in order to expand the applicability of rural development experiences for developing countries with different social, economic, institutional and cultural contexts; and to continually seek alternate social and environmental factors for successful development.

17. The Republic of Korea with its distinctive rural development scheme --i.e., the SMU, and UNDP and OECD, which are leading international organizations specializing on development policies, research, and implementation, have jointly agreed that rural development is key to the success of the SDGs in the Post-2015 Development era. Thus, they developed a broadly applicable comprehensive community development framework based on the lessons and experiences of the SMU as well as other rural development experiences. In addition, the new rural development paradigm includes updating the framework to take into account new challenges such as rapid population growth in many countries (particularly in Sub-Saharan Africa), climate change and environmental sustainability; as well as new opportunities coming from advances in technology and further social and organizational innovations for effective rural development strategies.

18. Meanwhile, UNDP is also conducting research to develop implementation guidance to enable the application of the model in divergent contexts of developing countries; monitoring and evaluation mechanism; and creating centres of excellence in order to help disseminate the lessons to neighbouring countries and regions through South-South and Triangular Cooperation.

19. The Inclusive and Sustainable New Communities Model is inspired by the SMU and build into the updated design a forward-looking vision for scaling up and long-term financial sustainability to address the seemingly paradoxical objective of promoting self-help principle through an ODA-funded project. This vision would include strategic interventions at national level with linkages to local and community levels, as well as a model for co-financing, where 20 percent of ODA would be matched with 30 percent government cost-sharing and 50 percent in-kind contributions of labour and services mobilized by the communities. Dissemination of the model to other developing countries will be realized through promoting South-South and Triangular Cooperation. Such a model testing will provide concrete evidence on how ODA, domestic resource mobilization, South-South and Triangular Cooperation can complement each other in delivering sustainable development results at the local level.

20. We hope that the upcoming High-Level Event on A New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model Inspired by the Saemaul Undong will take stock of rural poverty and rural development needs of developing countries; assess the viability of utilizing lessons from the New Rural Development Paradigm including Republic of Korea’s SMU experience, and reaffirm the international commitment to eliminate rural poverty and bring about sustainable development through rural development.
II. Overview of the Event

1. Organization of the event

   A. A high level session is being planned as a special event focused on the theme of A New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model Inspired by the Saemaul Undong during the UN Summit to Adopt the Post-2015 Development Agenda in September 2015.

   B. This High-level event is organized into two parts: Part 1 (Professional Session), Part 2 (High-level Session):

      • Part 1: Participants include senior representatives from UNDP and OECD, policy makers from SMU partner countries and other countries, and experts on SMU and rural development.

      • Part 2: Participants include President of the Republic of Korea, Secretary General of the UN, Secretary General of OECD, Administrator of UNDP, World Bank President and Heads of SMU partner countries.

2. Goals of the Event

   • Shedding light on the importance of food security and agriculture/rural development policies in global development in the Post-2015 Development Agenda, the session will highlight the significance of “sustainable agriculture”.

   • Setting the stage for discussion of utilization and application for the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model focusing on the SMU and other successful rural development initiatives.

   • Confirming the demands from developing countries for a New Rural Development Paradigm and reaching a global consensus and support for the Paradigm’s applicability in diverse contexts of developing countries.

   • Introducing interim results of the research conducted by OECD and UNDP, respectively, as well as UNDP’s field cooperation projects, and building coalitions for expanding the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model.

3. Expected Outcomes

   • Raising global awareness of the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model, which is based on tailoring success cases of rural development initiatives from around the world including the SMU to fit the diverse needs of developing countries’ with different contexts.

   • Securing support from the global community for the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model and their
applicability to different developing countries in the context of Post-2015 Development Agenda.

• Invigorating global discussions about expanding the application of the New Rural Development Paradigm.

• Galvanizing political momentum for the successful localization and implementation of the SDGs through dissemination of the findings from OECD’s and UNDP’s research and successful field projects related to the Saemaul initiative.

III. Key Discussion Points

1. Sample Framing Questions for the High-Level Session

 ① Role of rural development policies in the context of national development strategy

  • Discussion on the significance of rural development policies derived from the SMU with emphasis on the role of the community in underpinning and fostering sustainable development

  • Policy goals and expectations of developing countries as they apply the Republic of Korea’s SMU experience. What are the challenges of such an application?, and what should be contextualized to fit the different context of the developing country in the 21st century?

 ② Action plan for international organizations and developing countries to work together for the success of localizing the SDGs through the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model.

 ③ The SMU as a broadly-applicable rural development model that can be modified to fit the 21st century development contexts.

 ④ Prospects for scaling up learning from the SMU through South-South and Triangular Cooperation and further develop the rural development paradigm in developing countries.

2. Sample Discussion Questions for the Professional Panel

  1) What are the greatest challenges for sustainable development in rural poverty reduction and rural development?

  2) How is rural development linked with urban development, industrial development and national development? What are the links and how can they be strengthened so that synergy can be brought out?

  3) How can you promote people’s voluntary participation, sense of responsibility,
and public consciousness for building sustainable development-friendly rural communities?

4) How can you harness continuous political commitment for rural poverty and rural development?

5) What are top-down government institutions/policies and bottom-up empowerment mechanisms that are effective for rural development?

6) What application needs should be considered to effectively utilize the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model?

7) What actions and efforts should be taken by developing countries in cooperation with international organizations to fulfil the SDGs through the New Rural Development Paradigm and the Inclusive and Sustainable New Communities Model? What incentives can governments and international organizations provide to produce outputs and outcomes that are greater than the input?

8) With successful adoption of the updated model, how can we scale up the approach through South-South and Triangular cooperation?