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# The Ondol for Hope Project

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REPORT UPDATED :

**DEPARTMENT : HEALTH AND WELFARE OFFICE**

**POLICY AREAS : WELFARE**

## 정책 개요/비전

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A New Welfare Cooperation Network Sparked Social Interest in & Support for the Marginalized and Promoted Quantitative & Qualitative Welfare Improvement

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### **The Launch of the 'Civic Planning Council for the Ondol for Hope Project' (November 2011)**

As some immediate measures were needed to protect those citizens who were actually poor but left in welfare blind spots in the winter of 2011, a new organization called the Civic Planning Council was launched. The organization's members immediately held workshops to listen to the citizens' voices and visited district offices and local welfare institutions to set up specific action plans to promote the Ondol Project.

The council also developed a website called the 'Hope Ondol Community Map' exclusively for the Ondol for Hope Project in order to listen to citizens' opinions which could not be heard through the other avenues and reflect them in the city's welfare policies.

### **Formation of a Network between Welfare Institutions and Private Organizations (November 2011 ~)**

In the winter of 2011, a network was formed between a total of 122 local institutions including local social welfare centers and 3,171 private organizations including religious groups and voluntary service groups for more efficient participation in the Ondol for Hope Project.

Workshops and meetings have been held to share the directions, goals and action plans of the Ondol Welfare Project with the members of the network.

### **Increased Welfare Support for the Underprivileged in Winter (November 2012~)**

For the first time, a consortium of 215 organizations was formed through a public contest format to promote 29 projects such as urgent living expense subsidies for single seniors, the homeless and the working poor as well as subsidies for housing improvements and microsavings plans. The consortium has continued to grow ever

since. As of November 2012, a total of 3,883 groups are participating in the consortium to help more than 290,000 people in need.

### **Year-round Operation of the Ondol for Hope Project (April 2012 ~)**

The Ondol Welfare Project helped plenty of people. It was originally intended for just one winter. Following a remarkable success, civic organizations called for the continuation of the project year-round. In April 2012, it was declared a year-round project.

In the summer of 2012, 8,508 volunteers from corporations and volunteer organizations joined hands to improve the housing environment for 1,805 poor neighbors whose needs were outside the boundaries of government welfare guidelines.

### **Institutional Enhancement of the Ondol Welfare Project (June 2012~)**

An educational program for the Ondol Project was set up and has trained more than 500 people in nine courses mainly to enhance the service capabilities of civic organizations engaged in the project. The website for the Ondol for Hope Project has been improved to make it more convenient and efficient for users. A new course has been added by civic groups about raising funds at the local level.

## **정책소개**

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Paired with volunteer organizations, fellow citizens, etc., working in our local community, this project is a public-private partnership to locate and help neighbors in distress and share hope.

This project aims to foster a "Local Welfare Community" that helps the neighbors in need at our town through the voluntary participation and donation of grassroots civic groups, self-motivated volunteer organizations, entrepreneurs, and fellow citizens when immediate support is needed but out of range of the support system considering its own limited resources.

## **추진배경 및 목표**

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### **The Existence of Welfare Blind Spots Prevents Many from Receiving Institutional Support**

Previously, a variety of welfare programs were implemented by the Seoul municipal government within a strict legal and institutional framework. Due to this framework, the welfare demand on the ground was not met properly. As a result, the number of people who were at the subsistence level but did not meet the legal or institutional requirements for public welfare assistance was more than 290,000.

### **Private Sector Resources Not Fully Exploited due to Overemphasis of Public Sector's Roles in Delivering Benefits**

Although Korea's social welfare budget accounts for 7.5% of its GDP (as of 2007), which is a lot lower than 19.8%, the average of OECD countries, the rate increase in Korea's social welfare budget (14.8% from 2005 to 2007) is much higher than the average rate increase of OECD countries (6.3% during same period). The percentage of Seoul's social welfare budget out of its whole budget also has increased from 16.1% in 2007 to 25.9% in 2012. This means the public sector's burden is getting heavier. As it could cause a financial crisis, it is time to think about how to utilize the private sector's resources. This is necessary because the private sector's role in social welfare has not grown enough to cope with this situation. In fact, only 16.8% of Seoul citizens contribute to welfare programs through private donations highlighting the need for the private sector to take a bigger role.

## **The Deterioration of a Sense of Community and the Negative Impact on Social Integration**

Seoul is a metropolis with a population of ten million. Here urbanization has progressed faster than many other cities. The sense of community that was once highly valued as in many other Asian societies has deteriorated rapidly. The ratio of the middle class in Seoul dropped from 67.8% in 2000 to 59.4% in 2008 while people below the poverty line increased from 10.9% to 16.6% and the Gini coefficient of the city rose from 0.31 to 0.35 during the same period. Such serious income inequality is now working as an obstacle to the mandate of social integration.

**The Ondol for Hope Project is designed to shift the paradigm of social welfare that in the past depended too much on the government to form a network of private and public cooperation, expand welfare services to those who are poor but are not eligible for government subsidies and build up local level 'welfare communities.'**

## **정책실행 경험 및 노하우**

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### **Trial Strategy**

#### **1. Cooperation Partnership led by the Private Sector**

The Ondol Project was initiated by the city government. Yet the Civic Planning Council composed of civilians representing various walks of life has done everything else including mapping out the purposes, strategies and processes of the project. At the district level, the network of district welfare institutions and local civic organizations has mobilized local resources. Those at the network have responded to local situations quickly and efficiently since they are free from all those institutional restraints.

#### **2. Local Citizens' Participation Essential for Establishing Welfare Communities**

659 citizens have been chosen to act as those standing at the forefront of social welfare. They include grocery store owners, rice store owners, merchants in traditional markets, and more. They know better than anyone who is really suffering in their neighborhoods. They go and identify those people in need and report them to resident centers, district offices or welfare facilities for immediate relief efforts. They also connect these people to local civic organizations that are waiting to help those who need immediate assistance.

#### **3. All Welfare Related Divisions Join Forces to Set up a T/F Team**

The city of Seoul formed a task force team with members from 10 divisions of the municipal government such as welfare, housing, employment and healthcare. The T/F team is divided into ten units that handle the following tasks: general control, the poor, the homeless, emergency healthcare, hope sharing, urgent repairs, IT support, communication, cheating victim prevention, and half-price gosiwons (the cheapest rooms for rent).

At the district level, a new organization called the 'Hope Welfare Support Center' has been formed to take charge of everything related to the Ondol for Hope project.

### **Obstacles and Overcome Method**

#### **1. Following the Paradigm Shift from Public to Public-Private Cooperation, a Shortage of Understanding and Wariness**

Public servants at both city and district levels were reluctant to accept civilians as their equal partners whereas those from private organizations could not navigate the culture, systems and procedures in government offices. Various civic groups were wary of each other, worrying whether others would encroach on their own social service areas.

#### **2. Planning and Implementation under the Leadership of the Private Sector**

From the outset, civilians were involved in the decisions on the Ondol Project's scope and implementation methods as they all were determined at Civic Planning Council meetings.

The council members promoted the Ondol Project in the local community calling on private institutions to participate in the project.

### **3. Collaboration Project in a Consortium Format**

The Civic Planning Council has initiated a consortium-type collaboration for the Ondol Project among participating civic organizations to share mutual experiences and build up confidence more efficiently. So far, the organization has posted four public consortium contests for 82 projects. 459 organizations have participated in those projects as either leading or supporting organizations.

### **4. Dissemination of Success Stories of the Ondol Welfare Project**

The strategy of the city of Seoul for the Ondol Project in terms of dissemination was to attempt to continuously discover small success stories. Successful cooperation between the public and private sectors, moving stories about poor people receiving help and activists' feelings in sharing have been posted on the website. Stories were sought through contests. Moving stories were also published. The stories have quickly been spread around the city.

### **5. Various Publicity Efforts Increased Support**

The city of Seoul has launched a variety of publicity campaigns about the Ondol Project under the persuasive slogan, "Let us not allow anyone under Seoul's sky to go to bed hungry and sleep on a cold floor in winter." Citizens have responded to the campaigns with donations of cash, goods, skills or services.

## **Used Resource**

### **1. Financial Resources: Cash and Goods by the Private Sector; Basic Operating Expenses by the Public Sector**

Major civic groups like Community Chest and the Seoul Council on Social Welfare that play a major role in developing civic resources in the private sector have agreed on the division of financial burdens between the public and private sectors and each has done its part. The city has supported them institutionally so that they could increase their ability to raise donations.

### **2. Human Resources: Participation of Diverse Groups like NGOs, Expert Groups, Local Activists and Civil Servants**

The city of Seoul set up the Hope Welfare Support Division, consisting of 18 people in 4 teams within the Welfare and Health Bureau in order to support the Ondol Project and help establish the public and private sector collaboration network. In 25 district offices, the Hope Welfare Support Centers are established and a total of 333 civil servants are handling Ondol Project related matters in their respective districts.

At the local level, 659 'Sharing Neighbors' identify people in need and connect them to welfare organizations. 3,883 civic groups including religious organizations and volunteer groups are participating in the Ondol Project as well. 'Sharing Neighbors' are common people who care about their neighbors and volunteer to take the responsibility to seek out people in the greatest need within their neighborhoods and arrange help for them.

### **3. Technical Resources: Establishment of a One-stop Public-Private Collaboration Welfare Service Delivery System**

Improvements are being made so that a person in need or his/her neighbor can request welfare service from a district office, a dong (the smallest administrative unit) office or a welfare institution. Work is being done so that welfare benefits will be delivered from local institutions.

Equality in support provision and standardization in service application procedures are secured by the manual prepared by the Civic Planning Council.

Through the Ondol Welfare Project website and Twitter, all the necessary information is relayed to the relevant institutions immediately. Support measures are posted in real time.

## RESULT AND EVALUATION

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### **291,325 Alienated Citizens have more secure lives under the New Social Safety Net.**

The municipal government is providing support to 291,325 people below the poverty line, including 96,739 whom the city has recently identified as extremely poor. The city provides subsidies for their basic needs and heating and housing costs. Last winter, no homeless people froze to death for the first time in the city's history on account of the project.

### **Donation Culture Promoted and Enterprises and Citizens Donated 32 billion won.**

The city of Seoul has launched a large-scale 'sharing' campaign and 32 billion won worth of cash and goods have been collected from enterprises and citizens. In addition, for the first time in the history of the Seoul city government, there are 11,437 cases of skills or services being donated in a variety of fields including medicine and boiler repairs.

The donations have been distributed to the people in need who are marginalized by the public welfare channels. The distribution work has been done by a total of 122 private organizations.

### **Mobilized Modern IT Techniques to Improve Welfare Services**

To take advantage of the world-class IT infrastructure of the country, the city of Seoul has developed a website exclusively for the welfare initiative (<http://ondol.welfare.seoul.kr>) to promote an effective collaboration between citizens, welfare institutions and public offices. A total of 10,655 donations or discoveries of community members in need have been made on this website thus far.

### **264 Cases of Institutional Improvement Tasks Identified**

While the city has been promoting its "Ondol Welfare Project," the city has identified 264 cases in 12 categories that do not meet the legal or institutional requirements for welfare benefits but the people involved badly need welfare services. To correct these problems, in July 2012, the Seoul Municipal Government opened the Seoul Welfare Legal Counseling Center, which is now working on the fundamental improvements contained in the National Basic Living Security Act. At the same time, the center has offered free legal counseling services. For the past four months, from July to November 2012, the center has provided free legal counseling services for 1,137 cases.

### **Shift of Welfare Focus from Laws and Institutions to Citizens' Actual Needs**

The Ondol Hope Project surpasses the legal and institutional boundaries and actively tries to meet the demands of the disadvantaged of the society. Those in the blind spots have been identified and supported through the project. Qualitatively, welfare recipients are much more satisfied with the services they receive. Based on the successful results of the Ondol Project, the city of Seoul has reestablished its welfare standards. Along with the implementation of the new standards, the social safety net of Seoul will continue to expand.

### **Customized Bottom-up Welfare Project Suited to Local Characteristics**

Previously, the country's welfare policies were planned and implemented by the government. The city of Seoul was no exception. In that way, the local characteristics and residents' particular demands had been neglected. The Ondol Hope Project has proven that the top-down method of welfare administration can be changed to a better, more open one. The city of Seoul will continue to listen to its citizens through a variety of mechanisms such as workshops and idea expositions, which are held to listen to citizens' voices and collect citizens' input for major municipal policies, and through its websites, which will continue to be upgraded to promote more active participation by citizens.

## **Welfare Improvements felt by Citizens and Media Attention**

Civic groups and local activists have actively participated in the Ondol Project and the private sector has donated large amounts of money and goods, all of which were largely due to the attention paid by the mass media to the project. The positive cooperation between the public and private sectors has continued to move the public, who in turn reacted with keen interest and supportive measures. Citizens have supported the project so enthusiastically because the benefactors were genuinely poor neighbors who had long been neglected by the public sector. In addition, the project began in winter, which was a significant factor in garnering compassion and attention as it is an even harder time for the disadvantaged.

## **The Mayor's Leadership in Reforms of Welfare Administration**

The Ondol Welfare Project was initiated by the mayor. He advocated that the poor left outside the government welfare network should not be left hungry and cold in winter. The mayor has participated in the discussions of the Civic Planning Council and listened to the citizens' earnest voices in various meeting and workshops, among others. He has visited the poor from time to time and listened closely to their stories. The mayor has expanded the budget and the organization for the Ondol Project. He has promoted reforms in the city's welfare administration system and will continue to do so into the future.

## **TRANSFERABILITY**

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### **A Model for Developing nations in Public-Private Sector Cooperation**

The key of the Ondol for Hope Project is the collaboration of public and private sectors in identifying and supporting those who are poor but have not been protected by the official welfare programs.

The project can be a model for any country that lacks a mature public welfare system or has room for improvement in mobilizing the private sector's resources to help the people in immediate need.

Already, a number of civil servants from developing countries who have come to learn about the city's advanced city administration have heard about the Ondol Project and responded positively. The city will continue to disseminate information about the project to other countries on such occasions.

### **New Directions for Korea's Welfare Delivery System**

Korea is still suffering from a significant gap in the quality of welfare services between the capital city and the remaining parts of the country.

Other cities and provinces have benchmarked the Ondol Project particularly in the areas of public and private sector cooperation and the effective mobilization of private resources for welfare services..

The Ondol Welfare Program was awarded the grand prize in the 1<sup>st</sup> Regional Government Welfare Grand Prix hosted by Hankyoreh, one of the major dailies in Korea, on November 20, 2012. The Wagon for Hope program of the city is being implemented by a couple of metropolitan governments in Korea.

### **Community Recovery thru the Ondol for Hope Project**

Along with the rapid urbanization of Seoul, the functions of its local communities have weakened. The Ondol Welfare Project has planted a seed of hope for the recovery of communities in Seoul.

In Seoul and some other regions of the country, the Village Creation Project centered on welfare programs is spreading fast. It shows that the Ondol Project can transcend beyond the welfare level and spread to the entire municipal administration of Seoul.

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