

How to Expand Rural Area's Power Supply in 1966–1978 through Rural Electrification Project

DEVELOPMENT CHALLENGE

The core challenge was to develop rural communities through electrification. At the time, developing the Republic of Korea's rural communities, which accounted for over 60 percent of the total population, was essential for balanced development and economic growth. The Electrification Project aimed to build basic electrical facilities to supply power to rural areas, working with KEPCO (Korea Electric Power Corporation).



DELIVERY CHALLENGES AND HOW PRACTITIONERS RESPONDED

During the project, practitioners from the Korean government faced a number of critical challenges in project design, funding, budgeting and resource management, largely because they lacked expertise and resources in the industry. They had to consult with many international organizations to design a detailed project plan that took into account the limited budget.

In order to tackle these issues, practitioners drafted a long-term development plan for the electricity industry before launching the project. Funds were raised through remittances and domestic savings. Also, to engage local participants and minimize their burden, practitioners set fair and transparent criteria showing the villagers the impartiality of the project and gave them ownership through incentive programs. These actions were supported by strong political leadership from the executive and facilitated the development of the electricity and manufacturing industries.

LESSONS FROM THE CASE STUDY

By the end of 1987, the rural electrification rate was 99.8 percent. This critical project played a pivotal role in achieving balanced economic development throughout Korea in the 1970s. This project, while poorly designed and organized at the very beginning, was completed swiftly and successfully with strong government support, strategic planning, strong citizen participation, and domestic industry involvement like that of KEPCO.

HOW THE CASE STUDY WAS USED

This project serves as a good example for countries with interest in large-scale rural development, and those that may have difficulty planning and allocating budgets due to lack of experience in the field.