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## **Policies on Returning to Farming and Rural Villages in Korea**

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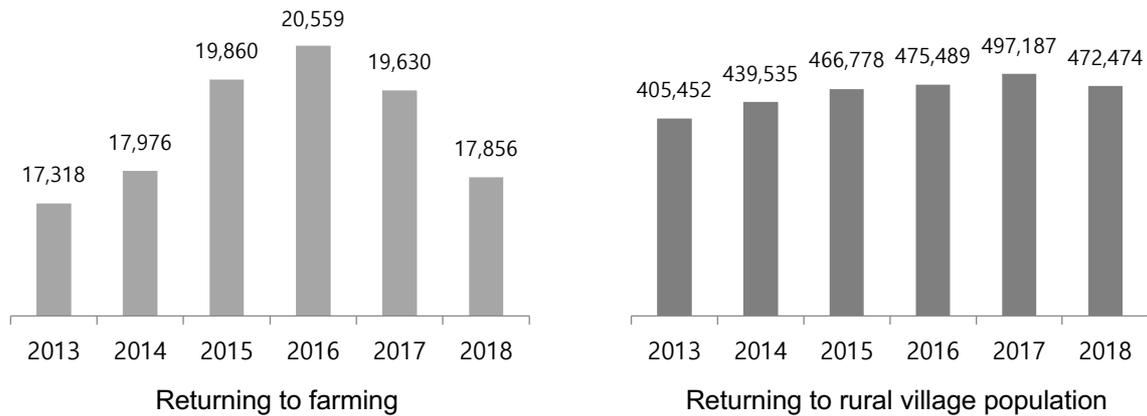
### **ABSTRACT**

*As the youth unemployment continues to rise in urban areas and the baby boomer generation retirees move to rural areas, the Korean government has implemented various policies for stable settlement for returned farmers and residents and revitalizing the economy of rural villages. The policies for returning to farming and villages can be divided into the stages of interest, execution, and settlement, and the Korean government implemented policies such as providing information and education for returning to farming and villages, providing farmland and housing, supporting start-up funds and farming technologies.*

### **INTRODUCTION**

As the global economy continues to stagnate, the urban labor market becomes unstable and youth unemployment continues to rise (Ma *et al.*, 2016). In addition, as the retirement of the baby boomer generation (born 1955 ~ 1953) began in earnest, retirees began to move to rural areas (Park and Choi, 2014). Therefore, the Korean government has judged that support for the creation of youth jobs in agriculture and the smooth settlement of rural areas for retirees was needed. According to the data released by the Ministry of Agriculture, Food and Rural Affairs *et al.* (2019), Korea's return-to-farming and rural village population increased from 422,770 in 2013 to 490,330 in 2018. Since 2013, the Ministry of Agriculture, Food and Rural Affairs has prepared statistics on return-to-farming and rural village population as defined in the Act on the Activation and Support of Returning to Farming and Rural Villages. The number of returning to farming population (including all household members) increased from 17,318 in 2013 to 17,856 in 2018, and the number of returning to rural village population (including all household members) increased from 405,452 in 2013 to 472,474 in 2018.

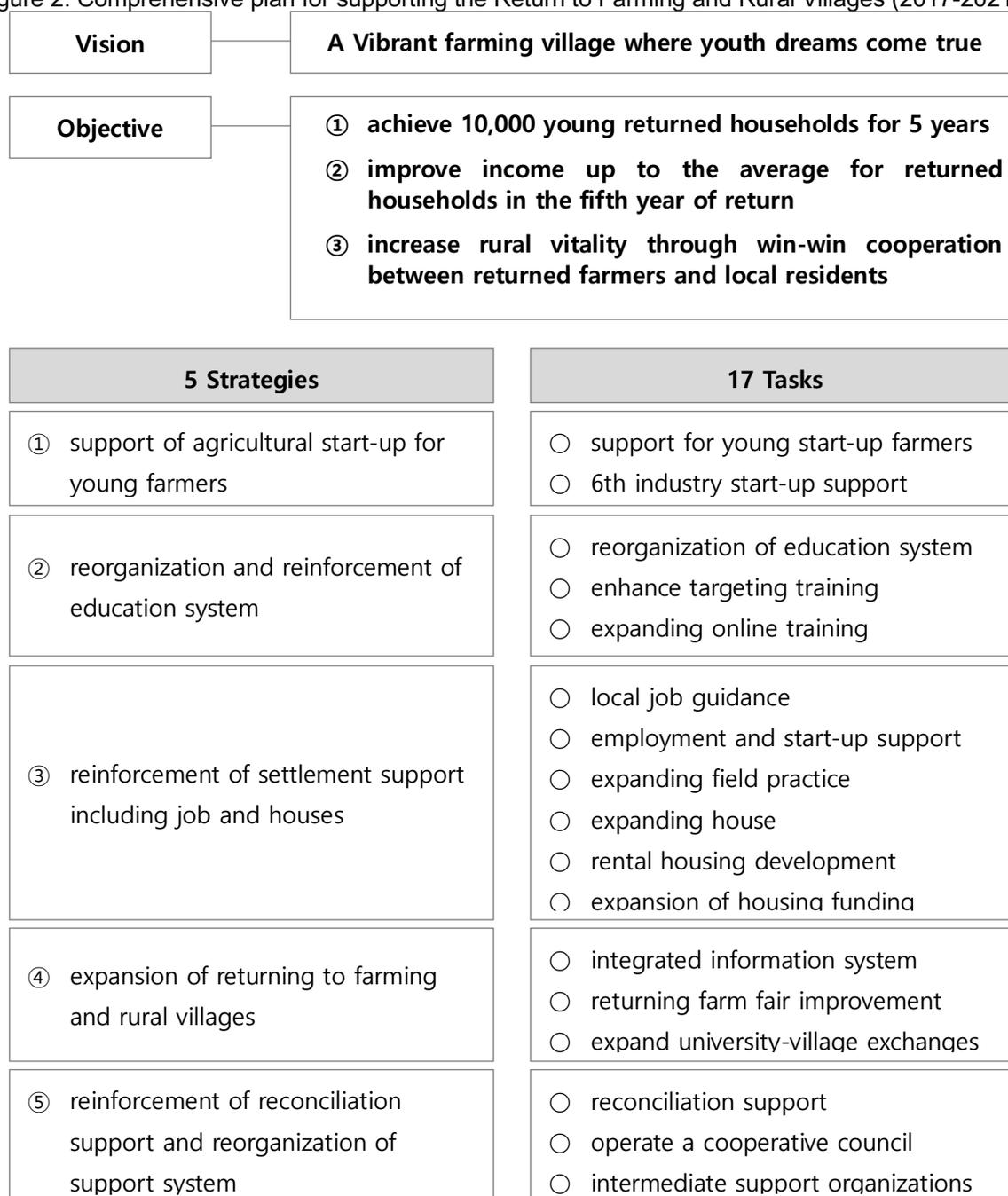
Figure 1. Agricultural products export support programs



Source: Ministry of Agriculture, Food and Rural Affairs et al. (2019)

As the population of returning to farming and rural villages increased, the government conducted a survey on households of returning to farming and rural villages across the country since 2016 based on the Act on the Activation and Support of Returning to Farming and Rural Villages. Based on the results of the actual survey from the “Research on the Direction for Establishing a Comprehensive Plan Returning to Farming and Rural Villages” (Kim *et al.* 2016), the “Comprehensive Plan for Supporting Returning to Farming and Rural Villages (2017-2021)” was established (Ministry of Agriculture, Food and Rural Affairs, 2016).

Figure 2. Comprehensive plan for supporting the Return to Farming and Rural Villages (2017-2021)



The vision of the Comprehensive Plan for Supporting Returning to Farming and Rural Villages (2017-2021) is “A Vibrant farming village where youth dreams come true”.

The main objectives are ① to achieve 10,000 young returned households for 5 years, ② to improve income up to the average for returned households in the fifth year of return, ③ to increase rural vitality through win-win cooperation between returned farmers and local residents (Ministry of Agriculture, Food and Rural Affairs, 2016). The five strategies to achieve this goal are ① support of agricultural entrepreneurship for young farmers, ② reorganization and reinforcement of education system, ③ reinforcement of settlement support including job and houses, ④ expansion of returning to farming and rural villages, ⑤ reinforcement of reconciliation support and reorganization of support system. Seventeen tasks were presented for those strategies.

The government has implemented various policies for stable settlement for returned farmers and residents and revitalizing the economy of rural villages. The policies for returning to farming and villages can be divided into the stages of interest, execution, and settlement, and the Korean government implemented policies such as providing information and education for returning to farming and villages, providing farmland and

housing, supporting start-up funds and farming technologies. (Ministry of Agriculture, Food and Rural Affairs, 2016).

## I. POLICIES AT THE INTEREST STAGE

At the stage of interest, various information will be provided to help urban residents make decision on returning to farming and rural villages through education programs and fairs. (Ministry of Agriculture, Food and Rural Affairs and Korea Agency of Education, Promotion & Information Service in Food, Agriculture, Forestry & Fisheries, 2019; Ministry of Agriculture, Food and Rural Affairs, 2019a and Ministry of Agriculture, Food and Rural Affairs, 2019b).

### **Education for returning to farming and rural villages**

In order to promote the overall understanding of returning to farming and rural villages, the education programs are provided by specialized education institutions to support comprehensive education which is customized by age, type and level of the knowledge. It operates with around 70% of the national expenses and 30% of the student's expenses. The education program is openly recruited through specialized educational institutions every year and the courses are identified and organized through expert examination.

The education sector is divided into those who return to farming and those that return to villages. Returning farm education is divided into basic, intermediate, and advanced stages. In the basic stage, the course is aimed at urban residents and make them to explore agricultural and rural sites based on theories. In the intermediate level, this course is aimed at returnees who are collecting commodities and regional information after deciding to return to farming, and practice-oriented training is provided for providing information on each commodity, providing guidance on regional support policies, and providing farmland and housing information. In the advanced stage, the prospective farmers in the pre-farming stage will be targeted. Thus, this course is aimed at returnees who already decided the commodity and the region for farming. In this stage, further education on the selected commodities and systematic training for the actual farming will be conducted. On the other hand, the education for returning to villages is conducted for those who wish to return to the villages. The course includes rural culture and life experience programs and settlement programs.

The education for returning to farming and rural village differs in the educational contents and duration depending on each institution. Education is conducted by private educational institutions, local governments and the central government such as the Ministry of Agriculture, Food and Rural Affairs, Rural Development Administration, and Korea Forest Service. There is also online education provided by the Return to Farm Center. The education courses are divided into '2030 start-up farmers' course, '4050 transferred farmers' course, and '60 retired farmers' course. The training time varies from 30 to 300 hours.

### **Fairs for returning to farming and rural villages**

Since 2011, the Ministry of Agriculture, Food and Rural Affairs and Korea Agency of Education, Promotion & Information Service in Food, Agriculture, Forestry & Fisheries have held the joint fair once a year to raise the social interest of returning to farming and rural villages and to provide necessary information for the early settlement of returned farmers and residents. The main events of the fair consist of programs such as publicity of local and policy, provision of rural living information, 1:1 counseling with returnees and agricultural experts. The informational program provides the returned farmers and residents with information for policies in the government and local governments, and provides local information such as housing, farmlands, and commodities. The one-on-one counseling programs provide small group lectures by type of returnees, provide visions for future agriculture, provide start-up items for agricultural industry, and provide job consulting.

### **The Center for Return-to-Farms**

The Center for Return-to-Farm provides comprehensive information for the stable settlement of returned farmers and residents, and provides counseling support, education support, and consulting. The main functions of the Center for Return-to-Farms are providing basic information on returning to farms and rural villages, support policies of the central government and local governments, and support for returning to farms and rural villages education. Counseling consists of online counseling, telephone and in-person counseling. Recently, the center also supports 1:1 on-site expert counseling. The Center for Return-to-Farms was opened in March 2012 by the Rural Development Administration. In July 2014, the center relocated from the Rural Development Administration to the Korea Agency of Education, Promotion & Information Service in Food, Agriculture, Forestry & Fisheries. Since January 2017, the Seoul Integrated Office of the Return-to-Farm Center has been in operation.

### **The long-term education for youth returning**

Long-term education for youth returning is to provide long-term staying training based on practice for stable returning of the farm to the youth who have insufficient farming experiences. Educational institutions are selected among agricultural-related corporations through public offering, and the education target is for young people who wish to return to farming under 40 years old. Training time varies from institution to institution, but trainees must complete at least 600 hours in about six months. The educational operation institution supports practical training and expert consulting to help youth who want to return to farming to explore various regions and commodities. The education program operates at 70% of national expenses and 30% of student's own expenses. The contents of the education consist of cultivation theory and necessary practice for cultivation, processing and distribution, and characteristics of rural living. The youth long-term education program was first introduced in 2018, and as of 2019, eleven educational institutions across the country provide education to a total of about 100 students. Young farmers who have completed long-term education will be given additional points when they apply for the 'Farming Startup and Housing Purchase Support Program'.

### **Start-up education for returned residents**

This program is to support start-up education for those who wish to start agribusiness. This program is to support start-up education for those who wish to start agribusiness. The education includes consulting, discussions, field trips, practice and start-up theories for agricultural distribution, processing, services. The Start-up education for returned residents has been in operation since 2019, and has been conducted by 10 institutions. Three courses have been established for each institution. The training is 100 hours per course and consists of 35 hours of theory class, 15 hours of consulting class and 50 hours of assignment class.

## **II. POLICIES AT THE EXECUTION STAGE**

At the stage of execution for returning homes and villages, support such as returned farmer's house creation, staying-type agricultural start-up support centers, rural inducement support program and doctors for returned farming are provided (Ministry of Agriculture, Food and Rural Affairs and Korea Agency of Education, Promotion & Information Service in Food, Agriculture, Forestry & Fisheries, 2019; Ministry of Agriculture, Food and Rural Affairs, 2019a and Ministry of Agriculture, Food and Rural Affairs, 2019b).

### **Returned farmer's house creation program**

The returned farmer's house creation program is to build a temporary housing base so that prospective farmers can learn farming techniques and experience farming life for a certain period of time. The program target is rural regions, and local governments, with the approval of the owners of vacant homes, repair the vacant homes or purchase mobile assembled houses to build houses for returned farmers. Local governments can rent houses to prospective farmers for up to one year and three months. The subsidy for support is less than 30 million won per household, and 50% of central government expenses and 50% of local government expenses. The rent varies depending on the region and facilities, but it usually costs between 100,000 (84 USD) and 300,000 KRW (252 USD) a month. As of the end of 2018, 451 houses for farmers were operated in 80 cities and counties nationwide.

### **Stay-type agricultural start-up support center**

Stay-type agricultural start-up support center is a town-type space with housing, start-up practice facilities, and educational facilities so that prospective farmers can stay in rural areas with their families for a certain period of time (within 1-2 years) before returning to farming. The center operates to reduce the burden on early farmers and increase the possibility of settlement. The support center operates the One-Stop start-up process on understanding and adaptation to rural regions, basic farming techniques, deepening technologies by crops, post-harvest management techniques, sorting and packaging, direct trade and sales, and marketing techniques. The main facilities of the support center are 30 households, household gardens (about 300 m<sup>2</sup>), common practice farms and compost, common material storage, facility houses, educational facilities, and shelter. The program operator is a city or county that has established and operated support ordinances related to returning farming and rural village. Eligibility requirements for residents are those who intend to return farming and rural village within the next two years after they completed program in the center, and those who have completed 100 hours or more of education programs for returning farming and rural village run by the government or local governments or one month stay type education program. The program cost is 8 billion KRW (6,718 thousand USD) per center, operating 50% of central government expenses and 50% of local government expenses. Currently, there are eight of stay-type agricultural start-up support centers in nationwide.

### **Rural inducement support program**

The rural inducement support program is for bringing urban citizens into rural areas in order to increase the vitality of rural regions, which are having difficulty in regional development due to the aging population. The program targets are cities and counties except metropolitan areas, and local governments selected for the program can implement various support policies for returning to farming and villages according to their characteristics. The rural inducement program is operated by migration stage, and the migration stage can be divided into interest stage, preparation stage, execution stage, and settlement stage.

In the interest stage, local governments provide information on returning farming and rural village through the operation of center for return-to-farm and public relations promotion activities for urban residents. In the stage of migration preparation, it provides information on the operation of rural culture and experience programs, vacant houses and farmland, and the selection of products for cultivation. In the execution stage, the government will guide the support policies of home-based businesses and loans, and provide job information to encourage urban residents to carry out the migration to the rural village. At the stage of settlement, a program for the convergence between returned people and local people is operated.

The rural inducement support program is selected through a public offering, and as of 2019, 72 cities and counties nationwide are participating. The amount of support is about 600 million KRW (503,835 USD) per year for each county, with 50% of central government expenses and 50% of local government expenses.

### **Doctors for returned farming**

As a farming and agribusiness expert, a 'Doctor' is a mentor who consults about problems and provides the advance knowledge and information at the stages of entry, so that prospective farmers can stably enter and settle in the farm. The 'Doctor' is chosen from senior farmers and excellent farmers. The education conducted by the doctor includes farmlands, housing, finance, planting and farming technology, cultivation technology, processing and distribution. The doctor for returning farming may take charge of five prospective returnees per person, and the total number of trainings is up to 25 times. The doctor is paid an advisory fee of 100,000 KRW (84 USD) per counseling.

## **III. POLICIES AT THE SETTLEMENT STAGE**

At the stage of settlement of returning farming and villages, to support the start-up and settlement of returnees, the program supports home-starting business and purchase of houses, on-the-job training for new farmers, visiting education for convergence in rural village, and creation of youth rural houses (Ministry of Agriculture, Food and Rural Affairs and Korea Agency of Education, Promotion & Information Service in Food, Agriculture, Forestry & Fisheries, 2019; Ministry of Agriculture, Food and Rural Affairs, 2019a and Ministry of Agriculture, Food and Rural Affairs, 2019b).

### **Return to farming start-up and house purchase support program**

The return to farming start-up and housing purchase support program is a project to support the start-up farming and housing arrangements necessary for the early period of returning to farming so that the returned farmers can settle in the rural village stably. This program is a secondary conservation program that provides farmers with low-interest loans using agricultural cooperative funds and uses the government's budget to support the differences between loan rates and interest rates.

Applicants are those who have moved to a rural area in order to engage in farming, and those who have completed more than 100 hours of return-to farming and farming education. In addition, starting July 1, 2019, even if they are living in rural areas, those who intend to work in agriculture will be eligible for application. The committee selects the program target through an in-depth interview and evaluation of the business plan.

### **Field training for new farmers**

Field training for new farmers supports systematic field training by leading farmers for new farmers about farming skills, quality management, management marketing, and start-up to strengthen capacity of new farmers. The Rural Development Administration received the application of 1,000 farmers and new farmers nationwide and operates a 1: 1 mentoring training to learn skills on the farms of leading farmers. Qualifications of leading farmers are new knowledge farmers, full-time farmers, start-up farmers, ICT-based farmers, excellent agricultural corporations, 6<sup>th</sup> industrial farmers and excellent agricultural management bodies who recommended by the head of the Agricultural Technology Institute or the Director of Agricultural Technology Center. In addition, eligible applicants for returnee trainees who have migrated to the program area within the last 5 years or new farmers who have registered with the agricultural management body within the program area within the last 5 years. The on-the-job training period for returnees is 3 months to 7 months.

### **Visiting education for convergence in rural villages**

The visiting to the village education for convergence provides education on the best practices of convergence and conflict management plans for villages where there are conflict between returnees and residents for the purpose of reconciliation between returnees and local residents. It has been in operation since 2019, and the program supports 20 villages per city and one training per village. The budget is 10 million KRW (8,397 USD) per city, which is operated by 50% of central government expenses and 50% of local government expenses.

### **Creation of youth rural houses**

Youth rural houses program is a project to support the construction of rental housing complexes and the construction of community facilities in order to alleviate the housing and childcare burdens of returnees, and to improve living conditions such as culture and leisure. As a two-year project starting in 2019, four single-family rental-housing complexes (about 30 houses per complex) will be established, and within the housing complex, community sharing facilities and facilities for residents' cultural, leisure and activities will be installed. Those who are young, newlyweds, and heads of households with 40 years of age and who are raising one or more children can rent house. The total program cost is 8,025 million KRW (6,739 thousand USD) per rental housing complex, and it is operated at 50% of central government expenses and 50% of local government expenses.

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