

# THE SEOUL DECLARATION ON PARTICIPATORY AND TRANSPARENT GOVERNANCE

27 May 2005, Seoul, Republic of Korea

#### Preamble

1. The Sixth Global Forum on Reinventing Government, organized by the Government of the Republic of Korea in partnership with the United Nations, brought together representatives of governments, international organizations, businesses, civil society organizations and academia to discuss issues related to good governance. Distinguished speakers and panelists presented their experiences, ideas and insights during the six plenary sessions and nine workshops of the Forum.

2. We, the participants of the Sixth Global Forum on Reinventing Government, held in Seoul, Republic of Korea, from 24 to 27 May 2005 on the theme of "Toward Participatory and Transparent Governance," convey our sincere gratitude to H.E. President Roh Moo-hyun and the Government of the Republic of Korea for the successful preparation of the Forum and the hospitality extended to us. We also thank the Secretariat of the United Nations, which served as co-organizer, and participating international organizations for their invaluable support for this major global event.

## Background

**3.** As profound changes continue to impact the public and private sector in many countries, governments now face an urgent need to transform the scope and conduct of their activities to meet these national, regional and global challenges. Governments are trying to adapt to the new environment caused by globalization, the spread of democratic processes, the information and communication technology (ICT) revolution and various other challenges to our economic and social development. The success of governments in this regard enhances socioeconomic development, as well as the trust and confidence of their people in governance.

**4.** As a result, many governments are in the process of reinvention, privatization, renovation, regulatory reform and building private-public partnerships. These transformations must be undertaken in ways that serve the needs of their people, particularly the poor, in a more transparent, participatory and responsive manner. In this regard, we congratulated the Government of the Republic of Korea and various other governments for adopting and implementing participatory governance as their governing philosophy.

**5.** Taking note of the six Regional Forums on Reinventing Government that were organized in preparation for the Sixth Global Forum, we agreed that a comprehensive framework for good governance is necessary for sustainable social and economic development in which government, businesses and civil society work together to address challenges. We agreed that participatory and transparent governance and an emphasis on both economic development and social equity are the most important elements to be included in the new framework, which will be conducive to attaining internationally agreed development goals, including those contained in the Millennium Declaration.

**6.** Therefore, we, the participants of the Sixth Global Forum on Reinventing Government, have adopted this Declaration.

## Recommendations

7. We agree that participatory and transparent governance is a timely topic for the Global Forum on Reinventing Government, as it has important implications for our common quest to resolve current political, social, economic and administrative problems. While each country must assess its own situation and determine the best ways to promote participatory and transparent governance, all actors in societies should work together to expand and promote participatory and transparent governance for the benefit of their people.

8. In this context, we agree that the successful implementation of participatory and transparent governance hinges upon the ability of governments to collaborate and cooperate with diverse actors in their societies, including businesses, trade unions, civil society organizations and individual citizens. By encouraging networking to create mutually reinforcing relationships and broad-based collaboration among all actors in society, governments can enhance governing capacity while ensuring that there are proper checks and balances among actors.

**9.** We recognize that eradicating poverty is the greatest challenge facing the world today and an indispensable requirement for sustainable development, particularly for developing countries. We recommend good governance within each country and at the international level to achieve internally agreed development goals.

**10.** We believe that all actors in the framework of participatory and transparent governance have individual and collective responsibilities for the promotion of good governance and human development. Based on this understanding, our recommendations are arranged according to the following four themes: (1) government innovation and social integration, (2) market economy and corporate governance, (3) local governance and (4) civil society.

## 1) Government Innovation and Social Integration

**11.** We agree that governments must continue their efforts at reinvention by institutionalizing innovative practices and working in close cooperation with various actors in their societies to improve state capacity and scope of public services. To achieve these aims, governments should make use of tools such as ICT, performance-based management, results-based budgeting and enhanced oversight.

**12.** The innovative uses of ICT and the development of e-governance can enhance citizen and civil society participation in politics and policy-making processes, making government agencies more accessible, transparent and efficient. Institutions seeking public interests should be strengthened so that they can be more proactive in promoting participatory and transparent governance. This requires the development of sound performance indicators to evaluate planning, implementation and outcomes.

**13.** Governments must reduce the growing inequality between rich and poor, urban and rural, connected and unconnected. Those governments that face extreme poverty should formulate and implement bold national poverty reduction strategies to halve extreme poverty by 2015. Furthermore, governments must also make their best efforts to balance work and welfare, growth and distribution in order to enhance social harmony, integration and the overall quality of life for their citizens.

**14.** We agree that governments must take measures to enhance their capacities in preventing, managing and resolving conflicting interests among domestic groups. This requires that governments foster habits of cooperation based on mutual understanding and trust, while nurturing tolerance and respect for multiculturalism and cooperation among various actors in society.

## 2) Market Economy and Corporate Governance

**15.** To achieve sustainable economic growth and development, governments must take measures to establish a free and fair economic order. This requires governments to ease regulations that restrict competition and to strengthen supervision of the competition-restrictive practices of business firms. Standards and practices for accounting, auditing and non-financial disclosure should be enhanced through joint efforts between governments and businesses in order to ensure proper corporate governance. Governments should also strengthen regulatory and disclosure rules to ensure that minority shareholders' interests are well protected.

**16.** Local firms should make efforts to improve their relationships with their communities, while multinational corporations should promote and enforce a higher standard of corporate ethics. Corporations must engage in fair transactions, respect local and international law, and remain aware of the consequences of their policies, positive and negative, for the communities and environments in which they operate.

**17.** We agree that governments should work together with businesses to encourage and enhance such private initiatives as anticorruption efforts and to ensure the equitable application of laws and regulations. Effective regulations and audits, both internal and external to individual firms, will help to identify and minimize unethical practices before they become endemic within a corporation, an industry, or a national economy.

**18.** Reform of state-owned enterprises (SOEs) needs to include the modernization of their decision-making processes and the adoption of innovative practices to improve their productivity. This requires the introduction of new systems that emphasize responsibility, accountability and performance-based management evaluation within SOEs.

## 3) Local Governance

**19.** We agree that good governance requires an appropriate level of decentralization, innovation and development of local government. Local administration can be made more effective and autonomous through the promotion of administrative and financial decentralization, digitalization of government, and results-based performance management. We welcome the efforts of the Government of the Republic of Korea to construct regional innovation systems (RIS) in which governments, industries and local universities work together for regional development.

**20.** We believe that holding local governments more accountable and making them more transparent are the keys to successfully building cooperation and partnership at the local level. The accountability of local governments should be reinforced through internal and external controls by various actors in society. Furthermore, to improve efficiency and public service ethics and to reduce corruption, we support measures to strengthen the evaluation systems and transparent operation of local governments.

## 4) Civil Society

**21.** Governments should recognize and engage civil society as a partner in the decisionmaking process and implementation of public policies. We agree that building constructive partnerships between states, businesses, and civil society is essential for achieving sustainable economic development. This requires all actors involved to accept and promote diversity among genders, races, ethnic groups, classes, religions, creeds, regions and cultures.

**22.** We recognize that civil society organizations (CSOs) can play an appropriate role in ensuring accountable, transparent and responsible government. This participation requires CSOs to find innovative ways to place citizens at the center of governance. We also agree that CSOs need to make use of ICT to improve productivity and make themselves more accountable and transparent to the people.

**23.** We realize that CSOs are important in creating and maintaining the social cohesion and sense of trust that are essential for the proper functioning of modern societies. We realize that by encouraging the participation of citizens in private, voluntary organizations, we can create greater trust in the public institutions with which CSOs engage.

**24.** Civil society should seek and develop new forms of civic engagement and involvement at a global level, in order to make decisions by intergovernmental organizations more transparent and democratic. It is important to realize that civil society within each nation will become more effective by sharing experiences and by networking with CSOs from other countries, while accepting diversity among partners around the world.

#### Follow-up Measures

**25.** We welcome the upcoming launch by the Ministry of Government Administration and Home Affairs of the Republic of Korea, together with the United Nations Department of Economic and Social Affairs, of a feasibility study for the establishment of the United Nations Governance Centre in Seoul. We firmly believe that this center, when established, will serve as an important regional and international focal point advancing research, disseminating necessary information, and providing training courses on reinventing government, including e-government, to civil servants, civil societies and businesses.

**26.** We believe that in the era of ICT, there is an urgent need to establish an online system to disseminate information on reinventing government. In this regard, we welcome the commitment of the Ministry of Government Administration and Home Affairs to consider the establishment of a portal site for online sharing of information on innovations and best practices on good governance.

## Seventh Global Forum

**27.** We appreciate the hospitality of the Secretariat of the United Nations in hosting the Seventh Global Forum on Reinventing Government in 2006. We appreciate the contribution of the Government of Italy to the Global Forum workshops and also encourage it to continue its support for the Seventh Global Forum. We welcome the support of the Government of Republic of Korea for the Seventh Global Forum and request that other UN Member States and international organizations do so. [End]