SEOUL METROPOLITAN GOVERNMENT ORDINANCE ON THE ADMINISTRATIVE WORK TO THEPRIVATE SECTOR

Enactment No. 3684, Nov. 15, 1999
Partial Amendment No. 3767, Jul. 15, 2000
Amendment of Other Laws No. 3769, Jul. 15, 2000
Amendment of Other Laws No. 3776, Jul. 25, 2000
Partial Amendment No. 3783, Sep. 25, 2000
Amendment of Other Laws No. 3791, Oct. 25, 2000
Amendment of Other Laws No. 3802, Nov. 30, 2000
Amendment of Other Laws No. 3827, Jan. 05, 2001
Amendment of Other Laws No. 3884, Jul. 16, 2001
Amendment of Other Laws No. 4024, Jul. 15, 2002
Partial Amendment No. 4084, May. 15, 2003
Amendment of Other Laws No. 4192, May. 25, 2004
Partial Amendment No. 4240, Jan. 05, 2005
Amendment of Other Laws No. 4284, Jun. 16, 2005
Amendment of Other Laws No. 4588, Dec. 26, 2007
Partial Amendment No. 4749, Mar. 18, 2009
Partial Amendment No. 4818, Jul. 30, 2009
Partial Amendment No. 5210, Dec. 29, 2011
Partial Amendment No. 5415, Dec. 31, 2012
Partial Amendment No. 5519, Aug. 01, 2013
Partial Amendment No. 5705, May. 14, 2014
Partial Amendment No. 5961, Jul. 30, 2015
Amendment of Other Laws No. 6016, Oct. 08, 2015
Partial Amendment No. 6094, Jan. 07, 2016
Partial Amendment No. 6383, Jan. 05, 2017
Partial Amendment No. 6567, Jul. 13, 2017
Partial Amendment No. 6630, Sep. 21, 2017
Partial Amendment No. 7041, Mar. 28, 2019
Amendment of Other Laws No. 7044, Mar. 28, 2019
Partial Amendment No. 7296, Sep. 26, 2019
Amendment of Other Laws No. 7423, Dec. 31, 2019
Partial Amendment No. 7666, Jul. 16, 2020
Partial Amendment No. 7778, Dec. 31, 2020
Partial Amendment No. 7910, Mar. 25, 2021
Partial Amendment No. 8068, Jul. 20, 2021
Amendment of Other Laws No. 8127, Sep. 30, 2021
Partial Amendment No. 8234, Dec. 30, 2021
Partial Amendment No. 8390, Apr. 28, 2022

Article 1 (Purpose)

The purpose of this Ordinance is to provide opportunities for the private sector to participate in public administration voluntarily and to improve the efficiency in public administration through the simplification of administrative affairs by providing for administrative affairs with which a corporation, organization, or agency or private individual that belongs to such corporation or organization may be entrusted pursuant to Article 104 of the Local Autonomy Act, among administrative affairs under the authority of the Mayor of the Seoul Metropolitan Government. <Amended on Dec. 26, 2007; Jul. 30, 2009>

Article 2 (Definitions)

The terms used in this Ordinance are defined as follows: <Amended on Jul. 30, 2009; May 14, 2014; Mar. 25, 2021>

1. The term "entrustment to the private sector" means the entrustment of part of administrative affairs of the Mayor of the Seoul Metropolitan Government (hereinafter referred to as the "Mayor") under various statutes or regulations, and Ordinances and Rules of the Seoul Metropolitan Government to corporations, organizations, and agencies and private individuals that belong to a corporation or an organization to authorize them to exercise the entrusted authority in their names and under their responsibilities;
2. The term "entrusted agency" means a corporation, organization, or agency or private individual that belongs to a corporation or organization, to which the Mayor's authority is entrusted;
3. The term "entrusted affairs" means administrative affairs entrusted to a corporation, organization, or agency or private individual that belongs to a corporation or organization, among administrative affairs under the authority of the Mayor;
4. The term "re-entrustment" means passing entrustment of administrative affairs determined for entrustment to the private sector,

on to an entrusted agency newly selected, due to the expiration of the period of entrustment to the existing entrusted agency or due to other grounds;
5. The term "renewal of agreement" means concluding a contract again with the existing entrusted agency after the expiration of the period of entrustment for the administrative affairs whose entrustment to the private sector is determined;
6. The term "important matters" means changing the type of entrustment, adding other entrusted affairs, or changing the details of entrusted affairs in their entirety, separating existing entrusted affairs, and other matters prescribed by rule of the Seoul Government.

Article 3 (Scope of Application)

Except as otherwise provided in other statutes or regulations or Ordinances of the Seoul Metropolitan Government, this Ordinance shall apply to entrusted affairs. <Amended on Jul. 30, 2009>

Article 4 (Criteria for Administrative Affairs Entrusted to Private Sector)

(1) The Mayor may entrust the private sector with the following administrative affairs that do not directly affect citizens' rights and obligations, such as surveys, inspections, tests, and management, among administrative affairs falling under the jurisdiction of the Mayor, determined under statutes or regulations or Ordinances of the Seoul Metropolitan Government: <Amended on Jul. 30, 2009; Dec. 31, 2012; May 14, 2014>
1. Administrative operation that constitutes a factual act;
2. Administrative affairs that demand significant efficiency;
3. Administrative affairs that demand special expertise or technology;
4. Other simple affairs for administrative management, such as the management of facilities.
(2) Deleted. <May 14, 2014>
[Title Amended on Jul. 30, 2009; May 14, 2014]

Article 4-2 (Examination of Appropriateness Relating to Entrustment to Private Sector)

Where the Mayor intends to entrust administrative affairs falling under the subparagraphs of Article 4 to the private sector, he or she shall pre-examine the appropriateness of entrustment to the private sector, taking into account the following:
1. Possibility to perform such administrative affairs by other methods;
2. Public interest and stability in providing services;
3. Economic efficiency;
4. Possibility to utilize expertise and technology provided by the private sector;
5. Simplicity to measure performance;
6. Transparency in management and operation;
7. Market conditions for the private sector to provide services.
[This Article Newly Inserted on May 14, 2014]

Article 4-3 (Consent from Council and Reporting)

(1) The Mayor shall obtain consent form the Seoul Metropolitan Council (hereinafter referred to as the "Council") where he or she intends to entrust administrative affairs falling under the subparagraphs of Article 4 to the private sector or where there are changes in important matters of entrusted affairs. <Amended on Mar. 25, 2021>
(2) In cases of re-entrustment or renewal of agreement, the Mayor shall substitute obtaining consent from the Council with reporting such re-entrustment or renewal of agreement to the competent standing committee: Provided, That where the Mayor consecutively entrusts the relevant administrative affairs to the private sector, he or she shall obtain consent from the Council for the first re-entrustment or renewal of agreement, after six years have elapsed since the Council gave consent to the relevant entrustment. <Amended on Mar. 28, 2019>
(3) When the Mayor intends to obtain consent from the Council pursuant to paragraphs (1) and (2), he or she shall submit outcome reports on entrustment to the private sector including evaluation of entrusted affairs, operation, etc. <Amended on Mar. 28, 2019>
(4) Where the Mayor intends to entrust part of administrative affairs entrusted to an entrusted agency again pursuant to the proviso of Article 15 (6), he or she shall report such re-entrustment to the Council in advance.
(5) The Mayor may formulate a budget for entrustment to the private sector after obtaining consent from the Council: Provided, That the same shall not apply to re-entrustment or renewal of agreement. <Newly Inserted on Mar. 28, 2019>
[This Article Wholly Amended on Jul. 13, 2017]

Article 4-4 (Motion to Obtain Consent for Entrustment to Private Sector)

(1) The Mayor shall include the following in a motion to obtain consent for entrustment to the private sector, submitted pursuant to Article 4-3: <Amended on Dec. 31, 2019>
1. Name of entrusted affairs;
2. Grounds and reasons for promoting entrustment to the private sector;
3. Details of entrusted affairs;

4. Outline of entrusted facilities (locations, scales, supporting facilities, and maps);
5. Period of entrustment to the private sector;
6. Methods for selecting entrusted persons or agencies;
7. Estimated budget and grounds for calculating the budget;
8. Results following deliberation by the Committee for the Operation and Evaluation of the Entrustment to the Private Sector;
9. Other matters necessary for deliberation on entrustment to the private sector.
[This Article Newly Inserted on Sep. 21, 2017]

Article 5 (Committee for Operation and Evaluation of Entrustment to Private Sector)

(1) The Mayor shall establish the Committee for the Operation and Evaluation of the Entrustment to the Private Sector (hereinafter referred to as the "Operational Committee") in order to have the Operational Committee deliberate on the selection of administrative affairs that may be entrusted to the private sector and the evaluation of the status of operation.
(2) The Operational Committee shall deliberate on the following. <Amended on Jul. 16, 2020>
1. Matters concerning the improvement of policies and systems related to entrustment to the private sector;
2. Matters concerning the review of appropriateness of entrustment to the private sector pursuant to Article 4-2;
3. Matters concerning determining entrusted agencies under Article 8 (3);
4. Matters concerning renewal of agreement under Article 12;
5. Matters concerning results of guidance and inspection and measures under Article 16;
6. Other matters the Mayor deems necessary in relation to entrustment to the private sector.
(3) The Operational Committee shall be comprised of not more than 15 members, including public officials of the Seoul Metropolitan Government (hereinafter referred to as the "Seoul Government"), members of the Seoul Metropolitan Council, and experts specializing in entrustment to the private sector. In such cases, the number of Operational Committee members who are non-public officials of the Seoul Government shall be at least a majority of all members of the Operational Committee. <Newly Inserted on May 14, 2014>
(4) The term of office of Operational Committee members shall be two years but may be renewed consecutively, while the term of office of an Operational Committee member filling a vacancy shall be the remainder of his or her predecessor's term: Provided, That the term of office of an Operational Committee member who is a public official shall be the period of service in the position. <Amended on May 14, 2014>
(5) The Operational Committee chairperson shall be elected by and from among Operational Committee members. <Amended on May 14, 2014>
(6) A majority of the members of the Operational Committee shall constitute a quorum, and any decision thereof shall require the concurring vote of at least a majority of those present. <Amended on May 14, 2014>
(7) The Operational Committee may establish and operate subcommittees, if necessary for carrying out its duties efficiently. <Amended on May 14, 2014>
(8) Operational Committee members who attend a meeting of the Operational Committee may be reimbursed for activity costs, allowances, travel expenses, and other expenses within the budget: Provided, That this shall not apply to an Operational Committee member who is a public official and attends a meeting in direct connection with his or her duties. <Amended on May 14, 2014>
[This Article Newly Inserted on Jul. 30, 2009]

Article 6 (Scope of Administrative Affairs Entrusted to Private Sector)

The administrative affairs that may be entrusted to the private sector pursuant to Article 4 shall be as follows: <Mar. 18, 2009; Jul. 30, 2009; May 14, 2014; Sep. 26, 2019>
1. Administrative affairs for the operation of welfare facilities for the elderly, persons with disabilities, women, youth, or homeless;
2. Administrative affairs for the operation of basic environmental facilities:
3. Administrative affairs for the operation of cultural, sports, or tourism facilities;
4. Administrative affairs for the operation of public park facilities;
5. Administrative affairs for the operation of City-operated hospitals or facilities for the enhancement of health;
6. Administrative affairs for the operation of facilities for assistance to industries, occupational training, or transportation;
7. Administrative affairs for the operation of welfare facilities for public officials;
8. Administrative affairs for the operation of English Villages;
9. Other administrative affairs deemed necessary by the Mayor, which meets criteria established under Article 4.

Article 7 (Standards for Selection of Entrusted Agencies)

The Mayor shall examine the following matters comprehensively in selecting entrusted agencies: <Amended on Jul. 30, 2009; May 14, 2014; Mar. 28, 2019>
1. Levels of human resources, instruments, equipment, facilities, and technology necessary for the performance of entrusted affairs;

2. Capability of bearing financial burden;
3. Whether expertise in the areas related to entrusted affairs is secured and the outcome of performance of administrative affairs;
4. Employment and labor conditions of employees working for entrusted agencies;
5. Responsibility and public confidence.

Article 8 (Selection of Entrusted Agencies)

(1) In principle, entrusted agencies shall be selected by open invitation; and the Mayor shall release criteria and allotted points, etc., to select entrusted agencies when he or she makes public announcement of the selection of entrusted agencies. <Amended on May 14, 2014>
(2) Where the Mayor invites entrusted agencies openly, applicants shall file an application along with a business plan and other documents for entrusted affairs; and the qualified persons falling under Article 7 shall be selected by the Committee for the Deliberation on Qualified Persons (hereinafter referred to as the "Deliberative Committee"), comprised of experts in relevant areas. <Amended on May 14, 2014>
(3) Notwithstanding paragraph (1), where the Mayor selects an entrusted agency by any method other than by open invitation, the case shall undergo deliberation by the Operational Committee. <Newly Inserted on Jul. 30, 2009; May 14, 2014>

Article 9 (Committee for Deliberation on Qualified Persons)

(1) The Deliberative Committee shall be comprised of at least six members, but up to nine members, including one chairperson and one vice chairperson; but the Deliberative Committee chairperson shall be elected by and from among external members. <Amended on Aug. 1, 2013>
(2) The Mayor shall appoint and commission Deliberative Committee members from among the following persons, while the number of Deliberative Committee members who are public officials shall not exceed 1/4 of the number of all members of the Deliberative Committee; and the Deliberative Committee shall be deemed dissolved when it completes deliberation: <Amended on Aug. 1, 2013; Oct. 8, 2015>
1. The Seoul Metropolitan Council members;
2. Attorneys-at-law, certified public accountants, professional engineers, certified architects, or certified tax accountants;
3. Persons recommended by civic organizations (referring to non-profit, non-governmental organizations prescribed in Article 2 of the Assistance for Non-Profit, Non-Governmental Organizations Act);
4. Persons working as at least associate professors in departments related to the field of the relevant administrative affairs entrusted to the private sector, in colleges or universities;
5. Related public officials;
6. Other persons deemed necessary by the Mayor, for professional and fair deliberation by the Deliberative Committee.
(3) The Deliberative Committee may conduct examinations on a business plan and other documents as well as on-site inspections and may require an applicant to submit supporting materials as may be necessary.
(4) A majority of the members of the Operational Committee shall constitute a quorum, and any decision thereof shall require the concurring vote of at least a majority of those present.
(5) Committee members who attend a meeting of the Deliberative Committee may be reimbursed for allowances and travel expenses within the budget: Provided, That this shall not apply to a committee member who is a public official and attends a meeting in direct connection with his or her duties. <Amended on Jul. 30, 2009>

Article 10 (Responsibilities and Indication of Name)

(1) Responsibilities for performing entrusted affairs shall be attributed to each entrusted agency, while the Mayor shall be responsible for supervision over entrusted agencies.
(2) Each entrusted agency shall exercise the authority for entrusted affairs in its own name. <Amended on Jul. 30, 2009>

Article 11 (Conclusion of Agreement)

(1) When the Mayor entrusts administrative affairs, he or she shall conclude an entrustment agreement with the entrusted agency, which specifies the following: <Amended on Dec. 31, 2020>
1. Name and address of the entrusted agency;
2. Period of entrustment;
3. Entrusted affairs and details thereof;
4. Matters concerning the safety control of facilities;
5. Efforts to improve employment and labor conditions of employees;
6. Matters concerning guidance, inspections, comprehensive outcome evaluations, etc.;
7. Other matters deemed necessary by the Mayor to perform entrusted affairs.
(2) An agreement referred to in paragraph (1) shall be effective until the period of entrustment expires or entrustment is revoked pursuant to Article 19 (1): Provided, That if measures under Article 19 (3) are necessary, such measures shall be effective only for the relevant affairs, and an agreement may be concluded with a new entrusted agency to continuously perform entrusted affairs. <Newly Inserted on Jul. 16, 2020>

(3) The period of entrustment shall not exceed three years. <Amended on Jul. 30, 2009; Jul. 16, 2020>
(4) The Mayor may extend the period of entrustment temporarily for up to 90 days only once, following consultation with the entrusted agency, where there is any unavoidable cause. <Newly Inserted on May 14, 2014; Jul. 16, 2020 >

Article 12 (Renewal of Agreement)

(1) Where the Mayor intends to renew an agreement with the existing entrusted agency, he or she shall determine on whether the entrusted agency is competent through deliberation by the Deliberative Committee and the Operational Committee not later than 90 days before the expiration of the period of entrustment. <Amended on May 14, 2014; Jul. 30, 2015>
(2) When the Mayor determines whether the entrusted agency is competent pursuant to paragraph (1), such determination must be based on reflection on the outcome of request to take corrective action, as guided and inspected by the Mayor for the latest period of entrustment under Article 16, on the result of comprehensive outcome evaluation prescribed in Article 18, and on other various audit results including an accounting audit. <Newly Inserted on Jul. 30, 2015>
[This Article Newly Inserted on Jul. 30, 2009]

Article 13 (Assistance in Operation)

(1) If the Mayor deems necessary for an entrusted agency's performance of entrusted affairs, he or she may permit the entrusted agency to use public property or commodities, or may subsidize the entrusted agency for incurred expenses within the budget. <Amended on Jul. 30, 2009; May 14, 2014>
(2) Where the Mayor provides budget funds to an entrusted agency pursuant to paragraph (1), the Mayor shall require the entrusted agency to guarantee the performance of an agreement concluded mutually; and the Act on Contracts to Which a Local Government Is a Party may apply mutatis mutandis to methods, etc., for guaranteeing such performance. <Newly Inserted on May 14, 2014>

Article 14 (Collection of Use Fees)

(1) The Mayor may permit an entrusted agency to collect use fees, other fees and expenses prescribed by any statute or regulation, or other Ordinances of the Seoul Government in connection with the performance of entrusted affairs.
(2) Where an entrusted agency intends to collect use fees, other fees and expenses pursuant to paragraph (1), it shall report it to the Mayor in advance except as provided.
(3) The Mayor may require an entrusted agency to transfer to the Mayor part of revenue from the operation of facilities or permit it to spend such revenue for the operation of the facilities. <Amended on Jul. 30, 2009>

Article 15 (Obligations of Entrusted Agencies)

(1) No entrusted agency shall delay executing administrative affairs, demand unnecessary documents, perform administrative affairs in an unfair manner, or collect undue expenses in executing entrusted affairs.
(2) No entrusted agency shall use entrusted facilities or equipment, or spend costs and expenses for any purpose other than purposes of entrustment.
(3) Every entrusted agency shall observe relevant statutes and regulations, this Ordinance, and terms and conditions of the entrustment agreement, and shall comply with the Mayor's orders, dispositions, and instructions.
(4) When an entrusted agency intends to expand or renovate an entrusted facility or build a new facility additionally, it shall obtain prior approval thereof from the Mayor.
(5) The Mayor may require entrusted agencies to donate facilities expanded, renovated, or additionally built pursuant to paragraph (4) to the Mayor. <Amended on Jul. 30, 2009>
(6) No entrusted agency may entrust administrative affairs entrusted again to a third corporation, organization, or agency or private individual who belongs to such corporation or organization: Provided, That an entrusted agency may re-entrust part of administrative affairs entrusted, with approval from the Mayor. <Newly Inserted on May 14, 2014>
(7) Each entrusted agency shall prepare the settlement of accounts by project for each business year; shall undergo an accounting audit for the settlement of accounts by an external auditor designated by the Mayor; and shall submit such settlement to the Mayor not later than three months after the end of the relevant business year. In such cases, procedures and methods for the accounting audit (including preparing criteria for calculation of project costs, preparing a calculation manual, and defining types of improper uses) shall be prescribed by rule of the Seoul Government. <Amended on Jan. 5, 2017>
(8) The Mayor shall pre-designate independent external auditors including accounting corporations or certified public accountants pursuant to paragraph (7). <Amended on Jan. 5, 2017>
(9) Each entrusted agency shall endeavor to improve employment and labor conditions of employees performing entrusted affairs. <Newly Inserted on May 14, 2014; Jan. 5, 2017; Mar. 28, 2019>

Article 16 (Guidance and Inspection)

(1) The Mayor may require an entrusted agency to report necessary matters regarding the performance of entrusted affairs. <Amended on May 14, 2014>
(2) The Mayor shall guide and inspect an entrusted agency at least once each year, and may examine necessary documents and

facilities, etc., for guidance and inspection. <Amended on May 14, 2014>
(3) The Mayor may revoke or suspend the affairs of an entrusted agency and take necessary measures including requesting the entrusted agency to take corrective measures when it is deemed that the entrusted agency has processed the entrusted affairs in a materially and manifestly wrongful and improper manner, based on the results of the report, guidance, and inspection prescribed in paragraphs (1) and (2). <Amended on Jul. 16, 2020>
(4) Where the Mayor revokes or suspends the affairs of an entrusted agency and takes corrective measures pursuant to paragraph (3), he or she shall notify the entrusted agency of the details in writing, and shall give the entrusted agency an opportunity to state its opinions in advance. <Newly Inserted on May 14, 2014; Jul. 16, 2020>
(5) Where auditing entrusted affairs is deemed necessary, the Mayor may audit entrusted affairs. <Newly Inserted on May 14, 2014>
[Title Amended on May 14, 2014]

Article 17 (Manual for Affairs)

(1) Each entrusted agency shall prepare and keep the manual for affairs specifying the processing department, processing period, processing procedure, processing guidelines, required documents, forms, fees, etc. separately for each type of entrusted affairs.
(2) When an entrusted agency prepares the manual under paragraph (1), it shall obtain approval from the Mayor. <Amended on Jul. 30, 2009>

Article 18 (Comprehensive Outcome Evaluation)

(1) The Mayor shall conduct a comprehensive outcome evaluation on administrative affairs prescribed by rule of the Seoul Government, among entrusted affairs, not later than 90 days before the expiration of period of entrustment. <Amended on May 14, 2014>
(2) The Mayor may entrust a comprehensive outcome evaluation prescribed in paragraph (1) to a specialized evaluation agency. <Amended on May 14, 2014>
(3) The Mayor shall report the result of comprehensive outcome evaluation prescribed in paragraph (1) to the Operational Committee, and shall release such result on the website of the Seoul Government. <Newly Inserted on May 14, 2014>
[This Article Newly Inserted on Jul. 30, 2009]
[Title Amended on May 14, 2014]

Article 19 (Cancellation of Entrustment)

(1) The Mayor may cancel entrustment, if any of the following causes or events occur:
1. If an entrusted agency fails to perform its obligation under Article 15;
2. If an entrusted agency breaches a term or condition of the entrustment agreement.
(2) When the Mayor intends to cancel entrustment pursuant to paragraph (1), he or she shall give the entrusted agency an opportunity to state opinions. <Amended on Jul. 30, 2009>
(3) Where the Mayor cancels entrustment pursuant to paragraph (1), he or she shall take the following measures: <Newly Inserted on May 14, 2014; Jul. 16, 2020>
1. Cancellation or recovery of subsidies under Article 13;
2. Recovery of usage fees, etc. collected pursuant to Article 14;
3. If any illegal act is discovered in connection with the performance of entrusted affairs or the operation of an entrusted agency, dispositions in accordance with relevant statutes and regulations and measures such as filing a criminal complaint against the agency;
4. Other measures necessary to minimize loss suffered by citizens, to normalize affairs, and the like, following the revocation of entrustment.

Article 20 (Enforcement Rules)

Matters necessary for the enforcement of this Ordinance shall be prescribed by rule of the Seoul Government. <Amended on Jul. 30, 2009>