

Flagging growth: Road transport investment strategy

Summary

1. Over the past years, Korea has injected funds into roads according to strategies - road investment for economic growth, construction focused investment and trunk road focused investment -, and as a result has built an efficient trunk road network.
2. An analysis will be provided on expected changes in the landscape for road traffic to explore changes in strategies for road transport investment amid low population growth combined with continued flagging economic growth.
3. Road congestion in large cities is forecast to deepen through 2030. Specifically, in the Seoul metropolitan area, transit demand will rise despite lack of construction sites, and in metropolitan cities, area-wide transit congestion will intensify due to urban expansion. On the other hand, in other regions, shrinking demand will degrade the quality of public transport service, and thus will add to inconvenience for residents in the regions.
4. Road traffic accident risk will increase with aged passers-by and drivers being on the rise. Also, the risk of outdated road facilities malfunctioning will increase, which will lead to rising clamor for maintenance and investment in old road facilities.
5. Policy recommendations for future road transport investment strategies have been presented based on these prospects.

Policy recommendations

- ❶ It is suggested to increase efficiency in the construction of trunk roads by taking the “choice and concentration” approach, while actively seeking to diversify investment resources. To promote the public welfare and revitalize regional economies, it is required to provide a basis for ramping up roads to support tourism.
- ❷ The government needs to play a bigger part in easing road congestion in large cities and create a coordinated system between roads and public transportation to enhance the service of public transportation through smooth consultation and coordination between the central government and local governments, as well as between roads and public transport.
- ❸ It is necessary to improve the safety of facilities for the vulnerable that are designed to reduce traffic accidents involving senior citizens, accelerate technological development to brace for the self-driving era and build a decision-making platform of the life cycle road management method to manage road facilities in a systematic manner.

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