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Science for Environment Policy

How to build a sharing city: the approaches of Milan and Seoul

Milan and Seoul are considered by many as pioneering examples of cities in promoting a sharing economy. A new study has analysed governance in these two cities, and concludes that they have both laid the right foundations for a sharing economy to develop. The researchers propose that while such economies carry risks, they are also able to benefit the economy, environment, and society.

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Source: Bernardi, M. and Diamantini, D. (2018) Shaping the sharing city: An exploratory study on Seoul and Milan. *Journal of Cleaner Production*. 203: 30–42. DOI:10.1016/J.JCLEPRO.2018.08.132.

Contact:
monica.bernardi@unimib.it;
davide.diamantini@unimib.it

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Cities around the world are considering the potential of the sharing economy. This new economic model aims to enable more efficient use of resources and 'idling capacities' – the untapped social, economic and environmental value of underused assets – and to cut individual consumption rates to reduce waste by introducing sharing initiatives with environmental benefits – such as car- and bike-sharing schemes.

From a social perspective, sharing practices can also encourage the creation of new social bonds and help in building communities. From an economic perspective, sharing may also create new business ventures and forms of employment (for example, via online platforms that match workers' skills with opportunities).

However, the ethos behind a true sharing city should go far beyond the mere commercial interests, the study argues; a sharing city should consider the full spectrum of non-profit and profit-driven sharing activities aimed at improving social cohesion, the environment, and the economy. This 'sharing paradigm'[1], is the foundation of the sharing city; it treats resources and the environment as common property and enables social change by empowering citizens via technologies that allow and encourage collaboration and civic engagement.

Local government in both Milan and Seoul has taken a proactive approach to supporting their respective sharing economies. This study analysed these economies' governance by reviewing scientific and public literature, observing public meetings, and interviewing 47 sharing economy stakeholders, including city authorities, local experts and practitioners. The assessment used a framework with three related dimensions: **technological**, **economic**, and **human**. This is based upon the assumption that, together, if connected in a circular way, these three dimensions can provide the right conditions to build a sharing city.

Milan
Milan's sharing economy was triggered in 2014 by non-governmental actors including civil society organisations, social entrepreneurs, and research centres, with a view to creating shared services and tools around Expo 2015. The City Council supported these ambitions and launched a consultation process, which led to a set of sharing economy guidelines that act as a roadmap.

Milan emphasises social innovation as a means of creating social and economic value from its sharing initiatives, including shared use of spaces, creativity, transport, gardens and technology. A sharing advisory panel was established, and City Council departments, including mobility, culture, sport, planning, and employment, worked together to identify and design social innovation activities.

All dimensions of the sharing economy framework are in place in Milan. For example, ***technologically*** it is the most wired city in Europe, with free Wi-Fi from over 600 access points. It has a growing alternative mobility sector and offers electric vehicle sharing. ***Economically***, the City Council promotes entrepreneurship, especially for young people, and offers a co-working register and vouchers to incentivise the use of collaborative working spaces. Many underused spaces have been opened up for working spaces.

1. The concept of a 'sharing paradigm' is derived from: McLaren, D. and Agyeman, J. (2015). **Sharing Cities A Case for Truly Smart and Sustainable Cities**. MIT Press. ISBN: 9780262533713.

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Many projects have been set up in Milan which support the ***human dimension*** of sharing. These include participatory budgeting, public hearings for co-drafting local food policy and 'social streets', which encourage collaboration and sharing between neighbours.

Seoul

Seoul's rapid industrialisation and modernisation has its downsides: issues include significant pollution, overconsumption (with 9 000 tons of waste generated each day), a competitive working environment with high suicide rates, and high youth unemployment.

The Seoul Metropolitan Government (SMG) launched the Sharing City, Seoul project in 2012 to help address these challenges. As well as bringing economic and environmental benefits, this aims to improve wellbeing through strengthened social interaction. The SMG took various steps to achieve its goals, crucially, it set up a sharing infrastructure, which includes a Social Innovation Division —dedicated to the sharing economy and social innovations — and a Sharing Promotion Committee — which monitors, evaluates and advises sharing organisations. It also established a Sharing Economy Advisory Board to keep abreast of global trends in the sharing economy.

Again, all three elements of the sharing city framework are present. For instance, in terms of ***technology***, Seoul actively interacts with citizens via e-platforms and apps, and set up ShareHub, an online information-sharing portal which aims to connect citizens, businesses, and local government.

Economically, the SMG has established a network of sharing businesses and non-profit organisations — at the time of the study's publication, 82 organisations had joined the network. Seoul also encourages young people to foster creative and innovative careers based on sharing and collaboration.

As for the ***human*** dimension, the Sharing City, Seoul project aims for a happy city based on communication and consideration, and a growing number of shared gardens, libraries and co-housing schemes promote inter-generational mixing.

Both Milan and Seoul successfully combine economic development and technological infrastructure with human dimensions, all needed to build a sharing economy, with a strong focus on social innovation.

The study acknowledges notable risks associated with some corporate forms of sharing that distort or depart from the original concept of 'sharing'. Hotly debated impacts include low job security for workers in the 'gig economy' and housing shortages caused by shared holiday accommodation in residential properties (short-term rent). The researchers suggest that the Seoul and Milan experiments don't simply promote profit-driven sharing solutions, but support the creation of an ecosystem of sharing in which the economic purpose of development and technological infrastructures combine with the urban human dimension; promoting civic active participation, with goals of social inclusion.

Furthermore, they highlight how cities around the world are exploring individual paths towards governance of shared economies — in some cases setting up agreements with shared service providers. Such actions may enable these cities to take advantage of a shared economy's benefits, whilst limiting its negative effects.