

# **Korea's Aid: Development and Issues**

**Heejin Lee**

**President, Korea Association of International  
Development & Cooperation (KAIDEC)**

**Professor, Yonsei University**

**2018. 2. 13**

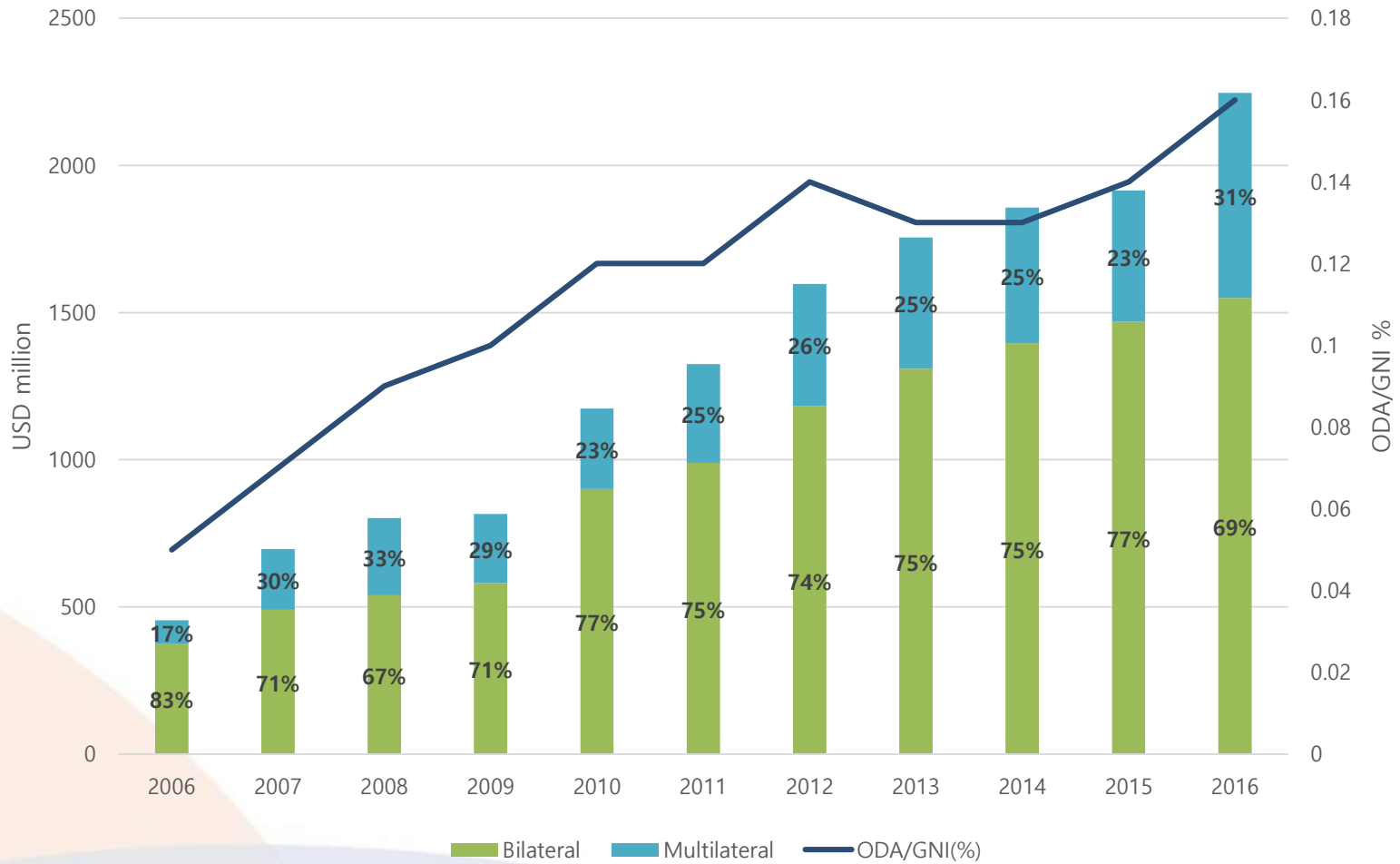
**Australia Aid Conference**

# Outline

1. Some numbers of Korea's ODA
2. Issues and recommendations from OECD Peer Reviews 2017
3. A way forward

- USD 12.1 billion received between 1945-1999 as a recipient
- 1987 EDCF set up
- 1991 KOICA founded
- Year 2000 removed from the OECD ODA recipient list
- Year 2010 joined OECD DAC
- Year 2011 hosted the Fourth High Level Forum on Aid Effectiveness in Busan, in 2011

# Increase of Korean ODA



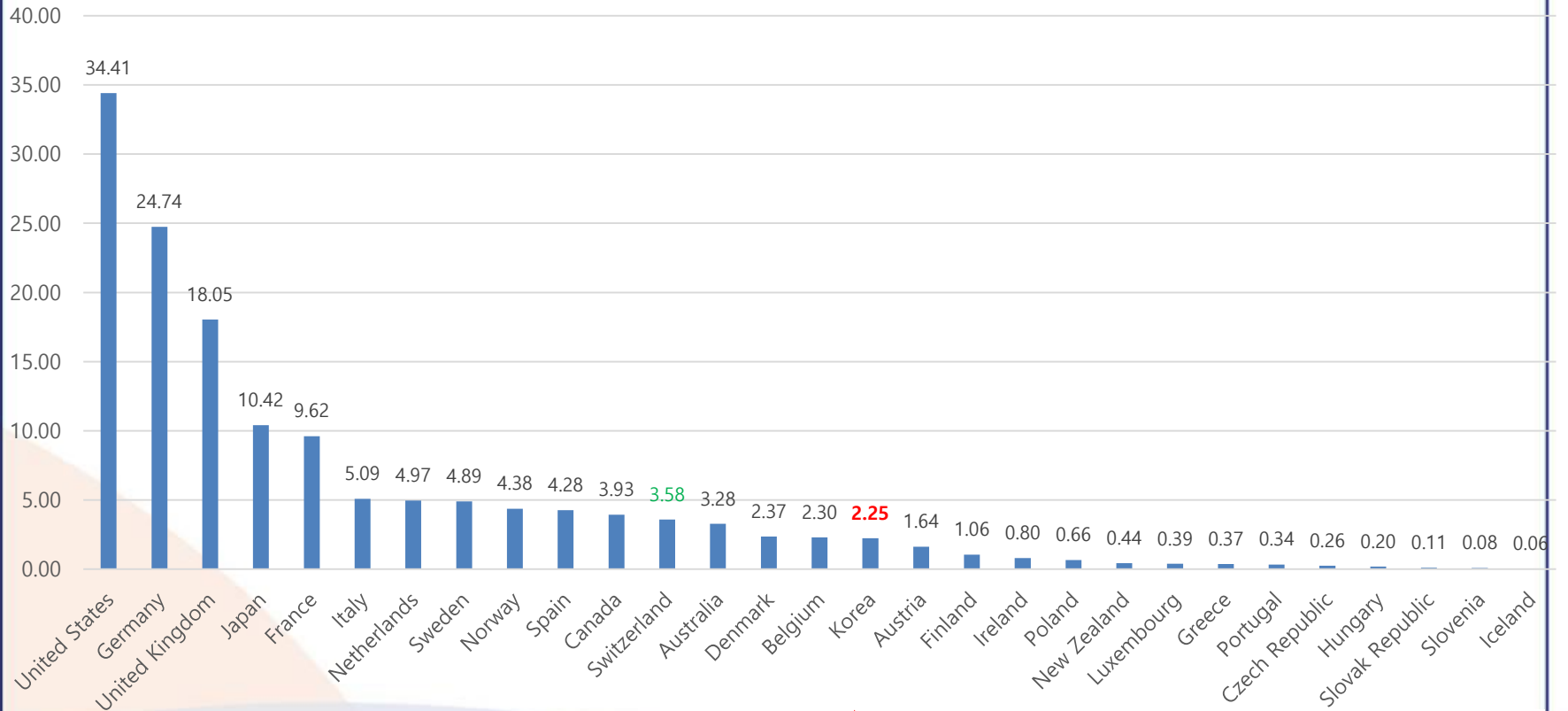
Source: ODA Korea (2017)



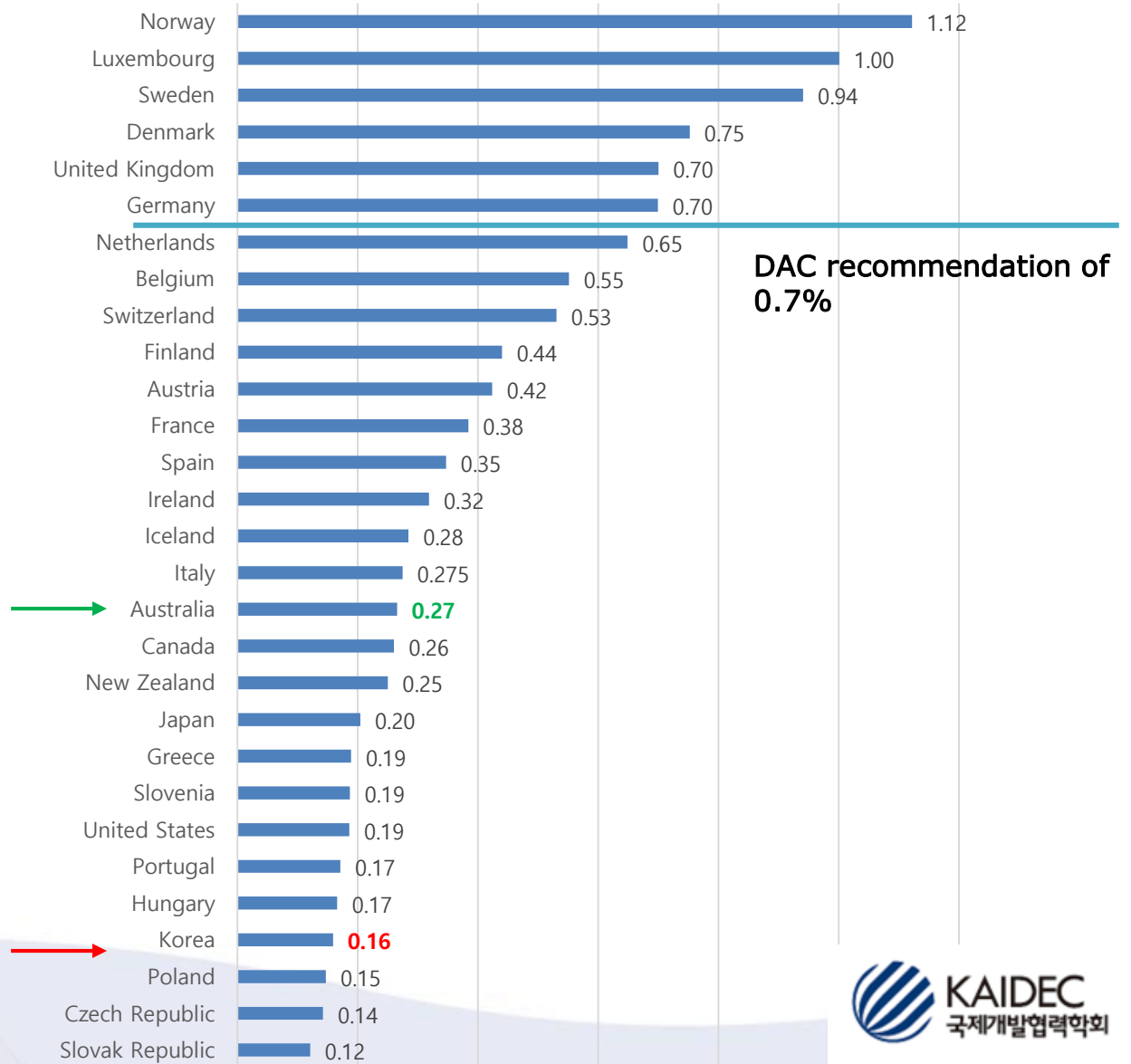
# Net ODA from DAC Donors in 2016

Source: OECD DAC (2018)

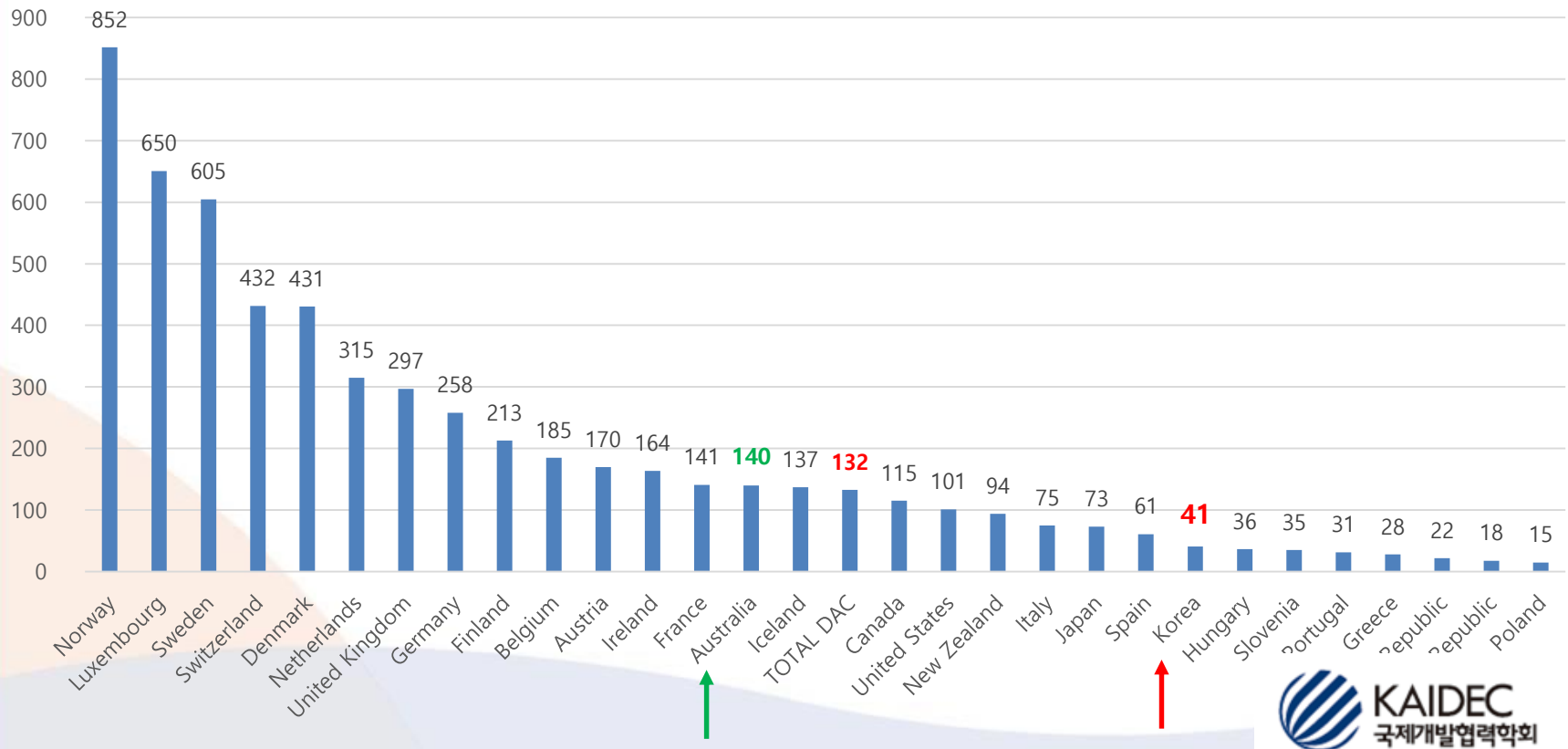
Net ODA USD billion current



# ODA/GNI %



ODA per capita of donor country 2015 USD (2015-2016)



출처: OECD Development Finance Statistics, Burden Sharing Indicators (2016)

## 2. Recommendations from OECD Peer Reviews 2017

1. Continue to improve Korea's ODA system to ensure that strategic and operational decisions are made at the appropriate level in order to best support effective and efficient programming.
2. All agencies should take a more strategic approach to results management and evaluation.
3. The government should set out a timeframe and targets for allocating 0.3% of its national income as ODA by 2030, and sustain its efforts to untie its aid and to focus resources on countries most in need.



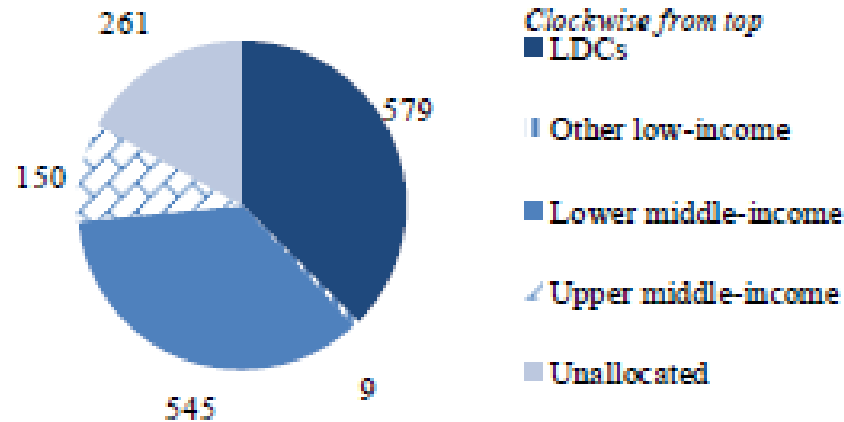
- **ODA/GNI ratio**

- 0.16% (USD 22.5 billion) in 2016, increased from 0.14% in 2015
- 2012 DAC recommendation: 0.25 accepted by the Korean government
- ODA Policy for 2016-2020: 0.2% by 2020, and 0.3% by 2030

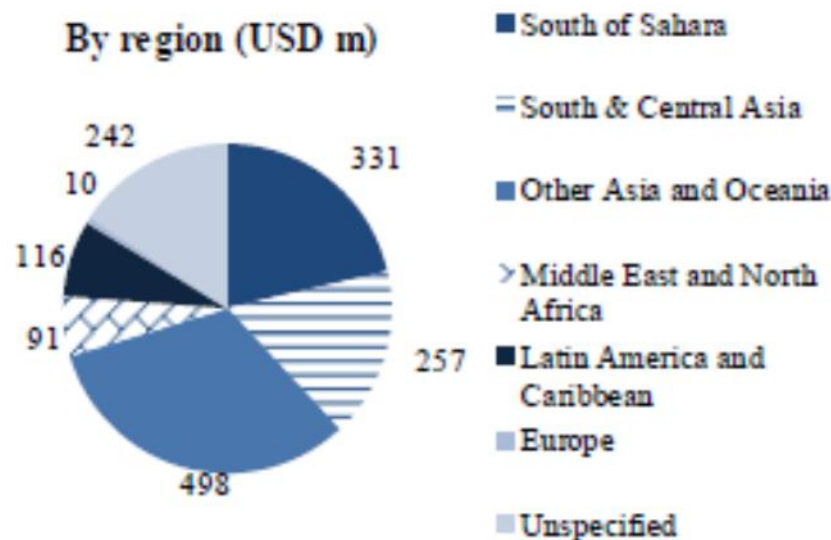
- **Ratio of untied aid**

- 62% in 2016 (DAC average 83%) from 35.7% in 2010

By income group (USD m)



By region (USD m)



Grc

showr

Top Ten Recipients of Gross ODA (USD million)

1 Viet Nam	206
2 Tanzania	76
3 Cambodia	71
4 Bangladesh	66
5 Afghanistan	59
6 Lao People's Democratic Republic	59
7 Philippines	56
8 Mozambique	49
9 Ethiopia	44
10 Sri Lanka	43

Memo: Share of gross bilateral ODA

Top 5 recipients	31%
Top 10 recipients	47%
Top 20 recipients	64%

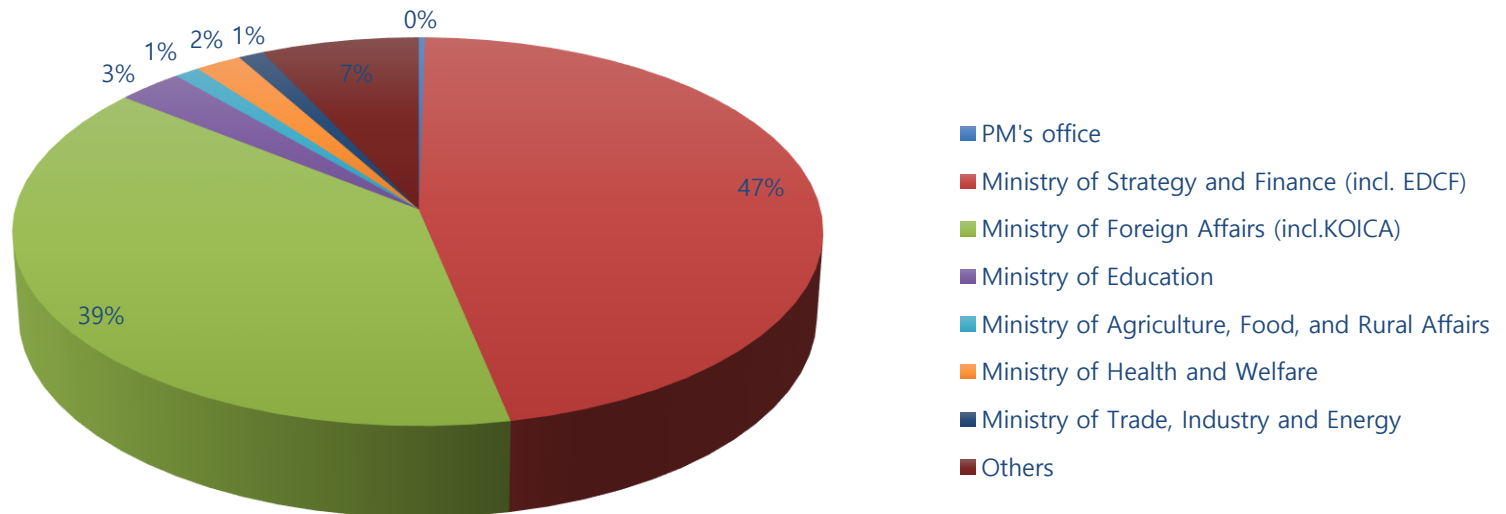
## 2. Recommendations from OECD Peer Reviews 2017 (continued)

4. Strengthen its strategic view of its unique contribution to each country context through policy dialogues with partner government and other development cooperation providers.
5. Ensure that the process is more robust and inclusive, and that partner governments can sustain investments
6. Update its humanitarian strategy to ensure that its humanitarian assistance, peace-keeping efforts and development co-operation are coherent and complementary.

## 2. Recommendations from OECD Peer Reviews 2017 (continued)

7. Increase its co-ordination with other donors and organisations to design collective outcomes in fragile contexts
8. Streamline project approval processes and continue to decentralise authority for project-level decisions to the field
9. To increase effectiveness and improve communication among all stakeholders and develop measures to enhance synergies and rationalise the number of activities across the programme (**Fragmentation**)

# ODAs by ministries and related agencies (2016)



Increased from 44 agencies in 2013 to 64 agencies in 2015

## 2. Recommendations from OECD Peer Reviews 2017 (continued)

10. Review the capacity and skills needed across the whole of its development co-operation system
11. Strengthen policy coherence aspects of its response to the 2030 Agenda for Sustainable Development
12. Clarify and deepen the partnerships it seeks with civil society

# A way ahead

- The new president of KOICA
  - SDG 16: Peace, Justice and Strong Institutions
- Reform
  - Overcome fragmentation
- Job creation for youth
  - Youth unemployment issue gives pressure
- New Southern Policy
- North Korea