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### DEVELOPMENT CO-OPERATION DIRECTORATE DEVELOPMENT ASSISTANCE COMMITTEE

Cancels & replaces the same document of 13 October 2023

**Peer Review** 

Self-Assessment of Korea

The Cancel/Replace reissues the self-assessment as "unclassified".

This self-assessment is submitted by the Korean authorities to the Development Assistance Committee in view of the Peer Review of Korea scheduled for 19 March 2024.

This document has been prepared by Korea, which is solely responsible for its content.

Following the submission of the self-assessment and after consultation with partners, the review team decided to focus the Peer Review of Korea on five areas: (1) fit-for-purpose development co-operation system; (2) Korea as a global development actor; (3) managing for sustainable development results and impact; (4) incentivising additional financial resources to meet global challenges; and (5) human capacity and the development ecosystem. The review team will visit Uzbekistan as part of this Peer Review.

Please note that this document is only available for download from O.N.E. in PDF format

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## OECD Development Co-operation Peer Review 2023

# **Self-Assessment**

Document submitted to the OECD DAC September 1, 2023

Republic of Korea

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#### List of Abbreviations

ACT-A The Access to COVID-19 Tools Accelerator

ADB Asian Development Bank

ASEAN Association of Southeast Asian Nations

BAI Board of Audit and Inspection

CEPI Coalition for Epidemics Preparedness Innovations

CIDC Committee for International Development Cooperation

COP27 The 27th session of the Conference of the Parties of the UNFCCC

COVAX-AMC COVID-19 Vaccines Global Access Advance Market Commitment

CPS Country Partnership Strategy

CSO Civil society organization

CTS Creative Technology Solution

DAC Development Assistance Committee

DEEP Development Experience Exchange Partnership Program

DSA Debt Sustainability Analysis

EDCF Economic Development Cooperation Fund

EDPF Economic Development Promotion Facility

ESG Environmental, social, and governance

EU European Union

G7 Group of 7G20 Group of 20

GCF Green Climate Fund

GDEF Global Disease Eradication Fund
GGGI Global Green Growth Institute

GPEDC Global Partnership for Effective Development Cooperation

HDP Humanitarian-Development-Peace

IBS Inclusive Business Solutions

ICT Information and communications technology

IMF International Monetary Fund

INCAF OECD DAC International Network on Conflict and Fragility

ISO International Organization for Standardization

ITS Intelligent Transport Systems

JICA Japan International Cooperation Agency

KEXIM EXIM Bank of Korea

**KOICA** 

KIEP Korea Institute for International Economic Policy
KOFIH Korea Foundation for International Healthcare

**Korea International Cooperation Agency** 

KSP Knowledge Sharing Program

MDB Multilateral Development Bank

MERS Middle East respiratory syndrome

MOEF Ministry of Economy and Finance

MOFA Ministry of Foreign Affairs

NGO Non-governmental organization

OCHA Office for the Coordination of Humanitarian Affairs

ODA Official development assistance

OPC Office for Government Policy Coordination

P4G Partnering for Green Growth and the Global Goals 2030

PPP Public Private Partnership

PRINCE2 Projects in Controlled Environments version 2

SARS Severe acute respiratory syndrome

SDGs Sustainable Development Goals

SEAH Sexual exploitation, abuse, and harassment

UN United Nations Children's Fund

UNCDF United Nations Capital Development Fund

UNDP United Nations Development Programme

UNHCR Office of the United Nations

UNICEF United Nations Children's Fund

USAID United States Agency for International Development

WB World Bank

WeKO We are KOICA

WFP World Food Programme

WGB OECD Working Group on Bribery

WHO World Health Organization

# Section A. Recent Changes in the Context of Republic of Korea's Development Co-operation

Over the past five years, Korea has continuously strived to make meaningful contributions to the international community by "sharing its development knowledge" and playing a "key bridging role," both of which were highly praised in the 2017 peer review. Korea stands almost unique in its transformation from a low-income country to a high-income country in the last six decades. Building on this experience and under the centerpiece principles of the Busan Partnership for Effective Development Cooperation, Korea is making efforts to realize global values and mutual prosperity through the achievement of the UN Sustainable Development Goals (SDGs).

#### Strong Political Commitment for Contribution as a "Global Pivotal State"

From a political leadership perspective, the Korean government has shown significant interest in the importance and necessity of ODA for achieving the SDGs. The Yoon Suk Yeol administration has defined Korea's role in the international community as a "global pivotal state," commensurate with its political and economic status. It has expressed a strong determination to continuously expand and streamline ODA as a means of reciprocating and contributing to the international community.

The government has already increased the ODA budget by 21% compared to the previous year in 2023, and it has been decided by the Committee for International Development Cooperation (CIDC) to further raise it by 43% in 2024, pending approval from the budget authorities and the National Assembly. If this is achieved, it is anticipated that Korea will accomplish its existing goal of doubling the size of its ODA by 2030 compared to 2019 ahead of schedule. This is compelling evidence that the government is strongly committed to ODA even in the global context of fiscal austerity.

#### **Comprehensive Strategy and Linkage with other Foreign Policy**

The direction of Korea's ODA is well articulated in the 3<sup>rd</sup> Comprehensive Strategy for Development Cooperation (2021-2025). It presents a vision of mutual prosperity with partner countries, based on close cooperation among domestic and international partners, with strategic objectives to effectively utilize limited budget and resources. In particular, Korea seeks to identify and provide 'packaged' ODA to maximize synergies among projects, given its unique characteristic of implementing both grants and loans. The vision, strategic goals, and key objectives of Korea's ODA are illustrated in Figure 1.

The 'Busan Initiative' also exemplifies Korea's dedication to addressing global challenges. Through this initiative, Korea actively shares its development experiences tailored to the needs of partner countries, focusing on five main areas: digital divide, climate change, health crisis, food security, and fostering future talent. Similarly, tailored development cooperation is emphasized as one of the nine core lines of effort in the Strategy for a Free, Peaceful and Prosperous Indo-Pacific Region, one of the major diplomatic policies of the current administration.



[Figure 1: Framework of Korea's ODA Strategy]

#### **Effective ODA Implementation Structure and Strategic Approach**

The government has also been focusing on solidifying the foundation for development cooperation by overhauling its organization and systems. This is one of the key recommendations of the previous peer review. To overcome the limitations resulting from the separate supervision of loans and grants by MOEF and MOFA, respectively, along with multiple government agencies participating in ODA projects, the Framework Act on International Development Cooperation went through a complete revision in 2020.

It strengthened the integration and coordination function of the CIDC, and its secretariat was restructured and expanded into the Office for International Development Cooperation under the Office for Government Policy Coordination. Additionally, it reinforced the supervising ministries' (MOEF and MOFA) oversight role for policies and projects in their respective areas, and expanded their relevant divisions and staff. Through such institutional rearrangements, Korea aims to prevent duplication among projects, improve efficiency, and strengthen coordination and monitoring.

To strengthen strategic ODA implementation, Korea has established a number of strategies, including the Strategy for Green New-Deal ODA (2021), the Strategy for Science Technology and ICT ODA (2022), the Multilateral Cooperation Strategy (2022), and the African Development Cooperation Strategy (2023). Additional strategies are being considered for regions such as ASEAN, Central Asia and Latin America, as well as for sectors such as education, agriculture, and health. Korea strives to take an active part in international discussions based on its strategies such as hosting the Korea-Africa Summit in 2024 to discuss cooperation for the regional development of Africa.

#### **COVID-19 Response**

The outbreak of COVID-19 has posed significant challenges to Korea's development cooperation and sustainable development efforts, much like other countries. However, Korea has strived to respond in an agile and resilient manner to these challenges, to stand in solidarity with the international community and promote development cooperation that 'leaves no one behind.'

Korea has consolidated its exceptional medical capabilities and ODA experience, and established a comprehensive strategy and operational systems, closely collaborating among relevant ministries and agencies in the process.

Specifically, Korea established 'Building TRUST (Transparency, Resilience, Unity, and Safety Together)' as a development cooperation strategy to support partner countries in their COVID-19 response and sustainable development. From 2020-22, comprehensive assistance has been provided to 130 countries, including expanding hospitals and medical facilities, building the expertise of healthcare professionals, collaborating with the private sector, civil society, and international organizations, as well as integrating such support with existing projects. Furthermore, Korea has actively shared its 3T (Testing, Tracing, Treatment) quarantine model with partner countries. To facilitate more timely and appropriate loan support, the Loan for Emergency Response has been formalized and a remote work system has been put in place, changing operation methods.

#### **Climate Crisis Response**

As an advanced donor country, Korea actively participates in the endeavors of the international community's response to the climate crisis and carbon emissions reduction. The government clearly states carbon neutrality and green growth as key global agendas in its major policies and plans. Accordingly, it is pursuing climate cooperation agreements with major countries, joining the G7 Climate Club, and establishing the ADB-Korea Climate Technology Hub (K-Hub).

In 2021, the P4G Seoul Summit was held in Korea, reaffirming the international community's commitment to pursuing carbon neutrality, encompassing both developed and developing countries, through the 'Seoul Declaration.' Meanwhile, the 2023 Korea-Pacific Islands Summit provided an opportunity and platform to strengthen international cooperation, including climate change response, during which Korea declared that it would double its current level of ODA to the Pacific Island countries by 2027.

#### **Strengthening Humanitarian Assistance**

Regarding international conflicts, refugees, disasters, and other humanitarian crises, Korea revised its Humanitarian Assistance Strategy in 2019 and engaged in international efforts to improve humanitarian support. With the fundamental principle of promoting field-oriented humanitarian assistance, Korea has continued to provide support for 'forgotten crises,' focusing on conflict-affected and fragile states such as Syria and Yemen. Korea remains committed to expanding multi-year and flexible contributions as agreed in the Grand Bargain.

To support Ukraine, the Korean government provided USD 90 million in 2022 and continues to expand its support. Recently, the government and civil society jointly dispatched a disaster relief team in response to the Türkiye-Syria earthquake, demonstrating a step-up in public-private partnership for humanitarian assistance. Korea is currently undertaking a USD 10 million project to construct and operate temporary settlements in Türkiye. In addition, to implement the DAC Recommendation on the Humanitarian-Development-Peace Nexus (HDP Nexus), Korea has established the HDP Nexus Implementation Strategy in 2021 and is continuously increasing its support to fragile and conflict contexts, and least developed countries.

#### **Enhanced Partnership and Public Support**

One of the most notable changes since the last peer review has been the government's focus on engaging various actors and leveraging partnerships. Building on the recommendations from the previous review, Korea formulated the Policy Framework for Government-Civil Society Partnership in 2019, which clearly outlines the mutually equal cooperative relationship between the two entities. As a tool for monitoring the implementation of this policy, a performance framework including 31 tasks and sub-indicators has been established in 2023.

Furthermore, Korea has significantly raised the budget for ODA to and through CSOs, and has deepened channels of communication with civil society through institutionalized and diversified policy consultations. The government is currently conducting research to strengthen field-oriented ODA by leveraging the expertise of CSOs, and encouraging civil society participation in the design of 'packaged' projects. Local CSOs are also crucial development cooperation partners. Through the On-site Partnership Enhancement Program, Korea supports capacity and partnership building of local CSOs.

Through the Strategy for Private Sector Participation (2022), Korea aims to expand private sector engagement through various forms of blended finance and impact investing, while also striving to ensure the sustainability of the development cooperation ecosystem by strengthening support for development consulting community.

Lastly, Korea makes constant government-wide efforts to increase the public's support for and interest in ODA. To commemorate the date of its accession to the OECD DAC, Korea designated November 25 as 'International Development Cooperation Day' in 2010, and has organized various events involving grant and loan agencies around this date during the 'Development Cooperation Week' since 2021. In 2022, Korea updated its ODA brand identity (BI) for the first time in 11 years.

#### Section B.

This self-assessment report has been prepared through multiple rounds of consultations and discussions among government ministries and agencies. Among them, Section B of this report contains a total of ten sections including outstanding and innovative practices as well as challenges and opportunities selected through an introspective evaluation of Korea's ODA policies and project execution over the past five years.

In terms of good and innovative practices, Korea has selected areas where it has seen notable achievements and progress drawn from the recommendations of the previous peer review. These include 1) development cooperation anchored in Korea's strengths and experiences, 2) contribution to the global pandemic response and resilience, 3) active incorporation of partner countries' conditions and needs, 4) intergovernmental coordination and integration, and 5) enhanced partnerships among development actors and winning public support.

Meanwhile, there are areas that have shown considerable progress through efforts made during the last five years, but still, due to internal and external factors, require ongoing improvement. These include 1) concrete and flexible responses to global uncertainties, 2) performance-based ODA management system for enhanced effectiveness, 3) tapping into additional financial resources, 4) ensuring government-wide policy coherence, and 5) fostering a development cooperation ecosystem and workforce.

The process of preparing this report was **an insightful opportunity** in itself to **assess and review Korea's current situation**. Through this peer review, the Korean government expects that Korea's ODA will evolve towards more efficient and tangible outcomes, contributing to the **achievement of the SDGs** and a **global community leaving no one behind**.

# Section B-1. Good and Innovative Practices

# 1) Development cooperation anchored in Korea's strengths and experiences (covering Pillar 3. Global and domestic efforts)

#### i) Reason for selection

Korea's successful transition from an ODA recipient to a donor holds significant implications for other developing nations. Korea has accumulated knowledge and experience that can be shared with other countries at each stage of development, and based on this foundation, Korea designs its ODA program considering partner countries' economic and social development circumstances. Particularly, Korea offers targeted support in select areas where it has strengths such as digital ICT, healthcare, and green initiatives.

ii) Analysis of underlying aspects critical for success

Sharing development cooperation experience and policy advice

One of Korea's distinctive ODA programs for sharing its experience is the Knowledge Sharing Program (KSP). From 2004 to 2023, the program has covered over 1,500 topics across 97 countries. With the objective of providing practical policy consultations, these projects are designed to incorporate the policy demands of partner countries based on Korea's comparative advantage. This approach enhances the timeliness of policy interventions and helps gradual implementation. Taking a step further, in areas requiring agile support, the project can be conceived in the form of a fast-track. Additionally, KSP Plus, with a multi (2-3)-year project duration, has been newly introduced, complementing the traditional one-year format.

To ensure that KSP brings substantial change to partner countries, the Korean government provides additional capacity-building opportunities upon demand, or **links follow-up ODA or private sector activities to the program**. As of April 2023, 140 out of 623 completed projects have successfully brought about actual policy implementation and institutionalization.

Another type of program is the **Development Experience Exchange Partnership (DEEP)**. DEEP is a technical cooperation-oriented program aimed at **enhancing the capabilities** required for actual **policy implementation** by **sharing Korea's knowledge and expertise with partner countries**. Since 1991, a total of 500 projects have been carried out in 38 countries as part of the DEEP program. Notable examples include the transfer of Korea's health insurance system to Nepal and the introduction of automated public procurement systems for improving fiscal transparency in Middle Eastern countries like Tunisia and Egypt.

Innovative technologies including digital technology and ICT

Korea's innovative and cutting-edge technologies in the digital and ICT sectors, internationally well recognized, demonstrate their strengths in ODA as well. In fact, Korea's contributions account for 18% of the world's total bilateral development finance for digitalization, making Korea the leading provider in this field.<sup>1</sup>

In 2022, the Korean government prepared the **Strategy for Science Technology and ICT ODA to support digital transformation in developing countries**. Through this strategy, assistance for **innovative technologies are being fed into six key sectors** – public administration, urban development, agriculture and fisheries, education,

<sup>&</sup>lt;sup>1</sup> OECD (2022), Development Co-operation Report 2021: Shaping a Just Digital Transformation.

healthcare, and energy and climate – to enhance its effectiveness. Notably, Korea operates Digital Government Cooperation Centers in key partner countries<sup>2</sup> to share its expertise in digital government and is exploring pilot projects to further improve ICT capabilities for several science and ICT priority countries<sup>3</sup>. In particular, **OECD** positively evaluated KOICA's twin-track approach of incorporating digital technology into ODA projects and advancing core digital initiatives in the **OECD Development Co-operation Report 2021**. This approach has also been featured on the OECD DAC's peer learning platform, Development Co-operation TIPs (Tools Insights Practices).

#### Case 1: ITS Establishment of Nagpur-Mumbai Super Communication Expressway Project

Korea provides excellent domestic public transportation services based on its digital transportation management system, and is sharing this experience with numerous partner countries. In 2021, the Intelligent Transport System Establishment of Nagpur-Mumbai Super Communication Expressway Project is being carried out in conjunction with the construction of a highway connecting Mumbai, India's largest economic city, with Nagpur, its administrative hub. The project aims to establish an ITS necessary for collecting real-time traffic data, reducing accidents, and automating toll collection, ultimately contributing to the enhancement of transportation and logistics activities in the region.

#### Health

Korea continues to contribute to the improvement of the healthcare and medical environments in partner countries by leveraging its **strengths in the healthcare sector**. Korea has supported projects such as establishing hospitals and medical schools, as well as building local healthcare capacities. Especially after the spread of COVID-19, Korea swiftly responded to healthcare budget shortages encountered by partner country governments and provided assistance in building vaccine distribution systems. Since 2020, Korea has introduced a program-based monitoring system, with a focus on maternal and child health and infectious disease response projects, to enable comprehensive needs and effectiveness analyses.

#### Case 2: Establishment of a Multi-disciplinary and Super-specialized Hospital at BSMMU

EDCF ran a loan project for the construction of the first center-focused specialized hospital, affiliated with Bangabandhu Sheikh Mujib Medical University (BSMMU), the first national medical university located in Dhaka, Bangladesh. The first phase of the project (approximately USD 130 million) in 2014 comprehensively supported the construction of the hospital, supply of medical equipment, establishment of a medical information system, and capacity building for medical personnel, significantly enhancing the quality and accessibility of healthcare services in Bangladesh.

Building upon the success of the first phase, in 2022, EDCF approved the second phase of the project, with a budget of around USD 250 million. The second phase aims to further improve the quality of medical services through hospital construction and advanced medical equipment provision, and is expected to create synergistic effects with the hospital built in the first phase. In particular, the project will support healthcare research capabilities to foster high-quality medical professionals as Dhaka's sole medical graduate school.

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<sup>&</sup>lt;sup>2</sup> Lao PDR, Indonesia, Bangladesh, Honduras, Costa Rica, Tunisia, Peru, Serbia, etc.

<sup>&</sup>lt;sup>3</sup> Vietnam, Cambodia, Rwanda, and Peru

#### Climate change and environment

In line with the OECD DAC Declaration on a new approach to align development co-operation with the goals of the Paris Agreement on Climate Change (October 2021), Korea is expanding its support taking into consideration the development environment and climate change adaptation needs of each developing country.

In 2021, Korea formulated the Strategy for Green New-Deal ODA, with the goal of boosting the proportion of green ODA to surpass the OECD average by 2025 and strengthening support for green transitions and carbon neutrality of partner countries. Specifically, in areas with high demand such as water management and eco-friendly mobility, Korea is diversifying its climate change ODA project models by utilizing its strengths. In terms of strengthening cooperation with international organizations, Korea plans to establish the Korea-ADB Climate Technology Hub in Seoul in 2024, providing a platform for sharing climate technology and expertise with developing countries in the region. Recently, Korea expressed its commitment to supporting the green transition of developing countries through the expansion of green ODA at the COP27 in November 2022, and pledged to join the Climate Club during the G7 Summit in May 2023. As a result of these efforts, the percentage of Korea's climate- and environment-related ODA within its total bilateral ODA increased from 26% in 2018-19 to 32.3% in 2020-21.4

#### Case 3: Support for green infrastructure, capacity development, and climate change adaptation

In Cambodia, Bangladesh, Lao PDR, and Tanzania, Korea delivers projects to develop sustainable water resource management capabilities, including flood prevention, water management infrastructure development such as water supply for drinking and irrigation, and training of personnel for water and sewage management.

In countries like India, Bangladesh, Kenya, and Ethiopia, Korea is considering support for air pollutant reduction projects through the establishment of ITS and Bus Rapid Transit (BRT) systems and the supply of eco-friendly buses. Collaboration with the World Bank is also underway to explore the expansion of electric vehicle adoption in developing countries.

Initiatives to support agricultural and fishery development and climate change adaptation in forests are being carried out in the least developed countries with the highest climate vulnerability such as Lao PDR, Cambodia, Ethiopia, Uganda, and Nepal.

#### iii) Plans or options for future work to build on this strength

Among the 34 KSP policy consulting projects in 2023, nine are in the digital transformation sector and seven are in the environmental and energy sector. This is evidence that Korea places a strong emphasis on sharing knowledge in these areas. Korea will continue to reinforce its focus on green and digital ODA – for new projects in 2024, the proportion of green ODA will be 46.7% for loans and 31.5% for grants, while the share of digital ODA will be 26.7% for loans and 54.7% for grants. Going forward, Korea aims to lead the twin transformation of digital and green transitions, along with shaping the norms of pandemic response, applying its relevant experience for tailored cooperation with developing countries.

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<sup>&</sup>lt;sup>4</sup> OECD (2023), OECD Development Co-operation Profiles 2023.

<sup>&</sup>lt;sup>5</sup> In the case of grants, this is the proportion of planned KOICA projects for each sector.

#### 2) Contribution to the global pandemic response and resilience

(covering Pillar 1. Partner country engagement and Foundation A. Policy)

#### i) Reason for selection

In 2020, "K-Quarantine" garnered significant international attention for its systematic, transparent, and orderly response in the early stages of the pandemic. Korea quickly responded to requests for assistance from developing countries by sharing its experiences to support crisis management in partner countries, formulating government-wide policies and cooperating with the international community.

#### ii) Analysis of underlying aspects critical for success

Strategic and swift response to the pandemic

Korea established the Implementation Plan in Response to COVID-19 and formulated a comprehensive development cooperation initiative known as ODA KOREA: Building Trust (Transparency, Resilience, Unity, and Safety Together) to support the international community's response to the impacts of COVID-19. Under this initiative, Korea provided approximately USD 460 million to over 130 partner countries from 2020 to 2022. During this period, total bilateral aid related to COVID-19 amounted to USD 1.4 billion (2020).<sup>6</sup>

Korea also introduced **flexible mechanisms** in its **loan component** to **respond to urgent demands** arising from the COVID-19 pandemic. In 2020, the **Guideline for Medical Equipment Provision Project in response to COVID-19** was developed to streamline the procedures for loan assistance. As a result, **the time required from loan request to disbursement was significantly reduced from an average of 34 months to just 8 months.** 

Furthermore, in 2021, Korea officially institutionalized the Loan for Emergency Response to facilitate flexible response to a broader range of epidemics and natural disasters. Through simplified approval and procurement procedures, Korea was able to provide immediate financial support to partner countries, disbursing USD 580 million in loans to 13 partner countries. Such support helped partner countries equip necessary systems for urgent healthcare needs, such as purchasing medical equipment and setting up dedicated teams for epidemic control, thereby enhancing their national crisis management capabilities.

#### Case 4: Collaborative use of field offices between grant and loan implementing agencies

In response to the challenges posed by the ongoing COVID-19 pandemic in the field, the government put in place a system where EDCF and KOICA can utilize their respective overseas offices (MOU signed in April 2021). For example, in New Delhi, India, where there is an EDCF office but none for KOICA, or in Nairobi, Kenya, where a KOICA office exists but does not for EDCF, the system allows entrusting of duties such as exchanging local project information, identifying and sharing local procurement systems, and providing administrative support.

Sharing and providing support based on Korea's pandemic response experience

Building on its experiences and lessons learned from dealing with previous outbreaks like SARS (2003) and MERS (2015), Korea came up with a rapid initial response to COVID-19 and built a governance structure for crisis management. Korea systematized the **3T (Test-Trace-Treat) approach** into the "K-Quarantine" model, sharing epidemic prevention strategies with the international community upon request. To facilitate this process, Korea set up the **Task Force on International Epidemic Control** involving 12 ministries and 6 agencies.

 $<sup>^{6}</sup>$  USD 556 million (2020)  $\rightarrow$  USD 581 million (2021)  $\rightarrow$  USD 257 million (2022) (OECD, 2023).

Through webinars, video conferences, and provision of policy information based on the three principles of openness, transparency, and democracy, Korea proactively shared its experiences internationally. Notably, through nine webinars, Korea circulated more than 800 cases of epidemic prevention measures, including health and quarantine strategies, immigration controls, epidemiological investigations, quarantine in daily life, economic policy, science and technology, ICT, education, and elections.

Korea also utilized its **capacity for epidemic response** to implement projects in partner countries. For instance, in 2021, Korea provided support for the **training of intermediate epidemiological investigators** in Ghana to address COVID-19 and respond to public health threats. These investigators conducted COVID-19 contact tracing and epidemiological investigations involving approximately 20,000 people (as of 2021) to prevent the spread of COVID-19 in Ghana. In countries such as Sri Lanka, 15 healthcare facilities supported by KOICA were repurposed as designated national hubs for COVID-19 response. Building upon its successful experience in responding to COVID-19, Korea actively expanded the commitment of program loans to **establish a response system** for infectious diseases in seven countries, including Ethiopia, Ghana, and Tanzania. Additionally, Korea contributes to the global community by leveraging its diagnostic expertise such as leading the international standard for diagnosing infectious diseases.

Active participation in the international community's collective response

Korea expanded its contributions to infectious diseases response by approximately 75% during 2023-25 compared to 2020-22. Korea provided USD 210 million in 2021-22 to COVAX AMC to support vaccines for developing countries and delivered an additional 5.41 million doses to nine countries in 2021-23. During 2023-25, Korea also pledged USD 300 million to ACT-A, a global cooperation mechanism for COVID-19 response. Korea has increased its commitment to the Global Fund to Fight AIDS, Tuberculosis and Malaria from USD 25 million (2020-22) to USD 100 million (2023-25), stepping up its support by fourfold. In 2020, Korea also joined CEPI to support vaccine development for new infectious diseases, committing USD 3 million annually and planning to provide an additional USD 24 million in 2023. Moreover, Korea has diversified its support methods and funding channels, including approving a USD 50 million loan<sup>7</sup> to the Central American Bank for Economic Integration (CABEI) for the first time.

The Korean government has launched a **Task Force for Tackling COVID-19** to pursue more systematic and proactive international cooperation related to COVID-19 response and further contribute to enhancing joint efforts on global health security. Notably, in addition to inter-ministerial collaboration, the government is organizing **private sector advisory meetings** by inviting experts from various fields to promote close cooperation with the private sector. Through these meetings, strategies to **strengthen international health governance** such as health and development cooperation, long-term pandemic response, and health security through international organizations have been discussed.

Based on these efforts, Korea has is playing a leading role in relevant international platforms. In 2020, Korea launched the UN Group of Friends of Solidarity for Global Health Security in New York and the Support Group for Global Infectious Disease Response in Geneva to cooperate with WHO and other health organizations on related agendas, including the initiation of the Intergovernmental Negotiating Body to draft and negotiate a WHO convention, agreement or other international instrument on pandemic prevention, preparedness and response.

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<sup>&</sup>lt;sup>7</sup> The international financial institution acts as the key lender and intermediary for EDCF and re-lends funds to partner countries.

#### **Case 5. Global Disease Eradication Fund (GDEF)**

Since 2007, a levy of KRW 1,000 (approximately USD 1) has been imposed on international passengers departing from Korea for the cause of global poverty eradication. In 2017, this concept was evolved into directing the funds towards infectious disease response, leading to the establishment of the GDEF.

Recognizing the importance of responding to infectious diseases, Korea has employed this innovative funding mechanism to provide financial support for global pandemic response organizations such as Gavi, CEPI, the Global Fund, and Unitaid, contributing to the international community's rapid and flexible response during pandemics.

Although there were challenges in mobilizing funds due to a plunge in travellers, Korea has established the 2022-26 Strategy to make efforts to strategize and stabilize the fund including leveraging loans from the public capital management fund and adjusting the payment structure.

#### iii) Plans or options for future work to build on this strength

Through active engagement in relevant international cooperative frameworks and increased contributions to global health organizations, Korea plans to proactively take part in further enhancing international pandemic response systems and norms. Korea will strive to respond flexibly and promptly to emerging infectious diseases and other natural disasters through diversified funding sources and execution mechanisms as well as setting remote work processes<sup>8</sup>.

<sup>8</sup> The first phase includes applying for loan and checking the loan balance; in the second phase, process management projects and real-time data integration are introduced; in the third phase, systems such as training programs, a knowledge-sharing platform between Korea and partner countries, as well as disaster recovery systems are established.

#### 3) Active incorporation of partner countries' conditions and needs

(covering Pillar 1. Partner country engagement and Foundation B. Institutional arrangements)

#### i) Reason for selection:

**Enhancement of project effectiveness** is essential in ODA, where limited resources are to be allocated to address the diverse needs of partner countries. To carry out projects that yield tangible impacts, strategies are to be formulated and projects designed and implemented based thoroughly on the environment and demands of partner countries. Additionally, to respond to the recommendations of the past peer review, Korea has increased communication with its overseas missions, field offices of implementing agencies as well as partner country governments to reinforce local policy dialogues, and conducts field-oriented project monitoring.

#### ii) Analysis of underlying aspects critical for success

Development of customized strategies

Korea designates priority partner countries every five years, taking into account each partner country's development status, economic and diplomatic relations, and ODA implementation environment. In 2021, Korea selected 27 countries as priority partner countries for the 3rd phase and formulated their Country Partnership Strategies (CPS).

The CPS is a strategy tailored to each partner country and closely aligned with the partner country's national development goals and policies. Throughout the formulation process, the official opinions of partner country governments are collected and discussed. Based on the partner country's **progress on the SDGs**, development constraints are identified and analyses are conducted on the partner country's development strategy and the support provided by other major donor countries. Additionally, perspectives of the field collected from **diplomatic missions and field offices of implementing agencies are taken into consideration**.

Meanwhile, for the remaining countries, the Korean government is developing regional strategies to maintain its comprehensive and strategic approach for ODA. For instance, the **African Development Cooperation Strategy** was established in February 2023. Moving forward, Korea plans to prepare strategies a series of regional strategies for **ASEAN**, **Central Asia and Latin America**, solidifying a tailored ODA framework that aligns with the circumstances and needs of partner countries.

Field-oriented approach and feedback mechanisms across all project phases

Korea takes into account the needs of partner countries through **continuous communication with the coordinating ministry for development in each country**. Project proposal are in principle submitted through **diplomatic channels**, and input from diplomatic missions and partner country governments plays a decisive role during the project appraisal and coordination processes. Each implementing agency also engages in **regular policy consultations** with the partner country's coordinating ministry in order to identify new projects, address ongoing project issues, and share updates on policy changes related to development cooperation.

Furthermore, to facilitate coordination and information sharing in the field throughout project execution, Korea operates local ODA consultations led by the Head of the diplomatic mission, with participation from field offices of KOICA, KEXIM, and NGOs. In 2022 alone, over 83 meetings were held in 30 missions. Additionally, officers responsible for development cooperation in overseas missions convened in Latin America (October 2021), Africa (December 2021), and Asia (October 2022) to receive constant input from field and share information regarding common regional issues.

To cater support to the unique circumstances of each partner country, Korea is focusing on **expanding the commitment amount and duration of the Framework Arrangement (F/A)** and **diversifying support methods** through project preparation loans, program loans, and sector development loans.

Project monitoring is also carried out with a **focus on the field**. Since 2018, diplomatic missions have taken the lead in monitoring the implementation of grant projects through the **Project Implementation Monitoring System**. Problems identified during monitoring are reported back to the respective implementing agencies to develop and execute plans for addressing these issues. If the same issue recurs, this is taken into consideration during project appraisal. In 2022, a total of 187 projects were monitored across 56 missions.

#### iii) Plans or options for future work to build on this strength

Korea is improving its strategy setting process to ensure timely reflection of changes in the partner countries' political governance and revisions to their mid-term national development strategies. The goal is to reduce the current 1.5-year timeframe for formulating the CPS and to align the CPS implementation period with the duration of partner countries' development plans. Additionally, Korea will continue its efforts to secure diverse communication channels to facilitate ongoing collaboration and communication with partner countries.

#### 4) Inter-governmental coordination and integration

(covering Foundation A. Policy and Foundation B. Institutional arrangements)

#### i) Reason for selection

Given the nature of Korea's ODA system and portfolio, a **consistent and coordinated whole-of-government approach** is a crucial task. As of 2023, Korea delivers **1,840 projects through 45 agencies for grants and loans**. Accordingly, there is a pressing need for integrated aid implementation through better project appraisal, coordination, and alignment across various sectors. As recommended in the 2017 peer review, Korea has significantly improved its ODA system to ensure that strategic and operational decisions are made at the appropriate level.

#### ii) Analysis of underlying aspects critical for success

CIDC's enhanced consolidation, coordination, and strategy formulation function

To promote integrated ODA implementation, Korea comprehensively revised the **Framework Act on International Development Cooperation** in 2020 for the first time in 10 years. **CIDC**, the highest decision-making body, was empowered with corresponding status and authority by strengthening its functions for **consolidation**, **coordination**, **and strategy formulation**. To support the CIDC in fulfilling these duties, the Office for International Development Cooperation was established under the OPC in 2021 and operates as its secretariat, coordinating and evaluating major aspects of the plans and strategies related to development cooperation. The Act also allows supervising ministries to organize development cooperation strategy meetings to reinforce their respective authorities on establishing policies and strategies and overseeing ODA projects.

While restructuring the organization and workforce under these legal and institutional arrangements, Korea promotes coordinated project implementation by formulating a **yearly implementation plan** based on its **comprehensive (five-year) strategy**. The Yoon Suk Yeol administration, inaugurated in May 2022, identifies the **advancement of ODA implementation mechanisms** as a major task in development cooperation policy. Through the Strategic Plan for Official Development Assistance under the Yoon Administration (June 2022), efforts are being made to execute strategic, integrated, and large-scale ODA projects and create a virtuous cycle for the ODA ecosystem.

Since 2021, in addition to completely revising the **Multilateral Cooperation Strategy (2022-2026)** following the previous peer review recommendations, Korea has developed **sectoral and regional strategies with respect to Green ODA, ICT, and Africa**. Korea plans to extend the scope of these strategies to other regions and sectors such as **Asia, Latin America, and agriculture**.

Strengthening integration and linkage among projects

Korea, as a donor offering both grants and loans, focuses on integrating and creating synergies between these two components through "packaging" its ODA projects.

First, Korea set up a Cross-Ministry Project Deliberation Committee<sup>9</sup> in 2020 to facilitate coordination between grants and loans. Furthermore, efforts have been made to improve the actual pre-submission rate

The committee has met 11 times from 2020 to 2022 for sectors such as transportation, PPP, health, digital, ICT, climate, environment. MOEF, KEXIM, MOFA, Ministry of Trade, Industry and Energy, Ministry of Environment, Ministry of Land and Transpiration, International Contractors Association of Korea, Ministry of Health and Welfare, Korea Health Industry Development Institute, Korea Environmental Industry and Technology Institute, Korea Customs Service, Statistics Korea, Ministry of Science and ICT, Land and Geospatial Informatix Corporation, Rural Development Administration, Korea

of projects through the **N-2 Preliminary Review System** to broaden the pool for conjoining projects. Once selected as a "packaged project," **incentives** are provided during the processes of **project appraisal and budget allocation**. In 2023, projects that have been linked or conjoined to avoid duplication<sup>10</sup> amount to 128 cases. This is a notable increase from a total of 189 cases before the previous peer review (projects delivered during 2014-2018) to 550 cases in the recent 5 years (2019-2023). The government plans to continue its efforts to further develop these linkages starting from the project identification stage rather than relying solely on connecting existing projects.

#### Case 6: Linkage between grant and loan projects in Yen Bai, Vietnam

Yen Bai Province and its neighboring areas in Vietnam are mountainous regions where over 50% of the population belongs to ethnic minorities. It is identified as one of the medically underserved areas. In response to a request from the Vietnamese government, Korea supported the Yen Bai General Hospital Construction Project through an EDCF loan, which included the construction of a general hospital with 500 beds and the procurement of state-of-the-art medical equipment.

During 2020-2021, when the EDCF project entered its completion phase, Korea provided additional support through the Consulting Project for Healthcare Facility and Medical Equipment Operation and Management, a grant disbursed by KOFIH (Korea Foundation for International Healthcare). The project involved the comprehensive inspection and repair of medical equipment, as well as consulting for hospital operation and medical equipment management.

⇒ From hospital construction and provision of medical equipment to operational management consulting, the entire process was driven by Korea's ODA activities. The project led to substantial improvements in the healthcare environment of Yen Bai Province and its neighboring areas, as well as achieving qualitative growth in Korea's ODA through grant-loan interlinkages.

To address the issue of fragmentation involving over 40 institutions within the realm of grant aid, concrete measures have been taken to operationalize and substantialize project appraisal and coordination through the Council on Grants. In March 2021, the **Committee on Grant Strategy** was formed to ensure that grant projects are executed cohesively under a unified policy and strategy.

#### Case 7: Open invitation system for Country Programs and Projects

Previously, MOFA (KOICA) participated subsequently in the projects of government partnership programs to create synergy between agency-specific expertise and MOFA's field network. Starting from 2019, Korea has further strengthened project interlinkage and convergence by identifying projects through an open call for proposals from the project planning stage. This mechanism serves as a typical collaborative platform among ODA implementing agencies, generating synergies between MOFA (KOICA)'s ODA expertise and various government agencies' sectoral knowledge to contribute to high-quality design and execution of grant projects.

Development Institute, KOICA, KOFIH, Korea Overseas Infrastructure and Urban Development Corporation, National Information Society Agency, National IT Industry Promotion Agency are part of the committee.

<sup>&</sup>lt;sup>10</sup> The number of conjoined projects or those screened for duplication each year are as follows: 21 (2014)  $\rightarrow$  56 (2015)  $\rightarrow$  40 (2016)  $\rightarrow$  38 (2017)  $\rightarrow$  34 (2018)  $\rightarrow$  61 (2019)  $\rightarrow$  123 (2020)  $\rightarrow$  140 (2021)  $\rightarrow$  98 (2022)  $\rightarrow$  128 (2023)

#### iii) Plans or options for future work to build on this strength

Korea promotes close integration and coordination among various institutions and projects, led by the CIDC. Efforts will be directed towards strengthening linkages among projects, including the identification of "packaged" projects within grants and between grants and loans, with considerations to the priority sectors and partner countries' needs. Based on these endeavors, Korea aims to become a responsible donor promotes global values and spearheads crisis response, pursuing ODA that contributes substantively to the sustainable development of partner countries.

5) Enhancing partnerships among development actors and winning public support (covering Pillar 2. Inclusive development partnerships and Pillar 3. Global and domestic efforts)

#### i) Reason for selection

As emphasized in the previous **peer review**, it is imperative to **form partnerships among actors** due to the diversifying pool of participants and stakeholders in development cooperation. Accordingly, Korea is **enhancing collaboration with civil society**, a key partner, and **expanding the base for development cooperation through diversification of private finance**. Additionally, Korea actively cooperates with countries that share its key strategic values such as the Indo-Pacific Strategy, and utilizes multilateral mechanisms to maximize the global impact of development assistance. Above all, securing the support for and constructive participation of the public is essential.

ii) Analysis of underlying aspects critical for success

Solidifying the partnership base with civil society

The Korean government continuously strives to strengthen partnerships with civil society, a major player in international development cooperation. To enable civil society participation in policy decisions, the CIDC includes civilian members such as academia and CSOs. In addition, regular policy consultations are underway through a variety of channels including the Government-Civil Society Policy Consultation (OPC), the MOFA-Civil Society Policy Dialogue (MOFA), and the Public-Private Partnership Council (KOICA). In particular, the Policy Framework for Government-Civil Society Partnership was adopted in 2019 to clearly establish the two entities' cooperative relationship of mutual equality, with subsequent 31 tasks for implementation and their corresponding indicators developed. Thanks to these policy efforts, the budget for the Civil Society Cooperation Program has risen by 21% in 2023 compared to the previous year.

Korea leverages the **field experience** of civil society to enhance project effectiveness, which particularly stands out in its **humanitarian assistance efforts**. In response to the recent earthquake in Türkiye, both the public and private sector took part in an emergency relief team and disbursed USD 10 million for the project on Building and Operation of Temporary Settlement for Earthquake Affected People<sup>11</sup>. As local CSOs are equally important partners, Korea facilitates peer learning through informational sessions, meetings, and site visits for Korean NGOs operating in the field and local CSOs through the **On-site Partnership Enhancement Program**.

#### **Case 8-1: Civil Society Cooperation Program**

The program selects projects through an open call for applications in six focus areas (education, higher education, health, agriculture, forestry and fisheries, social economy, and multi-sectors). As of 2023, 73 CSOs are delivering 119 projects in 31 countries. The budget for the program has been growing <sup>12</sup> since the last peer review. For performance management, KOICA incorporates the number of civil society cooperation beneficiaries in developing countries in its key performance indicator.

<sup>11</sup> The project will create a temporary settlement in Hatay Province composed of 500 container housing structures, common areas for education, healthcare, and religious purposes, a system for training, health, nutrition and WASH, and social services such as waste management and safety. The project duration is from April 2023 to June 2024.

<sup>&</sup>lt;sup>12</sup> The budget for the Civil Society Cooperation Program is KRW 47.9 billion (USD 37 million) in 2023, up from KRW 39.6 billion (USD 35 million) in 2022 (21% increase).

#### Case 8-2: On-site Partnership Enhancement Program

To establish a stable basis for localization, Korea is strengthening the field operation capacities of civil society cooperation partners and strategic collaboration with local CSOs. The program consists of three modules – local consultations, field training, and peer learning – delivering 30 programs in 16 countries, with a total budget of about USD 170,000 in 2023.

The KOICA Philippines Office held a workshop to enhance partnerships between KOICA and KNNP (Philippine NGO Network). The workshop included sharing of health sector projects, field visits of World Vision healthcare projects for peer learning, and informational sessions on the Civil Society Cooperation Program (by KOICA headquarters' staff) to enhance understanding of health and civil society initiatives and facilitate networking among organizations.

The KOICA Bolivia Office organized a meeting with approximately 100 representatives from 63 local CSOs. Activities included introducing KOICA and its On-site Partnership Enhancement Program, networking among local CSOs, and training on drafting project concept papers and PDMs to enhance practical skills and partnerships related to identifying and designing new projects.

#### Promoting partnerships with private enterprises

In November 2022, Korea developed the **Strategy for Private Sector Participation** to build strategic partnerships with companies and is **expanding the foundation for private sector engagement**.

Korea promotes interactive communication with private companies through meetings and supports capacity building. The **Public-Private Partnership** (PPP) was initiated in 2010, and in 2014, it was reorganized into the **Inclusive Business Solutions** (IBS) to involve vulnerable populations in partner countries to enhance project sustainability. Additionally, the **Creative Technology Solution** (CTS) program has been in operation since 2015, supporting 108 R&D projects and ODA testbeds for prospective entrepreneurs and startups in 22 countries.

#### Case 9: Successful cases of the CTS program

Enuma, a venture company based in Korea and the United States, received support from the CTS program in 2015 and created the Kitkit School, an app to aid foundational learning for children. It assists children in developing countries with step-by-step learning of English and math through game-based methods. After initiating the app in three African countries (Tanzania, Uganda, Kenya), Kitkit School is now being used by approximately 210,000 people in 55 countries, including Indonesia and Bangladesh. Enuma was co-winner of the 2019 Global Learning XPRIZE, an international competition for innovative ideas sponsored by benefactors such as Tesla. Enuma continues to support the app through compatibility tests for 21 different digital devices (as of 2023), additional content development, awareness raising campaigns for parents and capacity building programs for teachers.

Selected as a CTS grantee in 2018, PiQuant is a Korean startup that developed the Water Scanner, a portable water quality analysis solution. The company partnered with the Grand Challenges Explorations, an initiative funded by the Bill & Melinda Gates Foundation, in the field of water, sanitation, and hygiene. It won first place at the 2022 SelectUSA Investment Summit, an event held by the U.S. Department of Commerce to promote business investment, and received the Innovation Award at CES 2023, the world's largest IT and electronics fair. As of 2023, PiQuant grew seven-fold in employment and 5,000% in revenue compared to 2018, filed two patent applications, and distributed and sold 10,000 prototypes.

#### Boosting bilateral and multilateral collaboration for better effectiveness

The Korean government is consolidating cooperation on development policies with major donors such as the United States, the EU, and the United Kingdom, who share universal values such as freedom, democracy, and human rights.

Korea and the United States signed a revised MOU on development cooperation in September 2022 and established a KOICA-USAID Partnership Work Plan. Korea and the United Kingdom signed a Letter of Intent for the Strategic Development Partnership in May 2023, and will explore joint measures for cooperation in the Indo-Pacific region. The 8th Korea-EU policy dialogue on development cooperation was held in February 2023, and through development cooperation MOUs with countries like Australia (2019) and Portugal (2023), Korea is fostering collaboration in areas of mutual interest.

In addition, Korea is playing a leading role in the Busan Global Partnership for Effective Development Cooperation (GPEDC) to enhance development effectiveness through multilateral collaboration. Having previously served on the Steering Committee until July 2015, Korea resumed its role in August 2019, representing donor countries and organizing the Busan GPEDC Forum biennially.

#### Better cooperation with international organizations

Korea is committed to promoting development cooperation based on the international cooperation framework for achieving universal values such as the SDGs, human rights, and peace. The government has consistently expanded the volume of multilateral assistance, 13 recording a 33.6% increase from the previous year to reach USD 1.2 billion in 2021,14 and has established the Multilateral Cooperation Strategy in November 2022. Korea's aid through the multilateral system particularly focuses on key SDGs areas such as healthcare, education, innovation and ICT, climate change, and governance and peace. Additionally, Korea has strengthened strategic relationships by convening regular policy consultations with OCHA, UNDP, WFP, UNICEF, and UNHCR to develop directions for cooperation and assess project outcomes.

With MDBs that possess regional expertise, Korea continuously identifies potential infrastructure projects through the formation of collaborative networks. Utilizing co-financing platforms, Korea focuses on large-scale infrastructure development projects such as water and sewage facilities, roads, and hospitals that are required for the economic development of developing countries. As of 2022, Korea approved USD 332 million worth of co-financing projects with MDBs.<sup>15</sup> Through joint MDB consultations, Korea discusses measures for future cooperation and sustains efforts to identify new projects via business forums and 1:1 business consultation sessions. In May 2023, Korea successfully hosted the 57th ADB Annual Meeting in Songdo, with significant contributions such as committing to launch the ADB-Korea Climate Technology Hub and provide additional funding to the e-Asia and Knowledge Partnership Fund.

#### Consolidating public support through education and PR

To strengthen public communication efforts, Korea has designated November 25th, the date of its accession to the OECD DAC, as International Development Cooperation Day. Since 2021, Korea has been organizing a Development Cooperation Week, a compilation of integrated ODA related events. Alongside these efforts, Korea operates an inter-ministerial Integrated ODA Publicity Task Force on a regular basis to collaborate on effective ODA communication strategies.

 $<sup>^{13}</sup>$  USD 9,894 million (2019)  $\rightarrow$  USD 9,213 million (2020)  $\rightarrow$  (2021) USD 1.23 billion (OECD.Stat. Members' total use of the multilateral system)

<sup>&</sup>lt;sup>14</sup> OECD (2023), OECD Development Co-operation Profiles 2023.

<sup>&</sup>lt;sup>15</sup> USD 60 million with ADB, USD 145 million with IDB, and USD 127 million with CABEI.

Korea is making multifaceted efforts to secure positive support from its citizens. Through **outreach activities targeting schools, local governments, and CSOs** (such as ODA briefing sessions, the EDCF Vision Conference, KOICA supporters WeKO, and EDCF Supporters Program), as well as through **public events** like the Seoul ODA International Conference and the Open Forum on SDGs, Korea is increasing the general public's understanding of ODA. Additionally, in 2022, the **integrated ODA Brand Identity (BI) was revised** for the first time in 11 years, following discussions among relevant ministries and institutions, to enhance the **visibility of Korea's ODA**.

Through the **ODA Korea integrated website**, Korea provides comprehensive and easily accessible information about ODA **figures and project evaluation results**. In accordance with the Act on Promotion of the Provision and Use of Public Data, Korea is expanding information disclosed on ODA policies, projects, and statistics. Based on these systems, Korea **reports its ODA data to international organizations and releases information to the public**.

#### iii) Plans or options for future work to build on this strength

The Korean government plans to develop partnerships throughout the entire process of ODA, building on the expertise and experience of civil society and private enterprises to strengthen their role as development actors.

In order to visibly demonstrate Korea's vision and contributions, the government will continue its efforts to increase data accessibility and transparency by providing map-based project information, expanding statistical services, and improving user interface. There will also be more events that allow proactive participation from citizens, aiming to foster widespread public support and establish a sustainable foundation for ODA.

# Section B-2. Challenges and Opportunities

#### 1) Concrete and flexible responses to global uncertainties

(covering Pillar 2. Inclusive development partnerships and Framework 1. Policy)

#### i) Reason for selection

Due to unforeseen large-scale crises and multi-layered global challenges, there is increasing urgent demand from partner countries. Prolonged risk of debt default in developing countries requires prompt and fundamental response. In this context, Korea has established a government-wide humanitarian assistance strategy to flexibly address partner country demands and actively participate in discussions related to support for fragile states.

Furthermore, as it was pointed out in the last peer review that the **N-2 preliminary review system**, project management, and budget approval take a considerable amount of time, Korea has taken multifaceted measures to supplement these procedures.

#### ii) Analysis of underlying factors constraining greater progress

Administrative and institutional flexibility for crisis response

Korea responds to urgent demands by utilizing fast-track ODA projects that can be swiftly executed within the current year. Korea has expanded budgets for the Conflict and Fragility Program <sup>16</sup> and humanitarian assistance<sup>17</sup>, and significantly increased budgets for overseas emergency relief in the event of disasters (from USD 100 million in 2021 to USD 220 million in 2023) and the special grant program, which the diplomatic missions can implement based on local circumstances (from KRW 10 billion (USD 8 million) in 2021 to KRW 78 billion (USD 60 million) in 2023). Even amid fiscal constraints, Korea has made efforts to increase core funding to international organizations, thereby enhancing their capacity to respond resiliently to global crises and issues in a timely manner with expertise. Moreover, to support partner countries' quick response to disasters, including the COVID-19 pandemic, the Loan for Emergency Response was instituted in 2021. A KSP fast-track program was introduced in 2020, as mentioned before, which provided seven emergency consulting projects during 2022-2023 such as the project on Establishing Master Plan for Implementing Carbon Trading System in Lao PDR.

Ramping up humanitarian assistance and HDP Nexus for fundamental solutions

Korea is continuously scaling up the volume of its humanitarian assistance to address complex and protracted global humanitarian crises. In **July 2019**, the **Humanitarian Assistance Strategy was revised** to increase support for forgotten crises in relation to **chronic disasters**, with a focus on conflict-affected and fragile states such as Syria and Yemen, and to actively promote **preventive approaches**. In fact, Korea provided 41.5% of its

Budget expansion for the Conflict and Fragility Program: KRW 10.8 billion (USD 10 million) (2018) → KRW 10.8 billion (USD 10 million) (2019) → KRW 10.8 billion (USD 9 million) (2020) → KRW 13.8 billion (USD 11 million) (2021) → KRW 20.6 billion (USD 18 million) (2022) → KRW 33.7 billion (USD 26 million) (2023)

<sup>&</sup>lt;sup>17</sup> Budget expansion for humanitarian assistance: KRW 84.8 billion (USD 75 million) (2018) → KRW 86.1 billion (USD 78 million) (2019) → KRW 100.3 billion (USD 84 million) (2020) → KRW 124.1 billion (USD 103 million) (2021) → KRW 2,366 100 million (USD 209 million) (2022) / KRW 294.4 billion (USD 230 million) (2023)

bilateral ODA to fragile contexts in 2021, amounting to USD 1 billion.<sup>18</sup> In **February 2020, Korea officially joined the Grand Bargain** and has been actively implementing its commitments such as increasing multi-year funding and unearmarked contributions.

Korea acknowledges the need for an **integrated approach to humanitarian, development, and peace** (HDP) efforts to effectively address increasing humanitarian needs resulting from international conflicts and violence as well as frequent natural disasters. In order to **implement the OECD DAC Recommendations on the HDP Nexus** (2019), Korea has established the **HDP Nexus Implementation Strategy** and is deeply engaged in global fora on promoting the HDP Nexus, including platforms like the OECD DAC INCAF, the DAC-UN Dialogue, and other UN meetings. In particular, Korea has demonstrated leadership by co-chairing the OECD DAC INCAF Task Team (June 2019-2022) and financially contributing to the Nexus Academy.

#### Relieving debt burdens in partner countries

Resolving debt vulnerabilities is a critical foundation for achieving sustainable development in partner countries. To this end, Korea upholds the **principle of high concessionary funding** and, in 2020, reached an agreement on the **Debt Service Suspension Initiative** through the meeting of G20 Finance Ministers and the Paris Club. As a result, debt service suspensions for 14 countries, including Angola, totaling USD 47 million were successfully completed. These measures have contributed to **alleviating liquidity crises and urgent financing needs** in low-income countries with intensified debt vulnerabilities due to the COVID-19 pandemic.

Furthermore, since 2021, Korea has been participating in the **Common Framework**, aimed at **addressing the fundamental insolvency** in low-income countries. Additionally, the **Guideline for IMF-WB Debt Sustainability Framework** has been developed to review the results of debt sustainability analyses for low-income countries. For countries with ratings of 'high' or above, a **sustainable debt management council meeting is held prior to project appraisal** to closely examine the economic situation of the partner country.

#### iii) Plans or options for future work to enable improvement

Korea plans to continue operating systems that enable prompt and flexible responses to the urgent needs of partner countries. Efforts will be made to streamline and integrate project appraisal processes to a program-based method, thereby improving the project execution procedure. In addition, Korea will look into a system for identifying project needs in the field, centered around diplomatic missions, and measures to reinforce on-site monitoring.

Given the prolonged global economic downturn, the risk of debt default in partner countries is expected to exacerbate. In this regard, Korea aims not only to adjust and manage loans ex-post, but also to address the underlying causes of debt vulnerability and to focus on efforts that strengthen the sustainability and resilience of partner countries.

<sup>&</sup>lt;sup>18</sup> OECD (2023), OECD Development Co-operation Profiles 2023.

#### 2) Performance-based ODA management system for enhanced effectiveness

(covering Framework 4. Management system)

#### i) Reason for selection

Korea strives to improve aid effectiveness by revamping its performance management system, focusing on the SDGs indicators. However, as the SDGs and their indicators are macro-level metrics that are to be measured at the national level, it is difficult to apply them directly to individual projects. Fundamentally, there is a need to explore ways to effectively manage the impact of projects.

#### ii) Analysis of underlying factors constraining greater progress

Introduction of performance-based approach throughout the project cycle

To systematically promote strengthened ODA performance management in accordance with the Framework Act on International Development Cooperation, Korea adopted the **Revision of ODA Performance Management System** in May 2021. The revised system mandates and systematizes self-evaluations of implementing agencies, while also differentiating the number of evaluations based on their size. Moreover, to enhance balanced performance management capabilities of each agency, the evaluation committee under the CIDC is conducting **institutional capacity reviews and consulting**. Additionally, Korea has put in place a mechanism in which the evaluation committee directly conducts assessments for tasks that require macrolevel perspectives such as strategic or sectoral evaluations, which are difficult for the individual implementation agencies to conduct.

Korea encourages each implementing agency to take into account the SDGs from the project design stage. In 2021, the **Performance Indicator Model** (included in the evaluation committee's evaluation plans for 2022 and the 40th CIDC agenda) was developed based on the SDGs, and agencies are required to include performance indicators in their **project implementation plans**.

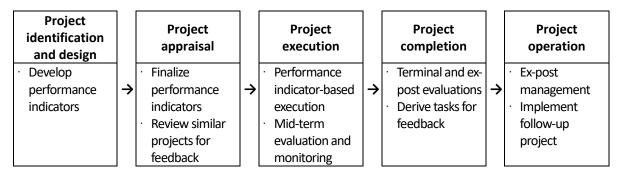
For priority sectors such as gender equality and the environment, Korea has introduced a **marker system** for project management. Implementing agencies **screen their projects against the OECD DAC Rio markers, gender equality policy marker, and contribution to the SDGs** during project preparation and appraisal phases, and **develop performance indicators in collaboration with partner countries**, considering these factors.

Tightening project monitoring and ex-post management

Korea enhances **post-project management**, including **monitoring by diplomatic missions**, and improves **project sustainability through follow-up projects** such as capacity building. The results of on-site project inspections and ex-post management are shared annually through the CIDC, ensuring that monitoring outcomes meaningfully inform project appraisal and coordination processes. Major implementing agencies conduct evaluations for completed projects and, within a specific period (7 years) after project completion, estimate demand and provide follow-up support if needed.

Efforts are being made to systematically circulate evaluation results and expand knowledge sharing. Project analyses such as KOICA Lesson Learned Report and Analysis of EDCF Project Issues are prepared to share key issues and insights, best practices, and project evaluations across different project stages and sectors. Through collaboration with partner countries and other donor agencies, such as the 2022 EDCF Country Evaluation Workshop in Cambodia, evaluation knowledge sharing workshops with USAID, JICA, and other donor agencies in 2022, as well as evaluation cooperation with the World Bank in 2023, Korea is disseminating its evaluation outcomes and strategic directions. These efforts aim to continuously advance project evaluation.

#### < Korea's ODA performance management process >



Building evaluation capacity and institutional framework for systematic performance management

Korea is developing **evaluation capacity and mechanisms** to improve the quality of evaluations, a key tool for performance management. Prior to evaluation initiation and implementation, Korea has prepared the Evaluation Manual for International Development Cooperation, revised in January 2022, incorporating the OECD DAC evaluation criteria. There are additional guidelines, including the EDCF Guideline for Project Completion Report, the EDCF Guidelines for the Logical Framework for Climate Change Response Project, and the EDCF Guideline for Evaluation of Climate Change Response Project. Korea organizes the ODA performance management workshop to enhance the capabilities of evaluation professionals, along with training and advisory services for writing evaluation reports.

Korea actively leverages **external evaluation expertise**. While civilian members of the evaluation committee can participate directly in evaluations, an **Independent Evaluation Panel** comprising external experts from the public sector, academia, and civil society is established to review evaluation quality for grant projects. To enhance accountability to the public, Korea publishes evaluation criteria and outcomes transparently through platforms such as the integrated ODA Korea website and KOICA's Evaluation Knowledge Platform.

#### iii) Plans or options for future work to enable improvement

Korea supports the strengthening of performance management capabilities of implementation agencies in order to stabilize the implementation of a national ODA performance management and evaluation system. In the long term, Korea will reduce the number of ODA projects and increase flagship projects, striving to establish an effective performance management and feedback system. In particular, Korea plans to enhance evaluation quality by diversifying evaluation methods, such as joint evaluations with partner countries and universities, and reinforcing evaluation research so that evaluation results can be systematically embedded into ODA projects.

#### 3) Tapping into additional financial resources

(covering Framework 3. Financing and Pillar 2. Inclusive development partnerships)

#### i) Reason for selection

Due to global crises such as COVID-19, the **financing gap for achieving the SDGs** has increased by 56% from pre-COVID levels, from an annual USD 2.5 trillion to USD 3.9 trillion in 2020.<sup>19</sup> While the overall size of OECD DAC member countries' ODA remains stagnant, the importance of private finance is increasing.<sup>20</sup> Korea aims to steadily expand its ODA volume and achieve its target of doubling its budget to more than KRW 6.4 trillion by 2030. However, to bridge the financing gap, diversification of development resources is essential. Currently, Korean companies' participation in development cooperation primarily revolves around participating in the ODA procurement market through bidding (61% during 2017-2021), necessitating fundamental efforts for improvement for more tangible outcomes.

#### ii) Analysis of underlying factors constraining greater progress

#### Efforts to mobilize private finance

Korea runs various **development cooperation programs that combine private sector innovation and expertise**. For grants, collaborative projects have been introduced through strategic partnerships with private companies since 2010. Starting in 2015, the **CTS program** has provided support for prospective entrepreneurs and startups' research and development, and ODA testbeds. Building upon this, the IBS program, initiated in 2017, matches and supports business models that engage vulnerable groups in developing countries in the production, sales, and distribution processes. Furthermore, with the recent rise of ESG, the KOICA Platform ESG Initiative was introduced in 2022, in which the government and the private sector jointly identify project models that align with companies' ESG strategies while contributing to the SDGs.

#### < KOICA Platform ESG Initiative >

Company	Project	Country	Duration and funding	Main activities
Samsung Electronics	Establishment of Sustainable and Innovative Digital Solutions and Circular Economy	Uganda, Tanzania, Rwanda, South Sudan	2023-2026 KRW 2.5 billion	Reducing electronic waste through smartphone upcycling
Yuhan Kimberly	Identification of Climate and Environment Startups and Social Enterprises	Indonesia, Philippines	2023-2027 KRW 2.8 billion	Supporting startups with advanced technologies
SK Forest	Greenhouse Gas Reduction Project in Northern Mountainous Areas of Vietnam	Vietnam	2023-2027 KRW 5 billion	Forest conversion and desertification prevention

<sup>&</sup>lt;sup>19</sup> OECD (2022), Global Outlook on Financing for Sustainable Development 2023.

DAC members' net ODA flows (billion USD, OECD): 132 (2015)  $\rightarrow$  147 (2017)  $\rightarrow$  146 (2019) DAC members' private finance flows (billion USD, OECD): 100 (2015)  $\rightarrow$  246 (2017)  $\rightarrow$  224 (2019)

Korea strives to diversify and expand its development finance such as **blended finance** and **impact investing**, through collaboration with UN agencies, MDBs, private investors, funds, and more. Starting with the project on Improving Financial Accessibility in Uganda in 2015, Korea has operated a total of 14 blended finance **grant projects** with competent domestic and international investment institutions until 2022. Also in 2022, Korea set up the **Blended Finance Solution** (BFS), which is managed through an open call for blended finance project proposals. Through this initiative, Korea executed a blended finance project of KRW 50 billion in collaboration with Korea Investment Real Asset Management, creating the Vietnam Forest Carbon Neutrality Fund to support forest restoration and prevent desertification in Vietnam. Cooperation with foreign companies has also increased – through the Innovative Partnership Program (IPS) with Impact Investment Exchange (IIX), a Singapore-based impact investment organization, Korea and the U.S. International Development Finance Corporation (DFC) jointly launched the Women's Catalyst Fund totaling USD 10 million. This fund catalyzes private capital and provides liquidity for a total of 500,000 women entrepreneurs in developing countries.

For **ODA loans**, Korea has been operating the **Economic Development Promotion Facility (EDPF)** since 2016. KEXIM uses its own financial resources delivered from the international financial market in addition to public funds to provide concessional loans. The difference between the funding cost and the lending rate is covered by government funds (EDCF). This mechanism is useful in cases where a large amount of funding is required such as infrastructure construction. For instance, the Construction of Karian Multipurpose Dam Project, which received USD 140 million in EDCF support, was complemented with an additional USD 210 million from EDPF for the construction of a water supply canal from the dam to the water treatment plant, enabling the execution of a large-scale infrastructure project. The Korean government also continues to expand the scale of infrastructure projects by diversifying development finance, adhering to the OECD DAC Blended Finance Principles. For example, Korea is restructuring its system to differentiate support methods, utilizing equities and guarantees in addition to loans, and considering means for evaluating the development effectiveness and risks of private investment projects. Particularly, through **Public-Private Partnership** projects that support large-scale infrastructure development in partner countries, Korea promotes the use of private finance, technology, and expertise. To date, Korea has supported a total of four PPP projects (total project cost of USD 1.67 billion) with a contribution of USD 310 million.

Through such private sector engagement efforts, Korea will respond to the development needs in partner countries and contribute to their social, economic, and private sector development.

#### Exploring measures for Korea's unique development finance functions

Unlike countries like the United States, Germany, and France, Korea does not have a separate development finance institution. Instead, Korea operates the EDPF by utilizing funds secured from the international financial market through KEXIM to provide concessional loans for development projects in partner countries. The difference between the funding cost and the lending rate is made up for by the EDCF budget. This mechanism complements limited public finances to meet the demand for development projects in partner countries, primarily supporting large-scale infrastructure projects. Korea is currently looking into measures to strengthen its development finance functions that are well-suited to its circumstances.

#### iii) Plans or options for future work to enable improvement

Korea plans to continue cooperation for mobilizing various financial resources alongside expanding the volume of ODA. This involves extending collaboration with domestic and international companies, impact investors, multilateral development institutions such as UNCDF and UNDP, as well as other international financial institutions. Pooled funding with other donor countries, innovative financing for the private sector in partner countries, and various other initiatives to engage private finance will be explored. In order to respond to the demand for large infrastructure projects, Korea will further expand the EDPF by utilizing private capital. Moreover, Korea aims to create a development effectiveness evaluation system for projects involving the private sector, establishing an objective monitoring mechanism for development impacts. In the medium to

long term, efforts will be focused on bu finance.	uilding a foundation for	attracting private funds	to scale up development

#### 4) Ensuring government-wide policy coherence

(covering Pillar 3. Global and domestic efforts)

#### i) Reason for selection

Over the past five years, Korea has been striving to secure domestic and international policy coherence that align with the 2030 Sustainable Development Agenda, while introducing a comprehensive approach to development cooperation. The Strategic Plan for Official Development Assistance under the Yoon Administration specifies enhancing the consistency of ODA strategies by sector and region within ODA policies. Particularly in areas such as climate change, human rights, and the environment, where an integrated perspective encompassing domestic, foreign, and international aspects is essential, Korea aims to formulate and execute policies with due consideration.

However, despite these efforts, aligning various policies pursued by dozens of government agencies with the SDGs for policy coherence remains a challenging task. Korea recognizes the importance of policy coherence and intends to make meticulous efforts to ensure synergy and complementarity among policies that pertain to partner countries.

#### ii) Analysis of underlying factors constraining greater progress

Strengthening policy alignment with partner countries

In 2022, Korea enacted the **Framework Act on Sustainable Development and its enforcement decree**, which contain cross-government commitments to achieving sustainable development for the nation, local communities, and humanity. In accordance with the Act, the **National Committee on Sustainable Development**, originally under the Ministry of Environment, now sits with the Office of the President. It also mandated formulating basic strategies related to sustainable development every 20 years and conducting reviews every 5 years, thereby setting the legal and institutional framework. The Act contributes to enhancing policy alignment for Korea in terms of progressing the 2030 Sustainable Development Agenda for partner countries.

Furthermore, efforts are being made to improve the linkage between ODA projects and SDGs in order to systematically support partner countries' sustainable development. Since 2016, it is mandatory to specify the SDG targets associated with individual ODA projects when submitting the annual implementation plan for grants. Starting in 2021, the self-evaluations of implementing agencies include the SDGs as an additional criterion in order to strengthen support for SDGs implementation.

#### Improving policy coherence in climate change response

As is the case with other sectors, policy coherence is especially vital in the field of climate change response. Korea is engaged in **international efforts** towards carbon neutrality and hosted the 2021 P4G Seoul Summit, adopting the Seoul Declaration to affirm the international community's commitment to attaining carbon neutrality for both developed and developing nations. Additionally, Korea has played a **leading role in accelerating global green transformation**, taking the initiative in founding specialized international organizations in the environment sector, such as the Global Green Growth Institute (GGGI) in 2012 and the Asian Forest Cooperation Organization (AFoCO) in 2018, and **hosting the GCF Secretariat in Songdo, Incheon City** in 2012.

Korea has a multi-tiered climate change response strategy. A government-wide cross-sectoral **2050 Carbon Neutral Strategy** was formulated in December 2020, declaring domestically and internationally the **goal** to achieve **carbon neutrality by 2050** and establishing a presidential committee to concentrate policy efforts. The 3rd Comprehensive Strategy for Development Cooperation (2021-2025) prioritizes ODA for climate

change adaptation, and the Strategy for Green New-Deal ODA was adopted in 2021. Accordingly, Korea has provided USD 200 million for GCF's first replenishment (2020-23), established a KRW 30 billion (approximately USD 27 million) GGGI trust fund (2022-26), and contributed 3.6 billion won (approximately USD 3 million) to the Adaptation Fund (2023-25). The Korean government will **comprehensively analyze the results and effectiveness of climate-related ODA carried out by the entire government**, in order to shape the future direction of ODA policies regarding climate change response and expand tailored cooperation with partner countries.

Korea is also developing a framework to specifically apply climate change response strategies to ODA. In 2021, EDCF formulated the Green EDCF Strategy and the Guideline for Applying the Climate Change Impact Response Framework. This includes analyzing the climate risks of projects (low, medium, high), requiring mitigation plans for medium to high-risk projects, and setting quantifiable performance goals for climate change adaptation and mitigation projects, for which the results are monitored and evaluated. Moreover, recognizing the close link between climate and infectious diseases post-COVID-19, KOICA has established the Department of Climate Crisis and Pandemic Response.

Mainstreaming human rights, gender equality, and environment

Promoting human rights is a fundamental element that should be considered across all sectors for sustainable development, guided by the principle of 'leaving no one behind.' Korea has developed and is implementing the fourth National Action Plan for the Promotion and Protection of Human Rights (2023-2027), and has adopted the human rights-based approach (HRBA) as a guiding principle for international development cooperation. The Framework Act on International Development Cooperation explicitly states improving the human rights for women, children, persons with disabilities, and youth. The 3rd Comprehensive Strategy for Development Cooperation (2021-2025) also adopts a gender and human rights-centered approach for inclusive ODA.

Korea has designated **human rights and gender equality** as **key cross-cutting issues** that can be embedded into different project sectors. The integration of gender perspectives has been strengthened, and efforts to identify projects for gender equality have led to a significant increase in the proportion of aid allocated in support of the gender equality policy marker, from 13% in 2016-17 to 25% in 2020-21. For terminal evaluations of projects, mainstreaming of human rights and gender equality taken into account alongside the six evaluation criteria of the OECD DAC. Korea's policy commitment to gender mainstreaming is evident through the 2015 Guidance on Mainstreaming Gender Perspectives. To further incorporate gender mainstreaming and women's empowerment throughout ODA projects, Korea is in the steps of formulating a strategy and guideline for gender equality and empowerment.

Korea enhances the accountability of ODA projects and raises the awareness of **environmental and social impacts** by introducing and sophisticating its safeguards system. For loans, the environmental and social impact risk rating has been subdivided from three levels to four levels through **revisions to the relevant criteria** in July 2020. For projects rated as high-risk, the timing for submitting the environmental and social impact assessment report has been clarified. Moreover, Korea discloses more information by releasing the full text of the environmental and social impact assessment reports. In January 2021, KEXIM established a dedicated Safeguards Team. In November 2021, EDCF launched the Environmental and Social Advisory Council, composed of environmental experts from academia, research institutions, civil society organizations, and associations, to gather a wide range of opinions. **Within grants**, the Implementation Guideline for Environmental and Social Safeguards was introduced in 2018. Prompted by its approval as an **accredited entity for GCF**, KOICA expanded the scope of projects subject to environmental and social impact assessments, and **revised the implementation guideline** in 2021 to comply with international standards by specifying the time period for compliance and scope of information disclosure.

<sup>&</sup>lt;sup>21</sup> OECD (2023), Aid in Support of Gender Equality and Women's Empowerment: Donor Charts.

#### iii) Plans or options for future work to enable improvement

Moving forward, Korea aims to ensure governmental-wide policy coherence to create synergy and complementarity by thoroughly coordinating the major policies across ministries and relevant agencies. Particularly, efforts will be made to systematically manage ODA policy alignment with domestic and international policies in areas such as climate change and environmental and social aspects. Korea plans to conduct multifaceted analyses of the positive and negative effects of its policies on partner countries, and to incorporate these results in future policy formulation.

#### 5) Fostering a development cooperation ecosystem

(covering Framework 2. Institutional arrangements)

#### i) Reason for selection

For effective and efficient implementation of ODA, it is essential not only to increase aid quantitatively but also to establish a rich development ecosystem with skilled human resources capable of effectively managing projects from a qualitative aspect. Despite an approximate 80% increase in Korea's ODA budget over the past five years, the reality is that the expansion of workforce, organizational structures, and experts in the field of development cooperation has not kept pace with this rate of growth.

#### ii) Analysis of underlying factors constraining greater progress

Enlarging the human resource pool and workforce base

In light of the continuous scaling up of Korea's development cooperation programs, the government has been making constant efforts to increase the number of dedicated development cooperation personnel and enhance their expertise. Following the recent peer review, the number of development cooperation staff in key agencies has increased as follows: OPC (14  $\rightarrow$  37), MOFA (33  $\rightarrow$  42), MOEF (32  $\rightarrow$  43), KOICA (367  $\rightarrow$  461), and KEXIM (EDCF) (160  $\rightarrow$  225).

The expansion of field offices and its workforce has also been an ongoing effort. To enhance development cooperation expertise within diplomatic missions, the government designates a development cooperation officer (76 missions, 1 officer each) within each embassy and mandates ODA-related training to them. KOICA has expanded its overseas offices from 28 in 2012 to 45 in 2017 and 47 in 2022 and has more than doubled the staff deployed to these offices, from 87 in 2012 to 166 in 2022, thereby facilitating field-orientated project execution. KEXIM (EDCF) multiplied its overseas offices from 7 in 2012 to 13 in 2017 and 16 in 2022 and extended its local networks of one-person resident representatives to overseas offices. For better project management in the field, EDCF increased the number of local ODA experts from 9 in 2017 to 14 in 2022. This enables efficient project management, including policy analysis of partner countries and responses to on-site issues.

#### < Overseas Offices and their Staff in Key Implementing Agencies >

	December 2012	December 2017	December 2022
KOICA	28 offices / 87 staff	45 offices / 127 staff	47 offices / 166 staff
KEXIM (EDCF)	7 offices / 13 staff	13 offices / 24 staff	16 offices / 29 staff

However, as mentioned in the 2017 peer review, the long-standing issue of absolute shortage in dedicated personnel and their excessive workload has not seen significant improvement over the past five years.<sup>22</sup> This remains a challenge that the government still needs to address.

<sup>22</sup> Compared to 2019, budget allocation to EDCF and KOICA in 2023 grew by 19% and 62% respectively, but their staff only increased by 6.3% and 3.8%, respectively.

Nurturing a constructive ecosystem through investments in human capital

To enhance the quality of ODA projects, there needs to be an abundant source of personnel, including not only project stakeholders but also competent individuals, organizations, and companies that can and wish to participate in ODA projects. Acknowledging the importance of field experience and practical skills of project stakeholders, the Korean government has formulated the **Plan to Cultivate and Expand the Activities of ODA Professionals** in January 2022, focusing on the development of professionals for international development cooperation.

In particular, KOICA supports individuals with practical work skills through the **Career Ladder Program** and has expanded the **Personnel Training Program (Internship)** for international development majors. Although the number of **overseas volunteers** was significantly reduced after the COVID-19 pandemic, which originally deployed 4,000 to 5,000 people annually, it has now been restored to pre-pandemic levels. In 2023, a total of 4,046 volunteers and experts will be dispatched overseas, up by 341 volunteers compared to the original plan. In particular, programs such as the KOICA Development Cooperation Coordinator and the EDCF Global Internship Program provide opportunities for youth to gain work experience in development cooperation in partner countries and grow into future professionals.

Korea is also committed to fostering experts in various fields such as results monitoring and evaluation (M&E), which are becoming increasingly important. Since 2021, Korea has been collaborating with academia to launch an M&E program for the training of ODA evaluation experts, the first of its kind in Korea. Through this program, standard lesson plans and curriculum for training ODA evaluation experts have been developed, and experts who can be immediately sent to the field upon completion of the program are being cultivated using real projects as case studies.

Moreover, Korea promotes the growth of various partners to expand the development cooperation ecosystem. The Civil Society Cooperation Program, which supports up to 80% of the project cost for civil society projects, has invested approximately KRW 423.5 billion from 1995 to 2020, with a total of 119 projects running during the first half of 2023. Starting in 2021, the program has been divided into entry, growth, and strategic type, tailored to the size and capability of each organization. Additionally, the government supported the establishment of the International Development Consulting Association in May 2023, creating a foundation for promoting private sector participation in development consulting, and will seek measures for cooperation with the association in the future.

## iii) Plans or options for future work to enable improvement

Korea will continue its efforts to create a virtuous cycle of development cooperation ecosystem by enhancing and cultivating the expertise of dedicated workforce in implementing agencies and diplomatic missions and developing private sector experts focused on youth. Furthermore, Korea plans to develop a comprehensive strategy for fostering experts for bilateral and multilateral ODA by 2024. Considering limited budget constraints, Korea will also focus its efforts to maximize synergy with the private sector by strengthening collaboration with companies and civil society (NGOs).

# Section C. Complementary Information and Previous Peer Review Recommendations

Recommendation	Implemented (fully / partially / not)	Action taken (If no action, explain why)	Impact (actual / expected)
1. CIDC, in line with its mandate, should 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.	Fully	<ul> <li>Establishment of the legal and organizational framework for ODA system improvement</li> <li>Korea formulated the Improvement Plan for ODA System in 2018 to strengthen the CIDC's consolidation and coordination role and the linkage between grants and loans. This plan paved the way for discussions on the amendment of the Framework Act on International Development Cooperation.</li> <li>In November of 2020, Korea undertook a complete revision of the Framework Act on International Development Cooperation. It clarified the CIDC's role of coordination and deliberation for the comprehensive and systematic execution of ODA. It also established the Office for International Development Cooperation (Director-General as a Deputy Minister rank) under OPC to function as the CIDC's secretariat. This has provided the necessary organizational and human resources support for overall management and coordination of ODA across all stages of design, implementation, and evaluation. In accordance with the amendment, a division was added for the supervising ministry, laying the organizational foundation for policy and strategy formulation and project appraisal and coordination for each grant and loan components.</li> </ul>	<ul> <li>Establishment of an ODA system comprised of the CIDC, supervising ministries, and implementing agencies</li> <li>Enhanced alignment and coherence with government policies throughout the ODA policymaking and strategizing process</li> <li>Maximized ODA effectiveness through strengthened coordination between grants and loans, and consistent policy implementation.</li> </ul>
		<ul> <li>Enhancing the CIDC's strategic functions</li> <li>The CIDC has developed the Third Comprehensive Strategy for Development Cooperation (2021-2025) (updated every five years) and formulates the implementation plan for development cooperation annually. These documents have concretized measures to implement the SDGs and set out four strategic goals and twelve priority tasks.</li> <li>In light of the CIDC's strengthened strategic function, various sectoral (green, ICT, private sector engagement, etc.) and regional (CPS, the African development cooperation strategy) strategies have been formulated during 2021-23. Additional strategies for the ASEAN, Central Asia and Latin America region are underway. The Multilateral Cooperation Strategy (2022-2026) was also revised, including measures for strategic collaboration with key international organizations and</li> </ul>	

		selecting priority areas for multilateral cooperation.  Korea seeks to ensure policy coherence and synergistic effects through strategic alignment with key diplomatic, economic, and trade policies such as the Indo-Pacific Strategy.  Sophistication of operational decision-making procedures  Implementing agencies draft ODA implementation plans in line with the comprehensive strategy and submit their plans to the pertaining supervising ministry. The supervising ministries (MOFA and MOEF) each formulate grant and	
		<ul> <li>loan implementation plans, respectively, which are submitted to the CIDC for deliberation and coordination.</li> <li>Through consultations with MOEF, MOFA, and overseas missions, implementing agencies identify new ODA projects. The supervising ministries carry out systematic checks and appraisal of projects, which is ultimately handed to the CIDC to identify grant-loan "packaged" projects.</li> <li>Local communication channels have been streamlined to diplomatic missions, which organize and lead local consultations on a regular basis.</li> <li>To prevent fragmentation, MOFA has established the Committee on Grant</li> </ul>	
		Strategy. The committee promotes discussions and coordination among grant implementing agencies under the leadership of MOFA.	
2. All agencies managing Korea's ODA should take a more strategic approach to results management and evaluation, including by:  • making better use of risk analysis and the need to learn to decide what to evaluate;  • sharing lessons from evaluations and internal learning processes with all stakeholders; and  • continuing to improve public access to information on	Fully	Selecting the target for evaluation based on risk analysis and learning needs  The amendment of the Framework Act on International Development Cooperation has strengthened performance management throughout the project cycle and expanded the utility of evaluation results. For instance, the Act specifies supervising ministries to inspect the execution of the annual implementation plans and overseas missions to monitor ODA projects. The Office for International Development Cooperation has seen the addition of two new divisions, each responsible for evaluation and performance management. In addition, the role of the evaluation subcommittee, consisting of civilian experts, has been strengthened to enhance evaluation validity and objectivity. In the realm of grants, KOICA's independent evaluation panel, comprising external experts from the public sector, academia, and civil society, reviews the quality of evaluations.  Korea has formulated the Improvement Plan for ODA Integrated Evaluation System and the Revised ODA Performance Management System in 2018 and	Strengthened performance management throughout the project cycle and enhanced evaluation utility
project level financing and development results.		<ul> <li>2021, respectively. The Plan for Enhanced ODA Performance Management will be formulated in 2023.</li> <li>The guideline and manual for self-evaluations have been revised. Detailed evaluation guidance is distributed annually to ODA implementing agencies to improve the quality of self-evaluations. The revised OECD DAC evaluation criteria have been embedded in the guideline and manual.</li> </ul>	Introduction of country- and agency-specific evaluations and institutional capacity review     KOICA received a 'good' rating in the Aid Transparency Index for two consecutive years (2020 and 2022).

- Korea has drafted and distributed the Performance Indicator Model based on the SDGs to be used when developing indicators during the project planning stage.
- To guarantee the relevance of the project selected for evaluation, independent external experts review the legitimacy of the decision.
- The evaluation subcommittee has piloted a comprehensive country review for two countries in 2023 and is conducting institutional capacity review during 2022-2023.
   Korea plans on developing an improvement plan for performance management based on the evaluation results.
- KOICA has introduced policy and program-level evaluations, distinct from project-level evaluations, known as portfolio evaluations.
- EDCF conducts country-specific evaluations for key partner countries to examine its intervention outcomes and spread the lessons learned.

#### Feedback and dissemination of evaluation results

- OPC provides biannual evaluation training programs and shares cases of best and inadequate evaluations with the implementing agencies.
- KOICA organizes evaluation feedback workshops four times a year for its staff and publishes a lesson learned report.
- EDCF is strengthening its performance management system by conducting case analysis training for its staff and publishing project analysis materials such as Analysis of EDCF Project Issues.
- Each implementing agency reviews the validity and feasibility of the lessons and recommendations derived from self-evaluations, and establishes plans to reflect them in future projects. Biannual monitoring is carried out and the results are submitted to the supervising ministry and the evaluation subcommittee under the CIDC.
- Monitoring results by diplomatic missions are also reported to the CIDC and action plans are formulated and incorporated during the following year project appraisal phase.

## Improving transparency through information disclosure on performance management and evaluation

- Korea has laid the legal and institutional framework for ODA information disclosure. Articles 5 and 18 of the Framework Act on International Development Cooperation stipulate the government to improve the transparency and efficiency of ODA projects and enhance public access to information. In 2020, KOICA formulated the Guidelines on Evaluation Information Management and Disclosure. A government-wide Guideline for Information Disclosure is currently being developed (planned for 2024).
- Korea has improved its ODA information disclosure system. The ODA information

Its ranking jumped from 41st in 2016 to 13th in 2022.

 EDCF strengthened its evaluation feedback function, which has contributed to building performance management capacities and disseminating project outcomes

		portal has been upgraded to a government-standard operating environment in 2019, and its overall management lies with OPC since 2021. The platform facilitates project identification, design, execution, and evaluation. A complete overhaul of the integrated ODA Korea website is underway, with plans to offer map-based project data and statistics and improve the user interface.  Korea also provides information related to performance management and evaluation. CIDC discloses the implementing agencies' self-evaluation results on the ODA Korea website and their respective websites. Korea has gradually expanded the data published to the International Aid Transparency Initiative (IATI), from 22 items in September 2017 to 31 items in December 2018, with all ODA implementing agencies participating since 2018.	
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.	Fully	Expansion of the ODA budget and the establishment of a roadmap  Between 2010 and 2021, Korea's ODA grew at an annual average rate of 8.5%, far exceeding the OECD DAC member countries' average of 3.4%. The ODA budget for 2022 and 2023 was set at KRW 3.94 trillion (USD 3.49 billion) and KRW 4.78 trillion (USD 3.71 billion) respectively, and the budget request for 2024 is KRW 6.84 trillion (USD 5.30 billion), representing increases of 4.9%, 21.3%, and 43.2% each, compared to the previous year. Once approved, Korea will have achieved its target of doubling the size of its ODA by 2030 compared to 2019 ahead of schedule. Korea will put in place additional roadmaps for increasing its ODA volume through future annual implementation plans.	Continuous expansion of the ODA budget despite the Korean government's fiscal austerity measures     Contribution to the overall increase in the international community's development finance
		<ul> <li>Continued efforts to expand untied aid</li> <li>In the Third Comprehensive Strategy for Development Cooperation, Korea set a goal to increase the proportion of untied aid to 60% for loans and 95% for grants by the year 2025. In the last 5 years (2017-2021), the average rate of untied ODA was 53% for loans and 88% for grants. Notably, the percentage of untied loans increased from 43% in 2017 to 54% in 2021, driven by diverse support measures.</li> <li>The EDCF Mid-term Operational Directions from 2022 to 2024 includes assessment criteria and management systems for untied projects, diversification methods such as using MDB co-financing, public private partnership projects, and program loans in addition to development project loans, and offering highly concessional lending (80% or more) for tied loans to ease the burden of repayment for partner countries.</li> <li>For grants, implementing agencies are required to submit supporting documents during the project appraisal stage to prove that the project is untied. Korea is also expanding contributions to specialized international organizations such as UNDP, WFP, UNICEF, and the World Bank (Korea's core multilateral ODA was USD 704.4 million in 2021).</li> </ul>	
		Efforts to increase support to fragile states and least developed countries	

		<ul> <li>(LDCs)</li> <li>The Fragile States Assistance Strategy (2017), the revised Humanitarian Assistance Strategy (2019), and the Third Comprehensive Strategy for Development Cooperation (2021-2025) explicitly state that Korea will expand support for LDCs and fragile contexts. In 2021, Korea allocated USD 1 billion (41.5% of gross bilateral aid) to fragile states and USD 877.1 million to LDCs (35.8% of gross bilateral aid).</li> <li>With respect to addressing humanitarian crises and vulnerability in partner countries, Korea is continuously expanding humanitarian assistance (from USD 75 million in 2018 to USD 230 million in 2023) and the KOICA conflict and fragility program (from USD 10 million in 2018 to USD 26 million in 2023). In 2018, Korea launched the Action with Women and Peace Initiative to protect and reduce vulnerability of women in conflict situations and provides USD 4 million to this initiative annually.</li> </ul>	Surpassed the DAC average (22.5%) of ODA to least developed countries     Set a goal to triple the humanitarian assistance budget compared to the previous year (2024 implementation plan)
4. Korea – including through its partner county offices and embassies – should strengthen, in partnership with government, its strategic view of its unique contribution to each country context. This may include:  • deepening policy dialogue with partner governments, using existing coordination mechanisms where possible; and  • furthering strategic-level policy dialogue with other development co-operation providers, starting with a deeper engagement in existing donor coordination mechanisms.	Fully	Deepening policy dialogues with partner country governments  Korea has institutionalized regular country-level consultation mechanisms. Local ODA consultations are being led by diplomatic missions, with more than 83 meetings held across 30 overseas missions in 2022 and their results shared. Regional development cooperation officer meetings are organized to gather opinions from diplomatic missions. To date, meetings have been held in Latin America (October 2021), Africa (December 2021), and Asia (October 2022).  Korea formulates strategies and delivers projects based on each country's demands. For priority partner countries, Korea develops and revises Country Partnership Strategies (CPS) through direct consultations with partner countries, and establishes regional strategies such as the African Development Cooperation Strategy.  Through policy consultations, EDCF identifies candidate projects that reflect the partner countries' development needs and priorities. EDCF also organizes the integrated ODA policy dialogue, which covers both loans and grants, conducting regular consultations with the coordinating ministry for development in six countries (Vietnam, Myanmar, India, Cambodia, Lao PDR, the Philippines).  KOICA engages with the partner country government when identifying new projects for the Country Programs and Projects and the Global Training Program, focusing on projects that align with the partner country's priorities.  Extending strategic dialogues with other donors  Korea promotes strategic collaboration with international organizations. The	Ranked 3rd out of 29 donor countries for the 'ownership' category in the 5th QuODA assessment by the Center for Global Development

		member on the WFP (2022-24), UNHCR (2000-), and UNDP (2023-25) Executive Board. Korea also holds regular policy consultations with international organizations such as UNDP, WFP, UNICEF, OCHA, and UNHCR.  To enrich cooperation with the OECD DAC member countries, Korea has held bilateral policy dialogues with the EU, Australia, Canada, the United States, and the United Kingdom (7 times between 2018 and 2023), and has signed MOUs on development cooperation with the United States (September 2019) and Australia (December 2019).  With emerging donor countries, Korea has co-launched the MIKTA (Mexico, Indonesia, Korea, Türkiye, Australia) Development Cooperation Network in 2021 and is expanding strategic consultations among the ODA agencies in four Asian countries (Korea, Japan, China, and Thailand).	
5. Korea should ensure that the process leading to individual project requests is more robust and inclusive, and that partner governments are in a position to sustain investments once Korea's funding ends.	Fully	Diversification of project planning  Korea has diversified funding sources that align with each partner country's circumstances. For loans, Korea mobilizes private sector finances, technology, and expertise, promoting private sector engagement through PPP projects that support large-scale infrastructure development in developing countries, while exploring methods to diversify support measures such as equity and guarantees. EDCF has provided USD 310 million for four PPP projects (total project cost of USD 1.67 billion) to date. In the case of ODA grants, Korea encourages blended finance projects in high- and middle-income countries where the finance industry is relatively dynamic. Activities include awareness-raising to boost participation of Korean firms; identification of local investors through KOICA overseas offices; and membership in the global network for blended finance (Convergence). As of March 2023, 14 blended finance projects are being delivered, compared to two projects in 2017.  Korea utilizes MDB co-financing platforms to jointly conduct assessments, project management, and ex-post management for its loan projects. Such co-financing projects focus on large-scale infrastructure development projects such as water and sewage facilities, roads, and hospitals that are crucial for the economic development of partner countries. As of 2022, a total of USD 330 million has been approved for MDB co-financing.	Differentiated project design approaches to identify project models corresponding to the demands of partner countries     Increased sustainability of projects by supporting partner countries' self-improvement efforts for service delivery and providing thorough follow-up
		Ensuring sustainability of projects and promoting partner country self-reliance and investment  Diplomatic missions monitor the actual implementation and achievement of goals for ODA projects. In order to encourage partner country engagement and ownership, KOICA specifies respective responsibilities for the partner country. After transferring the project output, the partner country proceeds with operating the facility with its own budget. Based on the partner country request, KOICA may	

		provide follow-up support to ensure stable delivery of services. In 2022, KOICA identified 42 projects for ex-post management, amounting to USD 2.10 billion. Meanwhile, EDCF requires conducting risk and sustainability analyses, including factors such as the partner country policies, budget securement, and agency capabilities, when preparing the project completion report.	
6. Korea should update its humanitarian strategy, and consider the scope of relevant legislation, to reflect the changing nature of its humanitarian assistance and to ensure that its humanitarian assistance, peace-keeping efforts and development cooperation are coherent and complementary.	Fully	<ul> <li>Revision of the Humanitarian Assistance Strategy and review of its scope of legal application</li> <li>The Humanitarian Assistance Strategy was revised in July 2019, with updates to the fundamental direction, implementation strategy, and plans for humanitarian assistance. Korea shared the amended version through the CIDC, the Committee on Grant Strategy, and international channels such as the OCHA donor meeting and the CERF Pledging Conference.</li> <li>Korea is actively taking part in relevant global discussions. In February 2020, Korea became a signatory to the Grand Bargain, an international agreement and commitment to enhance the effectiveness of humanitarian assistance. Korea also engages in policy consultations with UN OCHA (2018-22, 3<sup>rd</sup> -6<sup>th</sup>), WFP (2018-20, 4<sup>th</sup>-6<sup>th</sup>), UNDP (2018-23, 13<sup>th</sup>-17<sup>th</sup>) and UNICEF (2018-23, 14<sup>th</sup>-18<sup>th</sup>) for strategic cooperation with international organizations.</li> <li>The Overseas Emergency Relief Act was amended in 2018 to enhance monitoring of humanitarian assistance. The amendment demands evaluation results of relief activities to be incorporated when establishing the basic plan for emergency relief and lays the foundation to carry out relief-related investigations.</li> </ul>	Increased efficiency of and strategic approach to humanitarian assistance     Reinforced strategic cooperation with international organizations and other bilateral donors     Ensured consistency and complementarity through the HDP Nexus
		<ul> <li>Systematic implementation of the HDP Nexus</li> <li>Recognizing the importance of the HDP Nexus and addressing the root causes of humanitarian crises, Korea has emphasized the significance of the HDP Nexus in the revised Humanitarian Assistance Strategy. The Third Comprehensive Strategy for Development Cooperation (2021-2025) stipulates efforts to strengthen the HDP Nexus for conflict prevention, peacekeeping and peacebuilding. Korea has also formulated the HDP Nexus Implementation Strategy at the Committee on Grant Strategy in March 2021.</li> <li>Korea has continuously contributed to international fora on the HDP Nexus, such as the adoption of the OECD DAC Recommendation on the HDP Nexus in 2019 and working-level meetings and high-level roundtables within the DAC-UN Dialogue. Through financial contributions to the Nexus Academy, a major initiative of the DAC-UN Dialogue, Korea is enhancing understanding of the HDP Nexus among staff in both headquarters and the field offices.</li> </ul>	
7. Korea should increase its co- ordination with other donors and organisations to design collective	Fully	Spearheading international discussions and partnerships regarding fragility  Korea has taken a leadership role in key fragility-related discussions, assuming the position of co-chair of the OECD DAC INCAF Task Team (November 2019 -	Deferred loan repayments totaling KRW 54.8 billion for 14 countries, such as Angola, receiving EDCF

outcomes in fragile contexts and within relevant policy groups working on fragility.		December 2022). From January to September 2020, Korea contributed to the advisory group on the OECD report on States of Fragility.  Korea has also been involved in joint responses to debt management in fragile states, supporting debt suspension and restructuring to low-income countries. Korea is part of the Debt Service Suspension Initiative (2020), a joint initiative by the Paris Club and G20 member states to alleviate the debt burden of low-income countries due to the COVID-19 pandemic, and the Common Framework (2021) of the Paris Club and the G20 to address the fundamental issues of debt for low-income countries. Korea also developed the Guideline for IMF-WB Debt Sustainability Framework to review the results of the Debt Sustainability Analysis (DSA) in low-income countries. For countries with a DSA rating of 'high' or above, a council meeting is convened before project review to conduct a more thorough economic assessment.	support  Screened the debt status of partner countries in advance to prevent exacerbating their debt vulnerability and contribute to sustainable development
8. In order to respond to new opportunities and challenges as they arise, Korea should:  • streamline project approval processes; and  • continue to decentralise authority for project-level decisions to the field to improve its ability to respond to new opportunities and challenges as they arise.	Fully	Efforts to simplify project approval and support processes  While the standard is to register projects two years before project implementation (n-2) for preliminary review, efforts to respond to urgent demands are ongoing. For example, Korea has expanded the budget for rapid response projects such as overseas emergency relief and the special grant program.  ODA agencies have introduced measures to streamline project identification and support. EDCF established the Guideline for Medical Equipment Provision Project in response to COVID-19 in 2020, replacing the need for feasibility study reports and eliminating certain procurement procedures. The loan for emergency response has been institutionalized, setting a loan commitment limit and drafting contracts in advance, to promptly support emergencies such as epidemics and natural disasters. KOICA retains a strategic project budget that allows use of funds in the current fiscal year for projects of strategic importance and urgency such as key national and diplomatic tasks.  Establishment of a field-oriented project implementation system and increased authority of overseas offices  Korea responds to the needs of partner countries through constant communication between diplomatic missions and the partner country government. Implementing agencies conduct regular policy consultations to identify new projects, inspect ongoing projects, and share policy changes regarding development cooperation. Local ODA consultations have been formalized with the ambassador as the focal point, involving KOICA, KEXIM, NGOs, and other implementing agencies in the partner country. Regional development cooperation officer meetings are organized to receive input from diplomatic missions and share information on common issues within the region.  Korea entrusts greater authority to field offices in emergency relief and	<ul> <li>Reduced the time required from loan application to fund disbursement for the emergency equipment loan from an average of 34 months to 8 months</li> <li>Delivered the Loan for Emergency Response in 13 countries amounting to USD 580 million</li> <li>Upon massive flood damage in Lao PDR, KOICA confirmed support for the Integrated Recovery Program for Sanamxay District, Attapeu Province (USD 11.5 million) through the Republic of Korea-Lao PDR Summit in 2019</li> </ul>

		humanitarian support. In the case of Ukraine and Türkiye, initial response and emergency relief efforts were centered on the field offices and agencies, followed by headquarters-led early recovery and reconstruction projects.	
<ul> <li>9. To increase effectiveness and improve communication among all stakeholders, Korea should:</li> <li>develop a comprehensive overview of its activities in priority partner countries;</li> <li>ensure that embassy or partner country offices manage and co-ordinate all requests from partner governments;</li> <li>monitor the impact of Korea's ongoing efforts to align systems and processes; and</li> <li>develop measures to enhance synergies and rationalise the number of activities across the programme.</li> </ul>	Fully	<ul> <li>Comprehensive review of ODA results in priority partner countries</li> <li>In 2018, Korea introduced monitoring of ODA grant projects by diplomatic missions, inspecting the implementation and follow-up of grant projects across all ministries. The results are disseminated through the CIDC to encourage compliance by relevant implementing agencies. Apart from monitoring by diplomatic missions, MOFA plans to conduct public-private joint implementation inspections during the second half of 2023, which considers factors such as projects, types, and regions.</li> <li>The evaluation subcommittee under the CIDC has rolled out a comprehensive country review for two countries in 2023, looking into expanding the review to cover all 27 priority partner countries in the coming years. The results will be integrated in the CPS and ODA performance management.</li> <li>Implementing agencies are also carrying out country-level reviews. KOICA completed portfolio evaluations for the 24 priority partner countries during 2019-20 to assess the performance of its projects on a country basis. EDCF conducts country-specific evaluations to examine the results of its support and diversify the lessons learned.</li> </ul>	As of 2022, 56 overseas missions conducted inspections for 187 grant projects in 62 countries.
		<ul> <li>Singling down the communication channel to diplomatic missions</li> <li>Project requests from partner countries are received exclusively through overseas missions, whose opinions are heavily weighed during the project appraisal stage. Diplomatic missions receive evaluations and requests regarding Korea's ODA activities on a regular basis through various diplomatic communications and consultations with partner country governments.</li> <li>By scaling up its overseas offices and staff, Korea is consolidating the groundwork for field-oriented development cooperation. From 2017 to 2022, KOICA staff working in overseas offices increased from 127 to 166. KOICA also opened new offices in Ukraine, Tajikistan, Thailand, and India (resident staff), maintaining a total of 47 overseas offices. EDCF expanded its overseas office operations from 13 countries in 2017 to 16 countries in 2022. During the same period, the number of local ODA experts increased from 9 to 14. Particularly amid the COVID-19 pandemic, overseas offices were given more authority for project management due to challenges posed by in-person working environments.</li> </ul>	
		Evaluation of development cooperation policies and project impacts     The CIDC carries out periodic reviews of the tasks defined in the implementation plan for development cooperation. It annually assesses the domestic and international contexts, impacts, and points for improvement, which are reflected in	

10. Korea should review the capacity and skills needed across the whole of its development co-operation	Partially	the next year's implementation plan. The evaluation subcommittee conducted the mid-term CPS evaluation (2019), the end-of-term CPS evaluation (2020), and the CPS evaluation (2021) to assess the effectiveness of the CPS. Diplomatic missions proceed with yearly monitoring to continuously check whether Korea's development cooperation policy improvements materialize at the project level.  Rationalized coordination of projects to maximize synergy  · Korea adjusts the number of projects by linking relevant projects and checking for potential duplication. All implementing agencies register new and ongoing projects to the preliminary review system two years prior to their implementation, laying the foundation to connect relevant projects. The annual implementation plan and the guideline for drafting the implementation plan for grant projects also encourage the linkage of projects.  · In 2022, KOICA's annual guideline for new project development set the standard for average project costs for the first time to prompt streamlining the number of projects.  Expansion of the development cooperation workforce in response to the enlarging ODA budget  · Korea has allocated additional workforce in both headquarters and the field offices. With the restructuring of the Office for International Development Cooperation	295 projects planned for the year 2024 were integrated and adjusted to 146 projects: 40 grant-loan linked projects (81 projects), 92 joined projects within grants (200 projects), and 14 projects screened to avoid duplication     KOICA's average budget for new projects in 2024 is USD 8.48 million, which surpasses the target of USD 6.6 million.      Responded to the enlarging size and number of Korea's ODA activities through expanding the development cooperation workforce
system. This assessment should be used to develop a workforce plan that enables Korean agencies to develop appropriate expertise to deliver on Korea's objectives.		with the restructuring of the Office for International Development Cooperation within OPC, three new divisions have been added, resulting in an increase from 14 staff in 2017 to 37 in 2022. During the same period, MOFA's workforce dedicated to development has increased from 33 to 42, and MOEF from 32 to 43. EDCF staff grew by 65, from 160 in 2017 to 225 in 2022, with 14 local ODA experts, up from 9 in 2017, to secure field-level responsiveness. In the case of KOICA, its workforce increased by 96, from 367 in 2017 to 461 in 2022. Staff deployed to overseas offices has also expanded from 127 to 166.	cooperation worklorce
		Better internal organizational capacity and use of external expertise  Korea has laid the legal and institutional basis to train people for international development. Article 19 of the Framework Act on International Development Cooperation stipulates that "the state shall endeavor to foster professionals" for each area. In this regard, the Korean government has developed the Plan to Cultivate and Expand the Activities of ODA Professionals in 2022.  To strengthen staff capacity of both headquarters and the field offices, Korea promotes mutual learning among people in development cooperation through the selection and awarding of ODA best practices and organizing joint ODA workshops. Korea has appointed development cooperation officers within	
		diplomatic missions (76 missions, one officer each) and requires staff in diplomatic missions to take ODA training. Regional development cooperation officer meetings	

		have been held for Latin America (October 2021), Africa (December 2021), and Asia (October 2022).  - A number of efforts are being made to develop sectoral expertise for staff in implementing agencies and overseas offices. KOICA established a life-cycle-based education system, expanding the project planning, management, and evaluation curriculum to 21 courses. KOICA also introduced PRINCE2 training for project management. Basic project management and evaluation training is mandatory for all staff dispatched to overseas offices, of which 72% have completed.  - KEXIM offers various training programs such as job training, academic training, and project site training. Staff dispatched to overseas offices need to complete local adaptation training and a 1:1 language course.  - To harness external expertise, KOICA has introduced an open position system to recruit competent professionals. KOICA hired experts from NGOs and other development sectors for five positions (Department of Media and Public Relation, Center for Security Management, Center for Public Communications, Tanzania Office, Nepal Office) in 2018 and three positions (Busan Office, Information Security Team, Kenya Office) in 2020. In 2023, KOICA plans to recruit an external expert to perform compliance work on par with international standards.  - To develop the ODA workforce ecosystem, Korea has expanded overseas volunteers and internship programs, and is operating the KOICA Career Center to broaden its talent pool. In order to foster sector-specific experts, Korea maintains various programs like the ODA evaluation expert training program within universities. Creating additional secondment opportunities within international organizations, such as the OECD and UNDP, have allowed staff to gain work capacity in the international environment. The Korea Institute for International Economic Policy (KIEP), a government-funded research institute, established the Center for International Development Cooperation in 2020 to reinforce ODA policy research expertise an	Approximately 50% of KOICA staff (286 employees) have acquired the PRINCE2 Foundation Project Management Certification
11. Korea's government should strengthen policy coherence aspects of its response to the 2030 Agenda for Sustainable Development in relation to developing countries, including through:  • better coordinating its legislation and policies on domestic and international sustainable development; and	Fully	Establishment of a legal basis and institutional framework for sustainable development  In 2022, Korea enacted the Framework Act on Sustainable Development. The Act has upgraded the Committee on Sustainable Development, originally under the Ministry of Environment, to the Presidential Committee on Sustainable Development. It also mandates developing and disseminating indicators for sustainable development, and carrying out evaluations regarding sustainability.  The Fourth National Basic Plan for Sustainable Development (2021-2040) has been established, including analysis regarding the current status, environmental changes and prospects on sustainable development, the vision, goals, strategies, principles, and basic policy directions, as well as compliance with international	Outlined the policy directions by establishing a system and setting goals for sustainable development     Development of performance indicators related to SDGs to ensure that each implementing agency considers SDGs from the project design stage

<ul> <li>building a mechanism for arbitrating between economic, social and environmental policy priorities in the future, taking into account Korea's positive and negative spillovers on</li> </ul>		agreements. It modified the existing K-SDGs to select policy goals (enhancing coherence for sustainable development) and indicators that need to be prioritized for the next five years.  Setting up a mechanism for coordinating policy priorities for developing countries	
developing countries.		• Korea has put forth goals and guidelines to ensure that policies related to developing countries contribute coherently to sustainable development. The strategic objectives of the Third Comprehensive Strategy for Development Cooperation (2021-2025) are integrated with the 5Ps (People, Peace, Prosperity, Planet, Partnership), the core values of the 2030 development agenda. Korea developed the Performance Indicator Model to create a supporting environment for the implementation of SDGs in developing countries and has incorporated this model in self-evaluation guidelines (October 2019). The guidelines for drafting the implementation plan for grant projects also requires the use of these performance indicators.	
12. Korea's government should clarify and deepen the partnerships it seeks with civil society through a normative framework acknowledging the different roles of civil society, including as an implementing partner and as an independent development actor in its own right.	Fully	<ul> <li>Stronger cooperation with civil society</li> <li>Korea has set goals to enhance cooperation with civil society and the private sector. One of the Yoon administration's policy tasks is 'pursuing development cooperation as a major donor,' which includes 'public engagement in international development cooperation' as a priority task and promotes partnership with the private sector such as civil society. The Third Comprehensive Strategy for Development Cooperation (2021-2025) also specifies strengthening civil society partnerships as one of the priority goals. In this regard, Korea encourages government-civil society collaboration, supports capacity building for civil society, and diversifies CSO programs.</li> <li>Korea maintains regular policy consultation channels such as the Government-Civil Society Policy Consultation, the Ministry of Foreign Affairs-Civil Society Policy Dialogue, the Humanitarian Assistance Public-Private Consultation Council, the KOICA Public-Private Partnership Council, the EDCF Advisory Committee, and the EDCF Environmental and Social Advisory Council.</li> <li>An institutional framework for civil society partnership has been established. Through the Government-Civil Society Policy Consultation, the two entities jointly adopted the Policy Framework for Government-Civil Society Partnership and 31 tasks for implementation, clarifying their mutually equal partnership. Korea subsequently finalized a performance framework that serves as a detailed implementation roadmap of the tasks, and will jointly review compliance with civil society.</li> <li>Korea carries out cooperative projects with civil society and sharing information to strengthen partnerships in humanitarian assistance and other key areas. To</li> </ul>	<ul> <li>Built partnerships with civil society based on trust</li> <li>Defined the civil society as an equal partner</li> <li>Establishment of a common performance framework to review the jointly adopted tasks</li> </ul>

respond to the Türkiye earthquake, the public and private sectors jointly raised funds amounting to USD 10 million and is executing the project on Building and Operation of Temporary Settlement for Earthquake Affected People in Türkiye.

- KOICA's Civil Society Cooperation Program receives applications in six focus areas (education, higher education, health, agriculture, forestry and fisheries, social economy, and multi-sectors). As of 2023, 73 civil society organizations are delivering 119 projects in 31 countries. The program budget has continuously increased from KRW 39.6 billion (USD 3.50 million) in 2022, KRW 47.9 billion (USD 3.71 million) in 2023, to KRW 57.5 billion (USD 4.46 million) in 2024 (requested).
- Korea communicates and shares key project information with civil society. EDCF discloses project environmental and social impact ratings with civil society through the EDCF Safeguard Policy, and operates a complaints mechanism to expand communication channels with local civil society. To strengthen cooperation with local CSOs, Korea supports capacity building and expanding partnerships through the On-site Partnership Enhancement Program.

# **Section D. Contact Information**

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## Section E. Annexes

## 1) Policy, Strategy, Reports and Documents on Uzbekistan

### (1) Act and Enforcement Decree

- Framework Act on International Development Cooperation and Enforcement Decree of the Framework Act on International Development Cooperation (in English)
- Overseas Emergency Relief Act (in English)
- Framework Act on Sustainable Development

## (2) Strategy and Policy

## <Mid-term Strategy>

- The 3rd Comprehensive Strategy for International Development and Cooperation (2021-2025) (in English)
- Strategic Plan for ODA under the Yoon Administration (in English)
- KOICA Mid-term Management Goals (2022-2026)
- KOICA Mid-term Sectoral Strategy(2021-2025) (in English)
- Mid-term EDCF Operational Directions from 2023 to 2025

## <Annual Strategy>

- Comprehensive Implementation Plan for International Development Cooperation 2024 (in English)

### <Sectoral Strategy and Policy>

### Knowledge Sharing

- KSP(Knowledge Sharing Program) Advancement Strategy to Spread K-Soft Power

## Health/ICT/Green/Education/Agriculture

- EDCF Operational Strategy for the post-COVID-19
- Strategy for Science Technology and ICT ODA
- Strategy for Green New-Deal ODA
- Green EDCF Strategy
- KOICA ESG Management Plan for Environment (2021-2025)
- EDCF Safeguard Policy (2020) (in English)
- EDCF Guidelines for the Logical Framework for Climate Change Response Project

- EDCF Guidelines for Evaluation of Climate Change Response Project
- Grant Aid Strategy for the Educational Sector
- Grant Aid Strategy for the Agricultural Sector

#### Humanitarian Assistance

- Revision of Humanitarian Assistance Strategy
- Humanitarian-Development-Peace(HDP) Nexus Implementation Strategy

### Partnership

- Multilateral International Development Cooperation Strategy 2022-2026 (in English)
- Policy Framework for Government-Civil Society Partnership
- Strategy for Private sector participation
- Development Consulting Activation Plan in the Private Sector
- Promotion of partnerships with MDBs through Co-financing
- Plan to Cultivate and Expand the Activities of ODA Professionals
- Plan to Support ODA Implementation System Carried Out by Local Governments

## ○ Region

- African Development Cooperation Strategy

## (3) Reports

#### <White Paper>

- 2020 Korea ODA White Paper (in English)

### <Annual Reports>

- 2021 KOICA Annual Report (in English)
- 2022 EDCF Annual Report (in English)
- 2022 Knowledge Sharing Program Annual Report (in English)
- 2022 Monitoring Result of ODA Grant Projects by Overseas Diplomatic Missions

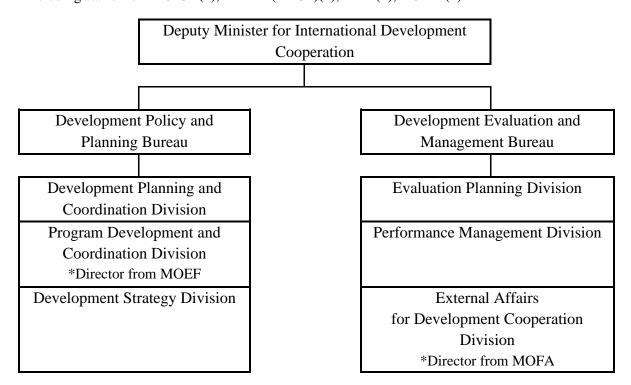
#### (4) Documents for co-operation in Uzbekistan

- Country Partnership Strategy for the Republic of Uzbekistan (in English)
- KOICA Country Plan 2023 (in English)

## 2) Organizational chart and Information on Human Resources

## **OPC**

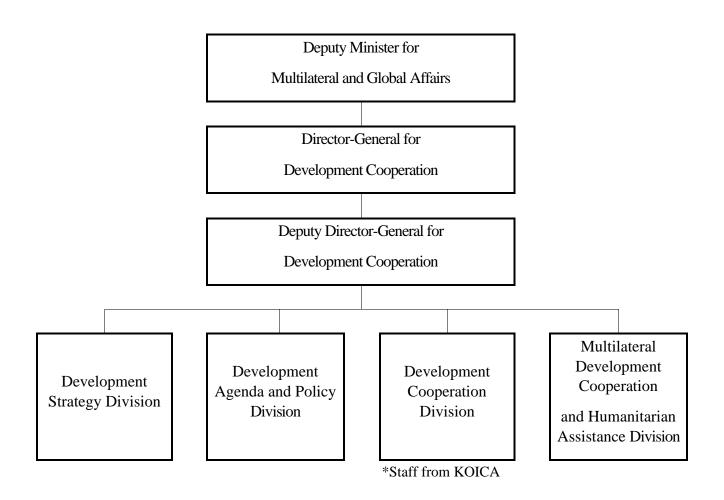
- ☐ Workforce Size: 37
- 36 staffs under the Deputy Minister for International Development Cooperation
  - \* Including staffs from KOICA(1), KEXIM(EDCF)(1), KIEP(1), KOFIH(1)



## **MOFA**

☐ Workforce Size: 42

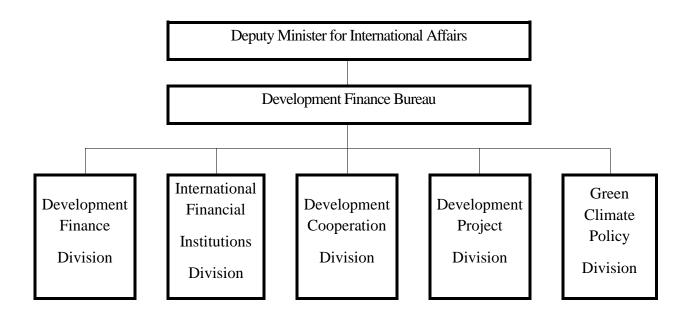
- 37 Staffs under the Deputy Minister for Multilateral and Global Affairs



## **MOEF**

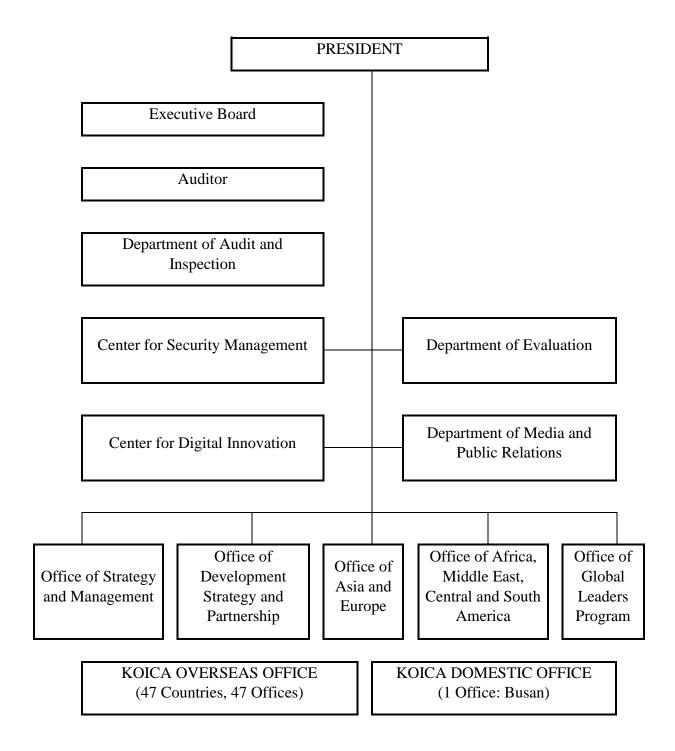
☐ Workforce Size: 43

- 42 staffs under the Deputy Minister for International Affairs



## **KOICA**

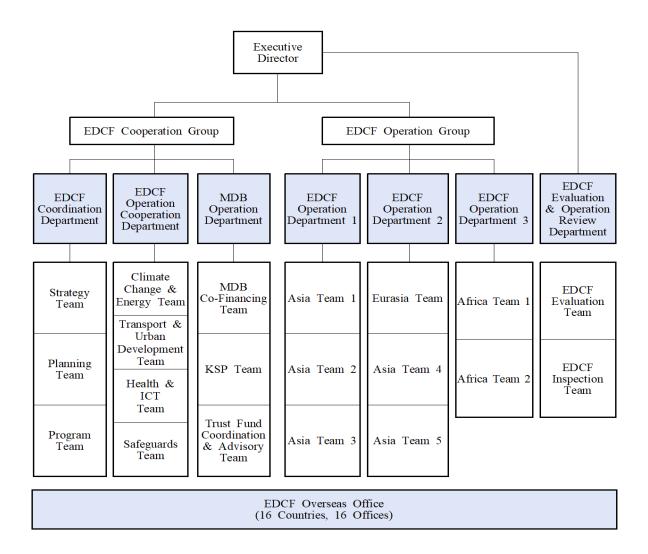
☐ Workforce Size (HQ/field): 461 (Headquarter: 295 persons, Field offices: 166 persons)



<sup>\*</sup>Staff from KEXIM at Country Program Planning and Coordination Department

## **EDCF**

☐ Workforce Size (HQ/filed): 225 (Headquarter: 196 persons, Field offices: 29 persons)



## 3-1) Implementation of the 2016 Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption

The following annex is to be completed by the team of the DAC member undergoing peer review. It is intended to monitor the implementation of the 2016 Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption. Respondents are requested to address each of the ten provisions of the Recommendation, underlining the progress made in each and, where possible, the impact that the measures taken have had -or are anticipated to have- on fighting corruption. Finally, it would be extremely useful if respondents could signal any elements that they feel is currently missing from the scope of the Recommendation, or what additional guidance would be useful.

Provision of the	Duoguore acede	Actual or expected
Recommendation	Progress made	impact
1: Code of conduct	<ul> <li>Korea has established clear anti-corruption guidelines for each ODA agency's staff and stakeholders.</li> <li>KOICA revised its Regulations on Ethical Practice for Executive and Employees, and developed and distributed the KOICA Code of Conduct mini book, the Guideline on the Prevention of Conflict of Interest Related to Duties, and the Guidelines for Prevention of Workplace Harassment. All employees are required to sign a Pledge of compliance and an Agreement of integrity for senior-level positions.</li> <li>KEXIM (EDCF) has an anti-corruption policy, which is provided to its employees and stakeholders. This policy prohibits all forms of corruption and demands compliance with anti-corruption laws, international standards, and internal regulations. It emphasizes performing duties transparently and fairly, based on a strong ethical conscience.</li> </ul>	<ul> <li>Enhance integrity within the organization by specifying regulations strengthening compliance requirements</li> <li>Reduce the possibility of illegal activities such as bribery, fraud, conflicts of interest, and abuse of authority</li> </ul>
2: Ethics or anti- corruption assistance or advisory services	<ul> <li>Each agency has created new departments dedicated to ethics and anti-corruption support and consulting, and collaborates with relevant external institutions.</li> <li>In addition to the Department of Audit and Inspection, KOICA launched the Department of Ethics and Compliance in 2021 and allocated an independent budget. In 2022, KOICA conducted a total of 58 legal consultations through the operation of the ombudsman and the Committee of business ethics, securing the capability for anti-corruption advisory services. Furthermore, by cooperating with four legal advisory institutions in all of its work area, KOICA has ensured access to skilled legal advisers.</li> <li>KEXIM (EDCF) established the Compliance Department in 2020. The department is responsible for tasks such as monitoring compliance with the Convention of the OECD Working Group on Bribery (WGB), implementing internal controls related to anti-bribery, providing ethics education to employees, and offering advice on ethics and anti-corruption matters.</li> </ul>	<ul> <li>Establishment of dedicated departments to improve professionalism and reliability in providing support and advice on ethics and anticorruption matters</li> <li>Create an enabling environment for internal integrity and ethical management through committees and active legal consultations</li> </ul>

3: Training and awareness raising	<ul> <li>Each agency conducts tailored anti-corruption training and awareness raising activities for all employees, taking into consideration the characteristics of their duties and positions.</li> <li>KOICA actively provides customized integrity and ethics education for all employees. In particular, it regularly provides training to local staff at overseas offices who may be more easily put in the blind spot. To raise external awareness, KOICA publishes integrity newsletters and social media posts on integrity-related systems such as the Act on Prohibition of False Claims for Public Funds and Recovery of Illicit Profits and 'active administration.'</li> <li>KEXIM (EDCF) posts the management's integrity messages to promote ethical consciousness among employees and routinely offers online and offline anti-corruption lectures. EDCF provides training on the code of conduct twice a year for staff at overseas offices and uses scenario-based training for those handling tasks with high corruption risks such as contracting to prevent incidents of legal violations. For project managers in partner countries, EDCF provides a Code of Ethics and calls attention to the corruption risks when monitoring bidding processes.</li> </ul>	Successful compliance and ethical management by internalizing integrity and ethical consciousness among all employees, including local staff in partner countries, to prevent corruption risks
	when morntoning blading processes.	
4: Auditing and internal investigation	To strengthen internal audit capacity and effectiveness:  KOICA maintains an Audit Result Review Committee including both internal and external members to ensure objectivity and fairness in audit results. To further enhance transparency and professionalism, KOICA employs a system of 'participating auditor,' involving internal staff with expertise in the audit process.  Additionally, staff in the Department of Audit and Inspection have undergone an average of 86 hours of training over the past five years as part of capacity building, provided by external audit institutions such as the Board of Audit and Inspection and the Anti-Corruption & Civil Rights Commission.  KEXIM (EDCF) has an internal office responsible for audit, ethics, and compliance, which leads internal investigations and monitoring. The results of monitoring and cases of violation are shared with all employees, fostering a sense of vigilance against corruption risks and enabling employees to gain knowledge about and lessons on relevant laws, agreements, and cases.  For periodic external audits:	<ul> <li>KOICA has been evaluated to comply with 36 out of 39 criteria in the external assessment conducted in 2021 based on the International Internal Audit Standards.</li> <li>Attain systematic corruption management capabilities by enhancing the efficient and legitimate utilization of limited resources and strengthening the ability to identify and prevent corruption factors</li> </ul>
	The Board of Audit and Inspection (BAI) normally performs ODA audits every two years. A comprehensive review of project implementation is carried out, after which the results are made public on the BAI website. In cases where there are audit recommendations,	

5: Active and systematic assessment and	<ul> <li>appropriate follow-up measures are taken such as a system reform or addressing problematic areas.</li> <li>The National Assembly oversees the government's ODA activities through annual audits and irregular inspections by the Foreign Affairs and Unification Committee. Any issues detected are demanded to be rectified.</li> <li>There are processes in place to identify and assess corruption risks and prevent, detect, and respond to corruption.</li> </ul>	Build up corruption prevention capabilities by laying the
management of corruption risks	<ul> <li>KOICA operates a legal management system and an antibribery management system, conducting risk assessments of all departments covering budget, finance, projects, and management support. In 2022, a total of 142 risks and five areas for improvement were identified.</li> <li>KEXIM (EDCF) formulates an annual action plan for its anticorruption and integrity policy to carry out tasks related to corruption prevention and undertakes corruption risk assessments every three years. According to this plan, EDCF maintains the Act on the Prevention of Conflict of Interest Related to Duties of Public Servants, detects and monitors weak areas, and performs regulation compliance checks.</li> <li>An internal audit of the anti-bribery management system is conducted annually and the operational results are reported to the management at least once a year.</li> </ul>	groundwork for an anti- corruption system through management and program risk controls, and identifying and managing tasks for improvement in vulnerable areas  KOICA is the first Korean development cooperation agency to obtain ISO 37301 (compliance management systems) and ISO 37001 (anti- bribery management system).  KEXIM(EDCF) is the first government-run bank to obtain ISO 37001 (anti- bribery management system) (October, 2020).
6: Measures to prevent and detect corruption enshrined in ODA contracts	<ul> <li>To prevent corruption in contracting:         <ul> <li>KEXIM(EDCF) takes the following measures to comply with international efforts to prevent corruption such as the OECD Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption:</li></ul></li></ul>	Increase awareness of the risk of corruption     Prevent and deter corrupt practices

- support and sanctioning in case of 'fraud and corruption.'
- KOICA stipulates integrity-related conditions in its procurement and contract regulations and mandates the submission of the following six pledges upon execution of contracts:
  - Pledge on compliance with tax laws (anti-tax evasion policy)
  - Confirmation of participation in subcontracting with conditions of direct payment
  - Pledge of Practice for Human Rights Management
  - Pledge of Practice for the Prevention of Sexual Harassment and Sexual Violence
  - Declaration of Anti-Corruption in ODA Business Participation
  - Integrity Agreement (Implementation Pledge)
    These requirements are incorporated in the request for proposal, ensuring that bidders are aware of them beforehand and failure to submit these pledges will render their bid participation invalid. Such processes have laid the foundation for overall compliance.

#### To detect corruption risks in advance:

KOICA has a mechanism to check for past corrupt activities of the bidders. For domestic bids, only those registered in the Korea Online E-Procurement System (KONEPS) are allowed to participate. This allows KOICA to check past sanctions of bidders and disqualifies those with active sanctions from participating. Furthermore, the qualification documents are screened via 1) a self-review, 2) support center pre-examination, and 3) the procurement officer review to check for any corruption records.

## 7: Reporting/ whistle-blowing mechanism

Korea has **reporting and internal disclosure mechanisms** for corrupt practices.

- KOICA operates the false claims reporting center, the conflict of interest reporting center, and the human rights complaint and reporting channel for overseas operations.
- KEXIM (EDCF) established the standard for processing anonymous reporting in 2019 and is currently operating an internal reporting system. If embezzlement, bribery, financial misconduct, or other illegal and unfair practices are observed, individuals can make anonymous reports through this system.

#### To protect whistleblowers and victims:

 KOICA has put in place institutional arrangements, such as the introduction of anonymous proxy reporting and the use of professional agencies for investigation to ensure the confidentiality of whistleblowers and victims and to prevent secondary victimization.

- Promote corruption reporting and enhance transparency in operations by expanding reporting channels and improving protection mechanisms for whistleblowers and victims.
- Systematic establishment of reporting and internal disclosure mechanisms.

8: Sanctioning regime	<ul> <li>KEXIM (EDCF) requires investigators to sign confidentiality agreements and ensures that any leaks of information acquired during investigations result in disciplinary action. There are also efforts to protect the confidentiality of individual project-related complaints and to take appropriate actions including notifying judicial agencies when illegal activities are confirmed.</li> <li>There are established standards and grounds for sanctioning corruption-related activities.</li> <li>KOICA includes clauses related to potential contract violations in the standard contract template for all ODA projects and requires anti-corruption pledges to clarify the basis for imposing sanctions in case of violations.</li> <li>EDCF has clear criteria for sanctioning that apply to all contracts supported by EDCF and publicly discloses these criteria and the sanctions list on its website. Companies involved in corrupt activities during EDCF bidding and project implementation, and those under sanctions from MDBs are prohibited from participating in EDCF projects for a maximum period of 2 years.</li> </ul>	Prevent corruption and ethical risks and promote transparent and fair ODA project implementation
9: Joint responses to corruption	<ul> <li>Korea enhances international cooperation related to combatting corruption.</li> <li>KOICA requires contractors to sign an integrity agreement and a fair contract agreement, including the terms of the OECD Anti-Bribery Convention. In 2021, KOICA received such agreements for 131 contracts, thereby enhancing aid transparency through enhanced disclosure of ODA information.</li> <li>EDCF participates in the OECD WGB meetings and adheres to the OECD Anti-Bribery Convention, also reviewing the proposed amendments to the Convention and submitting its opinions. For companies under prohibition from MDB support, EDCF imposes mutual sanctions so that the corresponding company may not participate in EDCF-supported projects.</li> </ul>	<ul> <li>KOICA received a 'good' rating in the Aid         Transparency Index for two consecutive years (2020 and 2022).     </li> <li>Execute 'clean' ODA projects by preventing potential elements of corruption and promoting transparent information disclosure</li> </ul>
10: Take into consideration the risks posed by the environment of operation	<ul> <li>Taking into account the conditions each partner country, Korea has instituted systems to minimize risks.</li> <li>To ensure that the partner country uses loans appropriately, EDCF reviews the adequacy of the government budget system including budget approval and allocation procedures, and budget expenditure audit systems. For non-use of funds or non-compliance with the agreed timeframe, EDCF employs measures such as payment suspension, claims for compliance, cancellation of the loan approval, and claims for loan repayment before the amortization schedule.</li> <li>To promote sustainable development capacity in partner countries and systematically manage various socioenvironmental risks that may arise during project</li> </ul>	Increase transparency in executing projects in developing countries

- implementation, EDCF maintains a safeguard policy. Based on this policy, EDCF analyzes the socio-environmental impacts and risks of all projects, derives measures to minimize negative effects, and regularly monitors the implementation of these measures.
- Before selecting candidate projects for KOICA's country programs and projects, KOICA undertakes a joint preliminary study with internal and external experts based on the PCP submitted by the partner country. The validity of project elements and budget estimation, along with the risks of the local project environment are reviewed in advance. Furthermore, before formulating project implementation plans, KOICA conducts a feasibility study to verify the information from the preliminary study and specify the project implementation plan. Once the project is underway, KOICA builds and operationalizes a monitoring mechanism with the partner country government and beneficiary institutions to check and respond to the identified risk factors.

Missing element(s) in the Recommendation			

# 3-2) Implementation of the 2019 Recommendation on Ending Sexual Exploitation, Abuse and Harassment in Development Co-operation and Humanitarian Assistance

The following annex is to be completed by the team of the DAC member undergoing peer review. It is intended to monitor the implementation of the 2019 Recommendation on Ending Sexual Exploitation, Abuse and Harassment in Development Co-operation and Humanitarian Assistance. Respondents are requested to address each of the six provisions of the Recommendation, underlining the progress made in each and, where possible, the impact that the measures taken have had - or are anticipated to have - on ending Sexual Exploitation, Abuse and Harassment (SEAH). Finally, it would be extremely helpful if respondents could signal any element(s) that they feel is currently missing from the scope of the Recommendation, or what additional guidance would be useful.

Pillar of the		Actual or anticipated
Recommendation	Progress made	impact
1: Develop policies and professional conduct standards and seek to foster organisational change and leadership on SEAH in the provision of	Korea promotes human rights based business management as a basis for spreading a culture of gender equality, aiming to prevent and remedy human rights violations.  In 2018, KOICA introduced the KOICA Regulation on Business and Human Rights to specify key principles for creating a gender-equal work environment, conducting SEAH prevention training and human rights impact assessments, and addressing human rights violations.	Established a human rights based business management system and SEAH response and prevention mechanisms to end SEAH     Strengthened role and
international aid	<ul> <li>KEXIM (EDCF) stated in the Human Rights Management Charter (2019) its support for and adherence to international standards and norms such as the UN Universal Declaration of Human Rights, proactive efforts to prevent and redress human rights violations, and prohibition of all forms of discrimination (including gender) in employment.</li> </ul>	interest of high-level management
	Korea also established and expanded systems for preventing and responding to SEAH.	
	<ul> <li>KOICA revised the Guidelines for prevention of sexual harassment and sexual violence in 2022 to encompass all personnel participating in ODA projects. To apply the Guideline for the Prevention and Response to Sexual Harassment and Sexual Assault (2011) to all diplomatic missions abroad, MOFA introduced the Guideline for the Prevention and Response to Sexual Harassment and Sexual Assault in Overseas Missions in 2020.</li> </ul>	
	<ul> <li>KEXIM (EDCF) prepared the Guideline for the Prevention of Sexual Harassment and Sexual Violence in 2019, implementing measures such as SEAH prevention training, setting up of complaints mechanisms, and the development of procedures and manuals for handling incidents.</li> </ul>	
	Continuous efforts are being made to engage senior management.	

2. Develop or	Each government ministry regularly conducts violence prevention training for senior-level officials and MOFA has developed and distributed the Manual for Sexual Harassment and Sexual Assault Prevention (2022), which outlines the responsibilities and roles of managers.  Korea takes measures to protect victims by establishing	Officered vertices
support survivor- and victim-centered responses and support mechanisms	<ul> <li>reporting channels and victim protection mechanisms.</li> <li>KOICA has built reporting and victim protection systems based on the Guideline for prevention of sexual harassment and sexual violence and the Manual for sexual harassment cases. In addition, specialized agencies and external experts are involved in the response process, which has reinforced the victim-centered approach.</li> <li>In 2019, KEXIM (EDCF) institutionalized a complaints counselor, an online counseling center, and a Grievance Deliberation Committee (2019) to provide counseling and resolution for issues related to SEAH. A human rights violation report center was also set up in 2022 to allow reporting of incidents that infringe upon human dignity and worth.</li> </ul>	Offered various     reporting and     counseling channels to     protect victims
3. Establish	Korea has institutionalized a systematic reporting and	· Enhanced convenience
organisational reporting and response systems and procedures for the prevention of SEAH	<ul> <li>response mechanism.</li> <li>MOFA promoted the existing Grievance Counselor to the Minister-appointed Grievance Officer in 2021 and expanded its responsibilities. A Cyber Reporting Center was created in 2021, which improved the accessibility of reporting processes by allowing third-party reporting. Penalties, such as reflecting sexual misconduct history in performance evaluations and imposing restrictions on promotions, are stipulated in its regulations.</li> <li>KOICA operates a Sexual Misconduct Desk and a Sexual Misconduct Incident Response Committee, and put in place a Human Rights Violation Reporting Channel for local stakeholders (residents, partner institutions, etc.). KOICA is equipped with a comprehensive reporting and response system.</li> <li>KEXIM (EDCF) operates a Grievance Deliberation Committee for Sexual Harassment and Sexual Violence to review reported cases and takes punitive measures as appropriate.</li> </ul>	in reporting for local residents in project sites to contribute to the promotion of human rights, and greater awareness of on-site human rights violations to prevent human rights infringements in advance  • Strengthened response capabilities through designated staff for sexual misconduct issues, and improved awareness of sexual misconduct through internal penalties to prevent human rights
	Korea is making dedicated efforts to preventing SEAH.  · KOICA requires its contractors to submit a 'Pledge of Practice for Human Rights Business Management' and distributes its implementation guideline (2019).	violations • Ensured reliability of the response system • Established systematic
	<ul> <li>KEXIM (EDCF) enforces measures to prevent recurrence of SEAH incidents. A Human Rights Committee, consisting of six members including labor unions, external human rights experts, lawyers or legal advisors, was set up in 2019. The</li> </ul>	measures to prevent harm and recurrence

	committee makes key decisions and provides advisory services related to formulating human rights management plans, conducting human rights impact assessments, and redressing human rights violations.	
4. Conduct training, raise awareness and communicate on SEAH prevention	<ul> <li>Korea is stepping up efforts for internal education and training related to SEAH.</li> <li>MOFA increased the required hours for Sexual Harassment and Sexual Assault Prevention Education from 1 to 4 hours in 2021. The Manual for Sexual Harassment and Sexual Assault Prevention (2022) provides regulations and examples to help its staff understand the concept of SEAH and procedures for preventing and responding to SEAH.</li> <li>KEXIM (EDCF) mandates all executives and employees to undergo annual training. Starting from 2022, quarterly surveys on workplace sexual harassment have been conducted for all employees.</li> <li>Korea is also expanding its capacity building programs to include all project participants.</li> <li>Since 2019, KOICA has been conducting human rights education and sexual violence prevention education programs annually for employees, partner organizations, and volunteers to promote effective communication and to enhance their capabilities. As of 2022, 751 KOICA employees and a total of 670 individuals from partner organizations and volunteers have gone through the</li> </ul>	Greater efforts to prevent human rights violations among employees, partner institutions, and other project implementers, and to promote human rights
	<ul> <li>human rights education program.</li> <li>KOICA has been providing capacity building programs for partner organizations since 2020 to reinforce their understanding of human rights policies. As of 2022, a total of 90 individuals from partner organizations in the public-private partnership program participated in the human rights capacity building program.</li> </ul>	
5. Ensure international coordination for SEAH prevention and response	<ul> <li>Korea engages proactively in global fora related to SEAH, such as those held by the OECD, the UN, etc.</li> <li>Korea is involved in the OECD DAC GenderNet and the OECD DAC Reference Group on Ending SEAH. KOICA's Gender Specialist has consistently participated in SEAH-related discussions since 2018.</li> <li>At the UN level, Korea has participated in initiatives like the Circle of Leadership, the Voluntary Compact (signed in 2017), and the Letter to UN Secretary-General to tackle SEAH (2021). A Korean military legal expert was deployed to the Office of the Special Coordinator on Improving the UN Response to Sexual Exploitation and Abuse during 2020-23.</li> <li>At various international meetings, Korea joins other countries in urging collaboration to tackle SEAH.</li> </ul>	<ul> <li>Made efforts to actively contribute to and learn from international discourse to embed them into Korea's development cooperation principles</li> <li>Maintained adherence to international standards</li> <li>Increased awareness about gender mainstreaming</li> </ul>

Korea strives for gender mainstreaming in its ODA such as applying the gender equality policy marker.

- KOICA is strengthening the integration of gender perspectives in its projects through the Gender Mainstreaming Guideline for Project Planning and Designing. It leads in identifying Korea's ODA projects for gender equality and women's empowerment, expanding the proportion of aid allocated to the gender equality marker from 14.68% in 2018 to 36.39% in 2022.
- EDCF actively enforces the Guidance for Gender Perspectives while maintaining 'Gender Focal Points' responsible to enhance gender perspectives within EDCF projects and build capacity. This involves discussions with project personnel about applying gender awareness in relevant sectors to promote sharing and understanding of the gender equality objective throughout the organization. EDCF projects applying the gender equality marker has increased from USD 165 million (11.4%) in 2017 to USD 935 million (35.7%) in 2022.
- Korea seeks to revise the Guidance for Gender Perspectives (2015) to a strategy and guideline for gender equality and empowerment.
- 6. Develop mechanism for monitoring, evaluation, and reporting on SEAH prevention and response

Korea conducts gender related **assessments** and takes measures to ensure **feedback**.

- Based on the Guidance for Gender Perspectives, EDCF establishes a gender-related results framework for each project assigned the gender equality marker, and requires the analysis of gender equality results during ex-post evaluation.
- In 2022, MOFA undertook a survey on sexual misconduct (organizational norms, education, and case studies) targeting all employees to improve its organizational culture. KOICA introduced institutional and project-level human rights impact assessments, in 2019 and 2021 respectively, and feeds the results into future projects.
- Fulfilled the obligations for implementing and assessing gender issues, and collected feedback within the organization to help improve the organizational culture
- Strengthened accountability through ongoing monitoring and sharing of results
- Institutionalized results measurement and evaluation

Comments on missing element(s) in the Recommendation

Korea is leading international discussions on preventing and responding to SEAH.

Regarding the UN Security Council Resolutions on Women, Peace and Security (WPS), Korea launched the "Action with Women and Peace" initiative to actively contribute to the WPS agenda in 2018. Korea has held annual international conferences on the issue and participated in the Board of the Global Survivors Fund (GSF), to which Korea has also financially committed.

## 3-3) Implementation of the 2019 Recommendation of the Humanitarian Development Peace Nexus

The Development Assistance Committee (DAC) has tasked the International Network on Conflict and Fragility (INCAF) to monitor progress of members against the DAC recommendation on the HDP Nexus. This annex follows the eleven principles of the recommendation. For each principle, guiding questions are provided, and respondents can elaborate further on the actions they have taken, the effects of these actions, or the challenges encountered when applying a Nexus approach to their engagement in fragile and crisis-affected contexts.

Principles of the Recommendation	Progress made	Actual or anticipated impact
Coordination		
Joint risk-informed, gender-sensitive analysis of root causes and structural drivers of conflict	<ul> <li>Korea takes into account the root causes of conflicts and crises from the project identification stage.</li> <li>In the KOICA Conflict and Fragility Program Application Guideline, Korea emphasizes the importance of analyzing the root causes of conflicts and crises when identifying and designing a project and prioritizes projects that can assist in addressing these root causes based on the context analysis.</li> </ul>	<ul> <li>Contribute to identifying conflict and crises resolution measures</li> </ul>
Appropriate resourcing to empower leadership for cost- effective coordination across the humanitarian, development and peace architecture	<ul> <li>Korea supports international efforts to strengthen the implementation of the HDP Nexus</li> <li>The Korean government recognizes the importance of maintaining and strengthening cooperation and joint approaches among UN agencies in humanitarian assistance and development cooperation settings. In this regard, Korea continues to support the UN Resident Coordinator system and contributes to funding its operation.</li> <li>Considering the importance of the UN's coordination role in the field, the KOICA Conflict and Fragility Program Application Guideline requires consultations with the UN Resident and Humanitarian Coordinators, and the Deputy Special Representative of the Secretary-General who are stationed in the field during the project identification and design processes.</li> </ul>	Strengthened international foundations for implementing the HDP Nexus
Political engagement and other tools, instruments and approaches to prevent crises, resolve conflicts and build peace	Korea pursues peace and security through collaboration with various stakeholders.  One of the tasks specified in the Humanitarian- Development-Peace Nexus Implementation Strategy (March 2021) is cooperating with various stakeholders. This involves strengthening consultations through subcommittees including relevant peacebuilding departments within MOFA, the Ministry of National Defense, and UN peacekeeping missions. Particularly, when delivering the KOICA Conflict and Fragility Program, efforts are made to have sufficient discussions with the deployed peacekeeping operations on the local context and risk factors throughout the project identification and implementation processes.	· Enhanced collaboration among stakeholders

Programming		
Prevention, mediation and peacebuilding, investing in development whenever possible, while ensuring immediate humanitarian needs continue to be met	<ul> <li>Korea prioritizes support for the prevention, mediation, and peacebuilding beyond immediate response to humanitarian needs.</li> <li>The Humanitarian-Development-Peace Nexus Implementation Strategy highlights the importance of preventive approaches to humanitarian crises and conflicts as one of the key strategic directions. In this regard, Korea is making an effort to incorporate this perspective when identifying ODA projects. By including conflict prevention and peacebuilding as the main areas of focus for the KOICA Conflict and Fragility Program, Korea seeks to expand projects in this field.</li> </ul>	Balanced     approaches to     conflict and crisis     prevention and     response
Putting people at the centre, tackling exclusion and promoting gender equality	In 2022, Korea piloted the HDP Nexus Implementation Checklist. It is mandatory to complete this checklist when identifying and planning the KOICA Conflict and Fragility Program.  The checklist includes the question: "Has consideration been given to people-centered support, including promotion of non-discrimination and gender equality?"	Encouraged     considerations for     people-centered     support
Do no harm and conflict sensitivity	The following question is included in the HDP Nexus Implementation Checklist:  · "Has consideration been given to the 'do no harm' principle and conflict sensitivity to minimize unintended negative consequences?"	Efforts to minimize     negative     consequences
Joined-up programming and the risk environment	<ul> <li>Korea actively utilizes fast-track ODA projects to respond flexibly to crisis situations.</li> <li>The budget for the KOICA Conflict and Fragility Program, humanitarian assistance, and overseas emergency relief have significantly increased.</li> <li>In light of the COVID-19 pandemic, EDCF formally institutionalized the loan for emergency response (in 2021) that enables adaptive responses in the event of an epidemic or natural disasters.</li> <li>Korea strives to expand the budget for multilateral cooperation, especially to international organizations specializing in emergency relief.</li> <li>Despite fiscal constraints, efforts are being made to increase core funding to international organizations to promptly and flexibly respond to global crises and issues.</li> <li>The following question is included in the HDP Nexus Implementation Checklist:</li> <li>"Has there been preparation or consideration for joint planning accounting for the risk environment?"</li> </ul>	Enhanced adaptive responses through considerations for the risk environment
National and local capacities strengthening	The following question is included in the HDP Nexus Implementation Checklist:  . "Have the national/regional capacity-building and resilience-enhancing elements of the partner country been reflected in the project?"	Recognition of the importance of partner country capacity building

Learning and evidence	<ul> <li>Korea provides inter-agency platforms to promote mutual understanding and learning among stakeholders.</li> <li>Various government ministries and agencies participate in the newly established Subcommittee on HDP Nexus within the Committee on Grant Strategy. The subcommittee convenes once or twice a year to share activities related to the HDP Nexus and explore ways to strengthen Korea's efforts.</li> <li>Korea strives to foster collaboration with international organizations and the civil society by seeking more opportunities for discussion on this issue (e.g. Seminar on HDP Nexus Policies and Practices, 2022).</li> </ul>	Enhanced     understanding of     the HDP Nexus     through mutual     learning
Financing		
Evidence-based humanitarian, development and peace financing strategies	While Korea does not have a separate financing strategy for the HDP Nexus, the <b>HDP Nexus Implementation Strategy</b> specifies that Korea will seek and gradually implement measures to increase the budget for humanitarian assistance and support to conflict-affected and fragile contexts and to enhance the efficiency of budget execution.	· Awareness of the need for efficient budget management
Predictable, flexible, multi-year financing	Korea is effectively addressing urgent and chronic humanitarian needs of the international community by continuously expanding its humanitarian assistance budget.  By providing funds to the UN OCHA, the Central Emergency Response Fund (CERF), and the Country-Based Pooled Funds, Korea supports urgent humanitarian crises and funding shortages.  By continuously increasing the budget for the KOICA Conflict and Fragility Program, Korea strives to expand its contribution to conflict prevention and peacebuilding, and	Improved capacity to respond flexibly to urgent needs
	relentlessly identifies and implements projects to address the root causes of conflicts. To respond more effectively to the changing global landscape and to the urgent needs of partner countries, the KOICA Conflict and Fragility Program is operated with a more flexible project cycle compared to other programs.	

## Valuable Examples and Insights

## Korea demonstrates leadership in implementing the OECD DAC Recommendation of the HDP Nexus.

Since the implementation of the Recommendation in 2019, Korea has established its first Humanitarian-Development-Peace Nexus Implementation Strategy to systematically incorporate and implement the HDP Nexus in domestic policies and projects. Additionally, to propel its leadership on the international stage, Korea has taken on the co-chair position of the OECD DAC INCAF Task Team and provides financial support for the Nexus Academy. These efforts reflect Korea's commitment to leading initiatives related to the HDP Nexus.

## 3-4) Implementation of the 2019 Recommendation of the Council on Policy Coherence for Sustainable Development

The OECD Council has requested the Development Assistance Committee (DAC) to monitor progress of members against the recommendation (together with the Public Governance Committee). This annex is focused only on coherence of policies with potential to have transboundary impacts on developing countries (Policy Coherence for Development). Respondents are kindly requested to provide information on action under the eight principles of the recommendation. Where a <u>dedicated PCSD profile</u> exists, respondents should provide updated information as needed, or confirm the validity of information previously provided. Attention is also drawn to a <u>guidance note</u> on implementing the recommendation.

For each principle, please indicate a) actions taken; b) effects of these actions; and c) challenges encountered.

Principles of the	Actions Taken	Effects
Recommendation  Vision and Leadership		
Political Commitment and Leadership	Korea aims to achieve sustainable development by establishing overarching strategies and providing consistent ODA policy directions.	Consistent policy implementation through the
	<ul> <li>According to the Framework Act on International         Development Cooperation, Korea formulates the         Comprehensive Strategy for International Development         Cooperation, which serves as the national strategy for ODA,         every five years.</li> <li>The Strategic Plan for ODA under the Yoon Administration         (2022) explicitly states Korea's goal of becoming a top ten         ODA donor and leading global values such as SDGs to         establish its status as an advanced donor.</li> </ul>	establishment of the Mid-term EDCF Operational Directions in alignment with the national ODA strategy
	<ul> <li>In alignment with these policies, EDCF has developed the Mid-term EDCF Operational Directions from 2023 to 2025 to set its operational capacity and formulate strategic approaches to respond to the expanding project volume and changes in the development environment.</li> </ul>	
Strategic Long-term Vision	Korea enacted the Framework Act on Sustainable Development in 2022 with the aim of attaining sustainable development for the state, localities, and the global community.  In accordance with the Framework Act on International Development Cooperation, the Korean government created the Committee on Grant Strategy in March 2021 to lay the institutional foundations for systematic, integrated, and efficient grant aid. Sectoral and regional strategies are formulated through this meeting in cooperation with relevant ministries and overseas missions. It also enhances the linkage between the Korean government's diplomatic and foreign policy and ODA grants.	Strengthened coordination between ODA grant policy and strategies, enhanced linkages within grant aid projects, and greater communication among grant aid implementing agencies
	<ul> <li>The EDCF 35th Anniversary and Vision Conference was held in July 2022. The event was attended by partner country governments, international financial institutions, private companies and organizations, academia, etc. EDCF declared its vision of effectively addressing development needs, such</li> </ul>	Shared EDCF's new vision and directions with partner country

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	as climate change response and digital transformation, and strengthening its role as a development finance instrument that extends beyond aid to encompass the private sector.	governments and the general public
Policy Integration	<ul> <li>Korea pursues policy integration by establishing sector- and region-specific ODA strategies.</li> <li>Korea has formulated comprehensive strategies covering both grant and loans, including the Strategy for Green New-Deal ODA (2021) and the Strategy for Science Technology and ICT ODA (2022).</li> <li>While Korea has developed and revised the Country Partnership Strategy for each of the 27 priority partner countries, it has also established the African Development Cooperation Strategy, a general strategy for the region.</li> </ul>	Enhanced     development     effectiveness     through consistent     policy formulation
Policy Interactions		
Whole-of- Government Coordination	In addition to government-wide cooperation through the CIDC, Korea has made efforts to institutionalize communication channels among ODA implementing agencies to ensure consistent execution of ODA grants and loans. Such examples include the Cross-Ministry EDCF Project Deliberation Committee and the Committee on Grant Strategy.	Improved     development     effectiveness by     linking grants and     loans
	<ul> <li>By operating subcommittees within these communication platforms, Korea has formalized a cooperative framework among ministries and agencies in each sector, enhancing development effectiveness.</li> </ul>	
Subnational Engagement	<ul> <li>The Framework Act on Sustainable Development specifies the responsibilities of local governments such as upholding the basic principles of sustainable development and establishing and evaluating local strategies in harmony with the national strategy.</li> <li>MOFA actively supports local governments by providing funding and ODA consulting services to enhance the effectiveness of local government participation in ODA</li> </ul>	Enhanced     coherence between     activities among     local governments     and the ODA policy     directions of the     central government
	<ul> <li>projects.</li> <li>Through high-level meetings with the Seoul Urban Solutions Agency, EDCF has shared information about the development needs of key partner countries and discussed effective project identification measures to apply the Seoul Metropolitan Government's urban development expertise to partner countries.</li> <li>KOICA supports local governments to propose and</li> </ul>	
	participate in identifying new ODA projects through MOFA/KOICA's government partnership program. This program, initiated in 2012, has supported projects from 62 government agencies and local governments in the past three years (2020-22).	
Stakeholder Engagement	<ul> <li>Since 2019, MOFA has been organizing the Open Forum on SDGs annually to review the domestic progress of SDGs implementation with key stakeholders such as the government, academia, civil society and other actors.</li> </ul>	Gathered     stakeholder     opinions and     enhanced the     awareness of EDCF

- The EDCF Advisory Committee, including academia, civil society, and industrial sectors related to development cooperation, gathers diverse stakeholders' perspectives on EDCF's operational directions and issues such as climate change response.
- Based on the Policy Framework for Government-Civil Society Partnership, KOICA is strengthening partnerships with civil society in the field of development cooperation. Particularly, through joint research with civil society in 2020, KOICA formulated the Basic Plan for Improving the KOICA Civil Society Cooperation Program, differentiating project approaches depending on each partner's organizational and project implementation capacity and expertise.

#### **Impact**

## Policy and Financing Impacts

- EDCF has been striving to support sustainable development in developing countries by evaluating and sharing its achievements. Accordingly, in March 2023, the EDCF Country Evaluation Workshop was held in Cambodia to share the outcomes, lessons learned, and future directions of EDCF interventions in Cambodia. The event was attended by Cambodian government officials, international organizations and contractors of EDCF projects, enhancing the awareness of EDCF and reinforcing its effectiveness and reaffirming its commitment to strengthening economic cooperation.
- As KOICA uses evaluation as a key instrument for results management, it is focusing on developing evaluation capacities and systems. In particular, for effective results management throughout the project cycle, KOICA has improved upon coordination among project evaluation, planning and implementation. It also emphasizes evaluation utilization and feedback through establishing and refining detailed internal and external strategies and guidelines such as the 2019-2023 Mid-term Strategies and Activities for Evaluation.

# Monitoring, Reporting and Evaluation

- When conducting ex-post evaluations and country, sectoral (e.g. health), and thematic (e.g. climate change response) evaluations, EDCF reviews whether its policies and interventions align or comply with the Korean government's policies, international norms and standards, and the partner country's policies. In this regard, both internal and external coherence is reflected in evaluations and efforts are made to ensure effective feedback of evaluation results.
- KOICA has institutionalized an independent evaluation panel composed of external experts from the public sector, academia, and civil society to ensure systematic evaluation quality control. Following the Manual for Evaluation Quality Review, KOICA reviews the relevance of evaluation design and methodology, reliability of data, validity of analysis and evaluation results, feasibility of the recommendations and conclusions, and assigns a quality rating (A to D) for all

 Providing support for sustainable development in developing countries through performance evaluations

 Internalizing policy coherence in evaluations evaluations. In order to increase accountability to the public and foster Korea's evaluation ecosystem, KOICA opened the KOICA Evaluation Knowledge Platform (KENP) in 2021, becoming the first Korean ODA agency to do so. This platform provides a total of 943 evaluation documents in 14 categories (including evaluation reports, grade sheets, quality ratings, evaluation team information, English abstracts, evaluation feedback results, and evaluation training materials, etc.) for public access.

Valuable Examples and Insights

## 3-5) Implementation of the DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance

The following annex is to be completed by the DAC member undergoing peer review. It is intended to monitor the implementation of the 2021 <u>DAC Recommendation on Enabling Civil Society in Development Co-operation</u> and Humanitarian Assistance.

Respondents are requested to answer a general question on what changes have been or will be made since the Recommendation came into force on 6 July, 2021. They are invited to share implementation progress and/or plans, as well as implementation constraints, related to each of the Recommendation's three pillars, indicating the most relevant provisions that their responses address. Respondents are also invited to share areas of their enabling civil society work that they deem as offering lesson learning opportunities for other DAC members (e.g. particularly good practice). Finally, they are invited to share areas of the Recommendation they deem as needing additional toolkit(s) or guidance to help advance implementation.

### Part A: General question

What has changed or will be changed since the Recommendation came into force?

This question could address steps taken or planned in relation to dissemination, implementation or monitoring of the Recommendation.

Korea actively promotes partnerships with civil society and expanding communication channels.

- The government, in collaboration with civil society, has adopted the Policy Framework for Government-Civil Society Partnership in 2019 and its implementation plan in 2021. The implementation plan is closely aligned with the DAC Recommendation, including elements such as promoting an enabling environment (Pillar 1), raising awareness of development cooperation and expanding civil society participation (Pillar 2), and enhancing transparency and accountability (Pillar 3). Korea plans to continue ensuring the implementation in collaboration with civil society.
- The government and relevant agencies (such as MOFA and KOICA) have established various levels of channels for policy dialogue with civil society. Through such dialogue, Korea aims to strengthen the role of civil society as development cooperation actors, based on their expertise and experience in the fields of development cooperation and humanitarian assistance. Efforts are being made to integrate suggestions from civil society into actual policymaking and project implementation processes.

#### Part B: Progress and/or challenges with implementation

<b>Recommendation Pillar</b>	
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### **Progress and Plans**

### Pillar ONE: Respecting, Protecting and Promoting Civic Space (10 provisions)

- **1.1** What are you doing or planning in order to implement the Pillar One provisions? Please specify to which provisions these actions apply.
- ① Society based on a mutually equal relationship. In 2021, Korea developed an implementation plan for its Policy Framework for Government-Civil Society Partnership, and built a results framework consisting of 31 tasks and their performance indicators. An initial agreement was reached on 19 tasks and 26 indicators in 2022, with the remaining 12 tasks and 18 indicators finalized in the first half of 2023. Progress will be evaluated based on these indicators starting with the short-term tasks (2021-22), with plans to continue implementation until 2025.
- In collaboration with the Action for Sustainable Development (A4SD),
   KOICA is supporting the assessment of SDGs implementation from a civil
   society perspective. In particular, KOICA supports SDGs monitoring in eight

	Asian countries, organizes national dialogues and sub-regional workshops, and helps release progress reports for the voluntary national reviews to the UN High-Level Political Forum.
1.2 What constraints are you facing to implement the Pillar One provisions? Please specify to which provisions these constraints apply.	②④ Due to the nature of concessional loans, for which the authority of project planning and execution mainly lies with the partner country government, direct participation of civil society in EDCF's operations is limited. Consistent efforts are necessary to raise the awareness of the role of civil society within partner country governments.

### Pillar TWO: Supporting and Engaging with Civil Society (10 provisions)

- **2.1** What are you doing or planning in order to implement the Pillar Two provisions? Please specify to which provisions these actions apply.
- ② Korea engages in consultations with civil society during the policymaking process through various communication channels.
  - Korea operates the Government-Civil Society Policy Consultation (OPC), the Ministry of Foreign Affairs-Civil Society Policy Dialogue, the Humanitarian Assistance Public-Private Consultation Council (MOFA), and the Public-Private Partnership Council (KOICA).
  - To ensure substantive participation in the formulation, implementation, and evaluation of ODA policies and projects, civilian experts, including civil society, are part of the CIDC, the highest decision-making body for ODA policy.
- 3 Financial support for civil society is being greatly expanded.
  - In 2023, the budget for civil society cooperation is KRW 47.9 billion (USD 3.71 million), a 21% increase from the previous year, marking the largest budget allocation to date. Along with such quantitative growth, Korea is making efforts to establish a system that can promote financial support for civil society. For civil society cooperation programs hosted by organizations in local provinces or organizations for persons with disabilities (where persons with disabilities represent the organization and/or a certain percentage of its members are disabled), or those executing disability-related projects, the funding share for government-civil society has been adjusted from 8:2 to 9:1.
- 4 Korea is committed to **encouraging local civil society participation**.
  - KOICA's civil society cooperation projects require collaboration with local partners. At project completion, a transition plan should be developed to handover the project to the local partner. Additionally, KOICA overseas offices lead On-site Partnership Enhance Programs (supported in 16 countries in 2022), organizing meetings for Korean and local CSOs, on-site training, and peer learning.
  - EDCF has established a Safeguard Policy to enhance accountability to partner countries on the environmental and social impacts and support increased engagement with local stakeholders and civil society.
- While EDCF continues monitoring of mitigation efforts based on the environmental and social impact assessment reports of the partner country, it also discloses and shares the ratings and the assessment report with civil society. Since its introduction in 2016, risk ratings and reports for 95 projects have been made publicly available.
- ② The EDCF advisory committee and the Environmental and Social Advisory Council both include civil society members to incorporate civil society opinions in EDCF's policy directions (12 advisory committee meetings and 3 environment and social advisory council meetings have been held).

- **2.2** What constraints are you facing to implement the Pillar Two provisions? Please specify to which provisions these constraints apply.
- ③ While the ODA budget for civil society cooperation has continuously been on the rise, aid to/through CSOs accounts for 2-3% of Korea's total bilateral aid, which is an area that needs improvement. Efforts are being made to increase the ODA budget for civil society cooperation.
- ④ Despite the active international discussions around localization of development cooperation, there is a need to enhance the capacity and transparency of local CSOs. Accordingly, MOFA and KOICA continue to make multifaceted efforts to establish the foundation for a Local Civil Society Partnership Program.
- Tor EDCF projects, the main actor for signing contracts and managing project implementation is the partner country. Thus, the partner country government's consent needs to be preceded regarding the disclosure of specific project-related information.

### Pillar THREE: Incentivising CSO Effectiveness, Transparency and Accountability (8 provisions)

- **3.1** What are you doing or planning in order to implement the Pillar Three provisions? Please specify to which provisions these actions apply.
- ① 3 Korea supports increasing the transparency and accountability of civil society.
  - KOICA maintains sectoral committees within the Development Alliance Korea (DAK), a coalition comprising government, enterprises, civil society, and academia, to promote information sharing and partnership within the field of development cooperation. KOICA supports capacity-building programs for civil society accountability and transparency aimed at DAK member institutions. As of 2022, it supported the development of self-assessment tools for accountability for 61 institutions and conducted accounting training for 233 institutions. Additionally, KOICA delivered customized accounting capacity-building programs including consulting for new and small-sized institutions, and carried out advocacy activities for accounting transparency.
- ③ 6 Korea provides tailored organizational and operational capacity building for civil society based on their size and capabilities. Reflecting the opinion of civil society that there is a need to consider organizational size and operational capacity when selecting new projects, KOICA has categorized its civil society cooperation program by entry, growth, and strategic type since 2021.
- **34** Korea seeks to strengthen partnerships with local civil society.
  - KOICA supports the On-site Partnership Enhance Program, consisting of local CSO meetings, training, and peer learning, centered on KOICA overseas offices. In 2021, the Civil Society Conference for Central Asia was organized by the Uzbekistan office to form a regional consensus on the need for solidarity among local civil society councils from five countries. As of 2022, 27 programs were conducted for 705 participants across 16 KOICA overseas offices.
- ⑤ Korea strives to enhance civil society ownership and promote a rights-based approach to development cooperation.
  - EDCF has established a complaints handling mechanism to receive grievances from stakeholders and civil society regarding its ongoing projects, supporting their amicable resolution. EDCF expects the mechanism to prevent infringement of rights resulting from project implementation.
- **3.2** What constraints are you facing to implement the Pillar Three provisions? Please specify
- ④ Partnerships with local CSOs require additional efforts. Korea will explore ways to enhance collaboration with local CSOs through regular

to which provisions these	consultations with civil society in the field of development cooperation
constraints apply.	and humanitarian assistance.
	④⑦ As EDCF's role is delivering financial support to local development projects, there are limitations in fostering cooperation between partner country governments and local CSOs, or within partner country civil society.

### Part C: Lessons and guidance

What, if any, areas of your enabling civil society work do you deem as offering lesson learning opportunities for other DAC members (e.g. particularly good practice)?

Building on the cooperative relationship of mutual equality with civil society, the Korean government developed the Policy Framework for Government-Civil Society Partnership (2019) and drafted 31 tasks for joint implementation in 2021. Continuing this effort, in 2023, a final agreement was reached on the 31 tasks and 44 performance indicators, thereby establishing the foundation for substantive joint results management beyond the declarative level.

Korea actively harnesses the expertise of civil society to enhance the effectiveness of ODA projects at the grassroots level. In response to the Türkiye -Syria earthquake, both government and private entities took an active part, notably collaborating with civil society for the project on Building and Operation of Temporary Settlement for Earthquake Affected People.

What, if any, areas of the Recommendation do you deem as needing additional toolkits or guidance to support implementation?