

DEEP DIVES

topics



South Korea's agriculture ODA

Rural development is a key priority of South Korean development cooperation

South Korea's ODA for agriculture (which, as a sector category, includes forestry and fisheries) and rural development has increased continuously between 2010 and 2013, before stabilizing at around US\$165-170 million. In 2016, funding stood at US\$167 million, accounting for 7% of total ODA. This is on par with the average of other members of the OECD's Development Assistance Committee (OECD DAC).

South Korea has identified rural development as a priority sector of its development policy, arguing that it can share best practices in this area from its own history as a developing country. The focus on rural development is based on the country's promotion of the New Village Movement ('Saemaul Undong ODA') – a community-based approach that improved local economies in the South Korean countryside in the 1970s. As the Movement is associated with President Park Chung-hee, the father of impeached President Park Geun-hye, it is expected that the new administration will scrutinize existing projects and set a stronger focus on transparency and effectiveness of implementation. Nevertheless, rural development will likely remain a priority of South Korean ODA. Among South Korea's largest agriculture investments in 2016 were Saemaul Undong agriculture development projects in Laos, Vietnam, and Rwanda, all with a focus on local participation and sharing best practices.

South Korea channeled US\$129 million in agriculture ODA bilaterally in 2016, focusing on agricultural development (36%) and rural development (20%). For the first time since becoming a member of the OECD DAC, bilateral ODA to agriculture has decreased slightly compared to 2015 (US\$137 million), mainly due to lower contributions to agricultural development.

The Korea International Cooperation Agency (KOICA), South Korea's implementing agency, has identified 'inclusive and sustainable rural development' as one of its

three priority sectors in its 'Agriculture and Rural Development Mid-Term Strategy 2016-2020'. The other priorities are sustainable production and expanding market access, and conservation of rural production system and natural resources by responding to climate change. In addition, agriculture is a priority sector of South Korea's 2018 International Development Cooperation Plan, with a specific priority for improving the self-reliance of rural areas through comprehensive rural development programs, training, and agricultural technology.

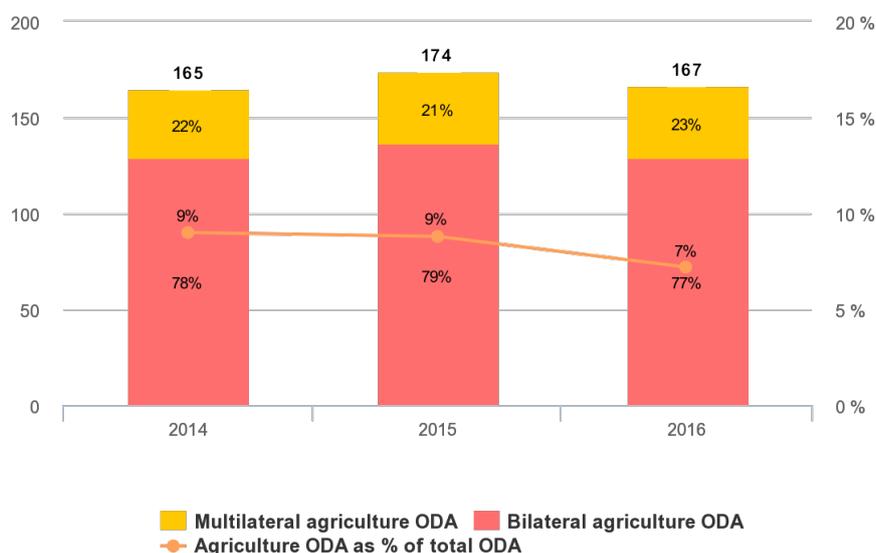
Less than a quarter (US\$38 million, or 23%) of agriculture ODA was channeled multilaterally in 2016, which is well below the OECD DAC average of 45%. The vast share of this multilateral agriculture ODA represents contributions to the World Bank through the International Development Association (IDA; 45%), the Food and Agriculture Organization (FAO; 26%), and regional development banks (18%). South Korea pledged US\$84 million to the Global Agriculture and Food Security Program (GAFSP) for 2011 to 2015 and disbursed an additional US\$15 million to it in 2016. South Korea is a contributor to the International Fund for Agricultural Development (IFAD) and plans to disburse US\$3 million to the organization in 2018.

Policy divisions within the Ministry of Foreign Affairs steer agriculture strategy

The Ministry of Foreign Affairs (MOFA) leads on the development of policies related to agriculture and rural development. The Development Policy Division, within MOFA's Development Cooperation Bureau, is in charge of developing ODA policies, including on agriculture. The Multilateral Development Cooperation and Humanitarian Assistance Division manages relations with multilateral agricultural organizations like IFAD. In addition, the Ministry of Agriculture, Food and Rural Affairs, specifically its International Cooperation Bureau, allocates some additional funding to agriculture and food-related projects.

SOUTH KOREA'S ODA TO AGRICULTURE

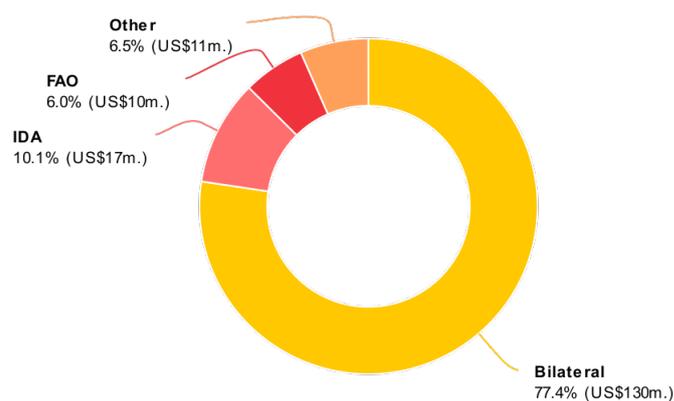
US\$ millions



OECD CRS, and imputed multilateral contributions to the agriculture sector: DAC secretariat estimations. In 2016 prices.

RECIPIENTS OF SOUTH KOREA'S AGRICULTURE ODA, 2016

Total: US\$167 million



OECD CRS and imputed multilateral contributions to the AG sector: DAC secretariat estimations. In 2016 prices.