Vietnam is the largest recipient of South Korea’s development assistance, mostly as loans.
SOUTH KOREA at a glance

ODA funding trends

- South Korea is the 15th-largest donor country. It spent US$2.4 billion on total official development assistance (ODA) in 2018. This corresponds to 0.15% of gross national income (GNI).

- South Korea became a member of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) in 2010. The government is committed to increasing its ODA and strengthening its commitment to international cooperation. Net ODA increased by 6% from 2017 to 2018, driven by increases in bilateral aid.

- ODA is expected to reach 0.2% of South Korea’s gross national income (GNI) by 2020 and further aims to reach an ODA level of 0.3% of GNI by 2030.

SOUTH KOREA'S GROSS/NET ODA DISBURSEMENTS

US$ millions; in 2017 prices

Strategic priorities

- The ‘Strategic Plan for International Development Cooperation for 2016-2020’ outlines the current strategic priorities of South Korea’s development policy and indicative volumes of ODA. It specifies that the country will continue to channel around 40% of its ODA in the form of loans.

- According to the ‘2019 Annual Implementation Plan for Development Cooperation’, funding is expected to focus on five sectors: transport, health, environment, education, and agriculture and fisheries.
Overall, South Korea will likely continue to focus its bilateral investments on transport and energy infrastructure in Asia, a large share of which in the form of loans. 11 of its 24 priority countries are in Asia.

The ‘2019 Action Plan’ that complements the implementation plan calls for greater synergies between loans and grants, stronger partnership with civil society and international organizations, and increasing investments in priority sectors, including humanitarian assistance.

**SOUTH KOREA’S BILATERAL ODA BY SECTOR, 2017**

Total: US$ 1.702 million

- Infrastructure: 16.7% (US$294m.)
- Agriculture*: 7.8% (US$121m.)
- Education: 13.0% (US$211m.)
- Health & Population: 12.3% (US$200m.)
- Water & Sanitation: 9.6% (US$164m.)
- Energy: 7.1% (US$121m.)
- Humanitarian aid: 5.6% (US$89m.)
- Unspecified: 5.5% (US$89m.)
- Government & Civil Society: 5.2% (US$89m.)
- Other: 17.0% (US$290m.)

OECD CRS. Gross disbursements. *Includes agriculture, forestry, fishing, and rural development. In 2017 prices.

**Outlook**

- South Korea is expected to continue increasing its ODA in years to come, and a large part of the anticipated additional funds have yet to be allocated. This provides opportunities to engage with the South Korean government and shape the direction of development policy moving forward.

- South Korea will host an inaugural international conference on ‘Action with Women and Peace’ in 2019. The goal is to bring together stakeholders from the global development and security community to discuss best policy practices and bring attention to the issue.

- South Korea expects to host the fifth ‘Busan Global Partnership Forum’ in late 2019. The forum will bring together stakeholders to reinforce commitment to and track progress toward the Busan Principles of development effectiveness that came out of the 2011 ‘Fourth High Level Forum of Aid Effectiveness.’
How much ODA does South Korea provide?

South Korea is a small yet growing donor; government plans to increase ODA to 0.2% of GNI by 2020

The Republic of Korea (referred to as South Korea in this profile) is the 15th-largest donor country: It spent US$2.4 billion on ODA in 2018 (current prices). This corresponds to 0.15% of South Korea’s gross national income (GNI), making South Korea the 24th-largest donor in proportion to its economic size.

These numbers are based on the new methodology for measuring ODA loans which the OECD DAC will apply to ODA reporting for 2018 onward. Preliminary ODA figures for 2018 using this new methodology were first released in April 2019. This methodology, called ‘grant-equivalent’ methodology, provides a more accurate way to count donor efforts in concessional ODA loans because only the ‘grant’ portion of loans, expressed as a monetary value, is counted as ODA. South Korea makes extensive use of ODA loans (37% of bilateral ODA in 2017). As a result, ODA figures according to the new methodology were 3% below net ODA according to the previous methodology, known as the ‘cash basis’ methodology.

To allow for comparison overtime, the OECD still publishes net ODA disbursements according to the cash basis methodology. Between 2010 (when it became a DAC member) and 2016, ODA steadily increased. It dropped in 2017, before coming back to 2016 levels in 2018 (+6% between 2017 and 2018, mainly due to an increase in bilateral aid). South Korea was itself an ODA recipient until 1995.

In 2019, the total ODA budget is set to increase to KRW3.2 trillion (US$2.8 billion). The government’s ‘Strategic Plan for International Development Cooperation for 2016-2020’ plans for ODA to increase gradually to 0.2% by 2020.

In 2017, South Korea reported that 11% of its bilateral ODA (US$167 million) targeted gender equality and women’s empowerment as either a significant or principal goal of the development activity. This is below the DAC average of 39%.

Further information: 2017 prices
To compare ODA levels in any given year with ODA levels provided in other years, figures need to be adjusted to account for inflation and exchange rate fluctuations. The OECD provides data that accounts for these fluctuations. In this profile, and unless indicated otherwise, figures are stated using 2017 prices.
SOUTH KOREA’S GROSS/NET ODA DISBURSEMENTS
US$ millions; in 2017 prices

TOP 15 DAC DONOR COUNTRIES, 2018
Total ODA disbursements; US$ billions; in current prices
Promoting rural development remains a key priority

The ‘Framework Act on International Development Cooperation’, first published in 2010 and amended in 2018, outlines the overarching principles of South Korean development cooperation and clarifies the responsibilities of different actors. The Framework Act sets out six ‘basic ideas’ for development: poverty reduction, human rights, gender equality, sustainable development and humanitarianism, economic cooperation, and peace and prosperity in the international community. The latest amendment added support to developing countries in achieving the Sustainable Development Goals (SDGs) and protecting the human rights of adolescents as objectives of South Korea’s development cooperation.

The ‘Strategic Plan for International Development Cooperation for 2016-2020’, published in 2015, translates the Framework Act into concrete strategic priorities for medium-term development policy and indicative volumes of ODA. The current administration places a strong focus on transparency, accountability, and sustainability in development projects.

A key priority of South Korea’s development policy is to promote inclusive and sustainable rural development based on ‘Saemaul Undong’ (the ‘New Village Movement’). Saemaul Undong was a community-based approach that South Korea applied in the 1970s to raise the standard of living in rural parts of the country. Although the movement is associated with former President Park Chung-hee, the father of impeached President Park Geun-hye, it has retained support from the current government. The Korea International Cooperation Agency (KOICA), the Ministry of Public Administration, and regional governments are still implementing Saemaul Undong projects. Rural development is expected to remain a priority of South Korean ODA, and Saemaul Undong will likely remain a key program for implementation.

The Strategic Plan also prioritizes the increase of development assistance to economic infrastructure and environmental policy issues, alignment with the SDGs, funding girls’ health and education, and agricultural development. Within the five-year Strategic Plan, South Korea’s development cooperation is guided by an annual document that outlines specific priorities, the ‘International Development Cooperation Action Plan’. The 2019 International Development Cooperation Action Plan, published in January 2019, outlines five sector priorities: transport, health, environment, education, and agriculture and fisheries.

South Korea has strengthened its action related to empowerment of women and girls including through opening a UNFPA office in Seoul in February 2019 and launching an ‘Action with Women and Peace’ initiative that involves greater support in the area of women, peace, and security, as well as strengthened efforts to tackle gender-based violence. The Ministry of Foreign Affairs (MOFA) has committed KRW1.1 billion (US$1 million) to UNFPA to implement the Action with Women and Peace initiative.

In October 2018, the South Korea government adopted two policies to guide its future foreign relations: the ‘New Northern Policy’ and the ‘New Southern Policy’. With these policies, South Korea plans to strengthen its engagement with the Association of Southeast Asian Nations (ASEAN) and India as well as expand its involvement in regional infrastructure connectivity projects (such as railways and power generation) in cooperation with North Korea, Russia, China, and former Soviet States in Central Asia. These policies will likely strengthen South Korea’s ongoing development focus on infrastructure activities in the Asian region.

In addition to its thematic initiatives, the government has become more active in global debates around development in recent years. In 2019, Tae-yul Cho, the permanent representative of South Korea to the United Nations (UN), was elected president of the executive board of the UN Development Program (UNDP), UN Family Planning
Association (UNFPA), and the UN Office for Project Services (UNOPS) for 2019. Following South Korea’s hosting of the Fourth High Level Forum on Aid Effectiveness in Busan in 2011, it held ‘Busan Global Partnership Forums’ annually between 2014 and 2017. A fifth forum is expected in late 2019.
How does South Korea spend its ODA?

**Focus is on bilateral ODA; new multilateral ODA strategy highlights aim to enhance effectiveness**

South Korea provides most of its ODA in the form of bilateral funding. In 2017, the South Korean government channeled US$1.7 billion bilaterally or 74% of total ODA, according to data from the OECD. This was above the average of the OECD Development Assistance Committee (DAC, 60%). The government plans to keep the share of ODA spent bilaterally at about 70% for the period 2016 to 2020.

Loans accounted for 39% of South Korea’s bilateral ODA in 2017, more than four times the DAC average of 9%. South Korea’s emphasis on loans can be explained by the Ministry of Economy and Finance’s strong preference for promoting fiscal discipline in recipient countries and by the positive experience South Korea itself had with this instrument when it was an ODA recipient. The Ministry of Foreign Affairs, on the other hand, is in favor of disbursing ODA as grants to prevent higher levels of debt in partner countries. Nonetheless, the government plans to maintain a stable, high share of loans.

South Korea channels most of its bilateral grants and loans through its own implementing agencies (83% in 2017), mainly KOICA and the Korean Export-Import Bank (Korea Eximbank). It also seeks to diversify its activities by promoting public-private partnerships such as the ‘Global Corporate Social Responsibility Program’, which promotes the involvement of the South Korean private sector in development cooperation. Despite this goal, the share of funding channeled through public-private partnerships was only 1% in 2017, and that channelled through private sector institutions was 0.3%.

**Infrastructure is a focus area of bilateral cooperation**

Supporting hard infrastructure through loans is a key area of South Korea’s bilateral ODA investments. In 2017, the government disbursed 17% of its bilateral ODA to infrastructure projects, down from 20% in 2016. Most of this funding was in the form of loans to Asian countries (70%). Other key areas of bilateral cooperation include education (13% of bilateral ODA in 2017); health and population (12%); water and sanitation (10%), and agriculture, including rural development (8%).

**Who are South Korea’s ODA recipients?**

South Korea’s bilateral ODA is concentrated in Asia

South Korea’s bilateral assistance has a clear focus on Asia, particularly its Southeast Asian neighbors. Funding to Asia was on average 45% of bilateral ODA between 2015 and 2017. The largest recipient over this time was Vietnam, which received around 12% of bilateral ODA, predominantly as loans.

South Korea has 24 priority countries for ODA. Eleven of them are in the Asia-Pacific region, seven in sub-Saharan Africa, four in Latin America, and two in Central Asia (see box). The focus on Asia has been reaffirmed by the 2019 International Cooperation Action Plan, which allocates 39% of bilateral ODA to the Asia-Pacific region (up from 37% in 2018), 22% to sub-Saharan Africa (an increase from 18% in 2018), and 5% to the Middle East and Central Asia (a decrease from 12% in 2018). South Korea’s priority countries are mostly neighboring countries, many of which are middle-income countries (MICs).

MICs received almost half (46%) of South Korea’s bilateral ODA in 2017, well above the average of OECD DAC members (33%). At 37%, South Korea’s funding to low-income countries (LICs) is also far above the OECD average (24%).

For a deeper understanding of funding at the recipient level, please consult data from the International Aid Transparency Initiative (IATI). IATI is a reporting standard and platform on which organizations and governments voluntarily publish data on their development cooperation, including more recent activity than is available through OECD data.
Data can be searched by recipient country, the ‘publisher’ (including funders that do not report to the OECD), and other filters. Click here for more information on IATI’s data. Click here to go directly to IATI’s ‘d-portal’, a user-friendly interface for data searches.

**SOUTH KOREA’S BILATERAL AND MULTILATERAL ODA**

<table>
<thead>
<tr>
<th>Year</th>
<th>Core contributions to multilaterals</th>
<th>Earmarked funding to multilaterals</th>
<th>Bilateral ODA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,079</td>
<td>22%</td>
<td>88%</td>
</tr>
<tr>
<td>2016</td>
<td>2,437</td>
<td>30%</td>
<td>61%</td>
</tr>
<tr>
<td>2017</td>
<td>2,289</td>
<td>20%</td>
<td>66%</td>
</tr>
</tbody>
</table>

US$ millions


**SOUTH KOREA’S BILATERAL ODA BY SECTOR, 2017**

Total: US$ 1,702 million

- **Infrastructure**: 16.7% (US$294m.)
- **Health & Population**: 12.3% (US$209m.)
- **Agriculture**: 7.8% (US$120m.)
- **Water & Sanitation**: 9.6% (US$164m.)
- **Energy**: 7.1% (US$121m.)
- **Humanitarian aid**: 5.6% (US$99m.)
- **Government & Civil Society**: 5.2% (US$90m.)
- **Unspecified**: 5.5% (US$90m.)
- **Other**: 17.0% (US$290m.)

OECD CRS. Gross disbursements. *Includes agriculture, forestry, fishing, and rural development. In 2017 prices.*
THE TOP 10 RECIPIENTS OF SOUTH KOREA'S ODA
average 2015-2017, excluding debt relief; US$ millions.

South Korea's Bilateral ODA by Income-Group, 2015-2017
Average 2015-2017: US$ 1.7 billion

Unallocated by income 16.8% (US$281m.)
Upper middle-income countries 9.2% (US$154m.)
Lower middle-income countries 36.3% (US$600m.)
Low-income countries 37.7% (US$630m.)

OECD CRS: Gross disbursements; in 2017 prices.
Who are the main actors in South Korea's development cooperation?

Ministry of Foreign Affairs and Ministry of Strategy and Finance steer policy; KOICA and the Korea Eximbank implement

The president of South Korea leads the government and sets broad strategic guidelines for development cooperation. The president's directions are honored by ministries and agencies, including on ODA volumes and thematic priorities. Moon Jae-in (Democratic Party) has been president of South Korea since 2017, following the impeachment of the previous president, Park Geun-hye. Moon appointed Lee Nak-yeon as prime minister shortly after his inauguration. Within the prime minister's office, Young Hyun Jang is Director-General of the ODA Bureau.

Under the overall policy and decision-making authority of the president, two ministries guide the definition of development policy: the Ministry of Foreign Affairs (MOFA) and the Ministry of Economy and Finance (MOEF, formerly the Ministry of Strategy and Finance).

- **MOFA**, currently headed by Kang Kyung-wha, sets policies and priorities for bilateral grants and multilateral ODA channeled through the UN and other multilateral instruments, such as the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund). Bilateral grants are implemented by the Korea International Cooperation Agency (KOICA), which is supervised by the MOFA (see below). Within MOFA, a director-general (currently Hyun-joo Oh) is responsible for the development cooperation bureau.

- **MOEF**, currently led by Nam-ki Hong, sets policies for ODA loans and manages contributions to multilateral development banks. It also supervises South Korea's Economic Development Cooperation Fund (EDCF), which finances bilateral loans, and the Export-Import Bank of Korea (Korea Eximbank) that implements them (see below). In addition, the MOEF sets the national budget, and its Budget Office can also veto MOFA grants and loans that do not meet project-approval criteria. Within MOEF, a director-general (currently Jang Heo) is responsible for the development finance bureau.

Major ODA-related policies are decided by the Committee for International Development Cooperation (CIDC). The CIDC is composed of 25 members and includes the prime minister (who chairs the CIDC), 14 cabinet members, the president of KOICA, the chair of the Korea Eximbank, and seven experts.

The CIDC was established in 2006 and has since adopted major policies including the ‘Strategic Plan for International Development Cooperation for 2016-2020’ and annual ODA implementation plans. The CIDC meets approximately three times a year. The Sub-Committee for Evaluation – composed of the directors-general of MOFA and MOEF, executives from KOICA and Korea Eximbank, as well as nine representatives from academia and civil society – meets usually before each CIDC meeting. The sub-committee reviews the alignment of South Korea's ODA spending with the Sustainable Development Goals (SDGs) agenda and gives advice to CIDC.

Bilateral ODA priorities are articulated by the government in the Strategic Plan for International Development Cooperation for 2016 to 2020. Programming of bilateral funding for priority countries is set through Country Partnership Strategies (CPS). CPSs cover periods of three to five years, to match recipient countries’ national planning cycles; the strategies set out two to three priority sectors. In its latest Peer Review, published in 2018, the OECD found that CIDC involvement in priority setting has supported strengthened quality assurance and results management in South Korea's development cooperation. Desk officers have a great deal of discretion over priority sectors at the country level and are decided during the update of the CPS (every three to five years).

Based on a CPS, South Korean policy-makers develop concrete project proposals for the following year. This process, occurring between July and September, is coordinated by inter-agency committees led by MOFA and MOEF, as well as the CIDC. Once proposals are developed, the MOEF can still veto any grant or loan; this has happened repeatedly in the past.

- **KOICA** is another key player in the implementation of development policy in South Korea. KOICA was founded in 1991 and is responsible for providing bilateral grants and technical cooperation. Over the past 20 years, almost half of total ODA spending (46%) and three-quarters of all grants (75%) were provided by KOICA through country offices in 28 partner countries. KOICA elected its first female president, Mi-kyung Lee, in November 2017.
• **EDCF** was established in 1987, with the purpose of promoting economic cooperation between South Korea and partner countries through loans. The direction of EDCF operations and policy-making responsibilities rest with the MOEF. The Korea Export-Import Bank (Eximbank) manages and implements EDCF loans. The Eximbank was established in 1976 to support South Korea’s economic development through strengthened exports, imports, and overseas investments projects. Its goals include the promotion of economic cooperation with developing countries, development of South Korea’s strategic industries, and unification with North Korea.

**Parliament:** The National Assembly of the Republic of Korea, the Parliament, can influence the direction of South Korea’s development policy and budget. The National Assembly votes on, amends as necessary, and ultimately approves the budget bill presented by the government. Within the National Assembly, the Foreign Affairs and Unification Committee is responsible for development cooperation and can change overall ODA spending amounts and specific allocations through its Sub-Committee on Budget. The Parliament also provides the legal basis for South Korea’s ODA policies, for example by approving the Framework Act on International Development Cooperation in 2010.

**Civil Society:** South Korean civil society organizations (CSOs) are involved in policy-making, yet they have raised concerns in recent years that the government has only consulted them in ad-hoc and selective ways. Nonetheless, six CSO delegates are members of the CIDC. CSOs play a minor role in implementing South Korea’s ODA. In 2017, only 3% of South Korea’s bilateral ODA was channeled through CSOs, an increase from 2% in 2016, but well below the average of member countries of the OECD’s Development Assistance Committee (DAC, 17%).
How is South Korea’s ODA budget structured?

**MOFA and MOEF manage three-quarters of ODA budget; the budget is very prescriptive**

The majority (73%) of South Korean ODA is provided by the Ministry of Economy and Finance (MOEF, US$1.2 billion, 42% of total ODA in 2019) and the Ministry of Foreign Affairs (MOFA, US$891 million, 31%). The remaining 27% is spread across 41 other ministries and agencies.

South Korea’s overall ODA budget includes breakdowns by sector, region, ministry, and implementing agency. It also sets out how much funding is allocated to bilateral and multilateral channels within each ministry’s budget. In addition, the annual budget lists concrete activities to be funded from each ministry’s budget. This leads to very limited ministerial discretion over their respective budgets once each has been approved by the parliament.

The 2019 budget prescribes that 78% will be disbursed as bilateral ODA and 22% to multilaterals. Within bilateral assistance, 54% will be allocated as grants and 46% as concessional loans. South Korea will also continue to focus its development cooperation on Asia and Africa, with the latter receiving around 22% of bilateral ODA.

Within individual agencies, most of MOEF’s ODA budget is delivered bilaterally (90%), almost exclusively as loans through the Economic Development Cooperation Fund (EDCF). Only a small amount (US$50 million, 5% of MOEF’s bilateral ODA) is delivered as grant funding. The rest of MOEF’s budget (US$118 million) comes in the form of assessed and voluntary contributions to multilateral organizations and international financial institutions.

The ODA-related budget of MOFA comprises two major funding lines, for bilateral grants and multilateral organizations. Bilateral grants account for 90% of MOFA’s ODA, broken down into projects/programs, technical assistance (channeled through KOICA), and funding delivered through public-private partnerships. MOFA’s multilateral ODA comprises assessed contributions to international organizations and voluntary contributions to international organizations.

### Overview:

<table>
<thead>
<tr>
<th>South Korea’s ODA budget 2019</th>
<th>millions US$</th>
<th>billions KRW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Strategy and Finance</td>
<td>1,178</td>
<td>1,331</td>
</tr>
<tr>
<td>Bilateral</td>
<td>1,060</td>
<td>1,198</td>
</tr>
<tr>
<td>Economic Development Cooperation Fund loans</td>
<td>1,009</td>
<td>1,141</td>
</tr>
<tr>
<td>Grants</td>
<td>50</td>
<td>57</td>
</tr>
<tr>
<td>Multilateral (assessed and voluntary contributions incl. Global Agriculture and Food Security Program)</td>
<td>118</td>
<td>133</td>
</tr>
<tr>
<td>Ministry of Foreign Affairs</td>
<td>891</td>
<td>1,007</td>
</tr>
<tr>
<td>Bilateral grants</td>
<td>800</td>
<td>905</td>
</tr>
<tr>
<td>Projects and programs</td>
<td>363</td>
<td>410</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>177</td>
<td>200</td>
</tr>
<tr>
<td>Development consultation and other spending</td>
<td>194</td>
<td>219</td>
</tr>
<tr>
<td>Public-private partnerships</td>
<td>57</td>
<td>64</td>
</tr>
<tr>
<td>Admin costs</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Multilateral (assessed and voluntary contributions incl. Gavi and UNITAID and part of funding for the Global Fund)</td>
<td>91</td>
<td>102</td>
</tr>
<tr>
<td>Other ministries</td>
<td>124</td>
<td>141</td>
</tr>
<tr>
<td>Ministry of Health (incl. part of funding for the Global Fund)</td>
<td>48</td>
<td>54</td>
</tr>
<tr>
<td>Ministry of Agriculture (incl. Food and Agriculture Organization, International Fund for Agricultural Development)</td>
<td>68</td>
<td>77</td>
</tr>
<tr>
<td>International financial institutions</td>
<td>494</td>
<td>558</td>
</tr>
<tr>
<td>UN and other agencies (including UNDP, WHO, UNICEF, UNHCR, WFP, UN Women)</td>
<td>131</td>
<td>148</td>
</tr>
<tr>
<td>Total ODA spending</td>
<td>2,831</td>
<td>3,200</td>
</tr>
</tbody>
</table>
Overall ODA levels are set by MOEF between January and April; specific allocations are made between July and October

- **Ministries submit medium-term finance plans:** Until the end of January, each ministry submits a medium-term spending plan to the Ministry of Economy and Finance (MOEF). On this basis, the MOEF draws up budget guidelines including spending limits for each ministry.

- **Ministries develop budgets:** Between May and June, ministries develop their budgets for the coming year, based on the limits set by the MOEF. At this stage, relevant ministries, particularly the Ministry of Foreign Affairs (MOFA), develop proposals for sectoral and geographic allocations of ODA. Key stakeholders are the directors-general of the ministries, as they submit the ministerial budgets for review in June.

- **The CIDC debates budget allocations:** Between July and September, ministries that have a role in dispersing ODA negotiate their sectoral and geographic allocations. This process is led by the Committee for International Development Cooperation (CIDC). It includes expert consultations followed by a review by the cabinet.

- **The government submits its draft budget:** By the beginning of September, the government submits its draft budget to the Parliament (National Assembly) for debate, amendments, and approval. Once the budget has been submitted, committees within the National Assembly review the draft budget in detail. The Foreign Affairs and Unification Committee is responsible for the ODA budget. Following the review, the Special Committee on Budget and Accounts conducts an overall review of the budget draft.

- **Parliament approves the budget:** In December, the National Assembly votes on the ODA budget in a plenary session.
South Korea’s global health ODA

Global health is one of South Korea’s five priority issues; it spends above DAC average share of ODA on the sector

South Korea’s total health ODA stood at US$255 million in 2016 (the latest year for which complete data is available), equivalent to 10% of total ODA. This is above the average share of ODA spent on health by other members of the OECD DAC (8%).

Global health has been a priority issue in South Korea’s long-term development policy since its inclusion in the Strategic Plan for International Development Cooperation for 2016 to 2020. In South Korea’s annual International Development Cooperation Action Plan for 2019, health is one of five top priorities for the year, with a focus on improving the environment for health and medicines by building capacities of hospitals and medical care.

Three of the four flagship development initiatives that were abolished in 2017 had a health focus. Although the initiatives themselves ended due to a presidential impeachment process and subsequent change in government, the health budget has been protected and the committed funding over the five-year period will be used to fund government programs with a similar focus. The initiatives included the ‘Better Life for Girls’ initiative supported projects on girls’ health and education (US$200 million; funding will now be mainly re-allocated to maternal and child health projects.) The ‘Science, Technology and Innovation for Better Life’ initiative aimed to promote science capacity, research and development, and entrepreneurship (US$200 million). The ‘Safe Life for all’ initiative focused on combatting infectious diseases (US$100 million). Lastly, the ‘Better Education for Africa’s Rise’ initiative aimed to foster industrial and technical manpower (another US$100 million). As South Korea increases its ODA budget in coming years, funding for health is expected to also increase.

Bilateral investments were US$209 million in 2017 (the latest year for which bilateral data is available), at a similar level to 2016 (US$217 million). Within bilateral health ODA, funding focused on medical services (29%), basic health infrastructure (18%), health policy and administrative services (10%), reproductive health care (10%), and basic health care (9%).

Bilateral funding is largely channeled through the Korea International Cooperation Agency (KOICA) and the public Korea Foundation for International Healthcare (KOFIH). KOICA’s mid-term health strategy for 2016 to 2020 highlights the importance of health as a human right and essential factor for socioeconomic development. According to the strategy, South Korea’s goal is to contribute to the achievement of universal health objectives by improving access to quality health and medical services and care for all.

South Korea is scaling up its focus on family planning and reproductive rights. The United Nations Population Fund (UNFPA) opened a regional office in Seoul, South Korea, in February 2019. The office is intended to strengthen the organization’s engagement with South Korea on matters related to public health, sexual and reproductive health, and an ageing population. UNFPA and South Korea plan to cooperate in implementing South Korea’s ‘Action with Women and Peace’ initiative, launched last year. South Korea also serves as president of the UNFPA executive board in 2019.

South Korea channeled around 15%, or US$38 million, of its total health ODA multilaterally in 2016 (the latest year for which complete multilateral data is available). This is far below the OECD DAC average (56%). Assessed contributions to the World Bank and the World Health Organization (WHO) accounted for 68% of this amount (International Development Association (IDA) 33%, WHO 29%, International Bank for Reconstruction and Development (IBRD) 5%). The remaining 32% went to Gavi, the Vaccine Alliance (Gavi; 11%), the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund; 10%), regional development banks (8%), and UN organizations (3%).

South Korea has pledged US$15 million to Gavi for the period 2019 to 2021 and US$15 million to the Global Fund, also for 2019 to 2021. South Korea contributes to UNITAID, a global health research and development initiative focused on tuberculosis, HIV/AIDS, malaria, and hepatitis C. It has pledged US$15 million to UNITAID for the period 2019 to 2021, which represents a 15% increase in annual contributions compared to its 2013 to 2018 contribution. South Korea contributed US$2 million to the Global Polio Eradication Initiative (GPEI) in 2018, but there is no disbursement planned for 2019. Funding for Gavi, the Global Fund, UNITAID, and the GPEI is raised through an air-ticket solidarity levy, which is pooled in and disbursed from the ‘Global Disease Eradication Fund’.

The Ministry of Foreign Affairs Development Cooperation Bureau leads on development of global health policy
South Korea’s global health policy is largely determined by the Ministry of Foreign Affairs (MOFA). Within MOFA, the Development Policy Division leads on developing global health policies. The Multilateral Development Cooperation and Humanitarian Assistance Division manages relations with multilateral health initiatives such as the Global Fund and Gavi.

The Ministry of Health and Welfare (MOHW) and the Korea Foundation for International Healthcare (KOFIH) are also engaged in improving global health. Their global health programs include medical and health-care assistance programs, including the provision of medical devices, equipment, and disaster relief. MOHW is responsible for core and voluntary contributions to the WHO.

**SOUTH KOREA’S ODA TO HEALTH**

US$ millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Multilateral health ODA</th>
<th>Bilateral health ODA</th>
<th>Health ODA as % of total ODA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>197 (19%)</td>
<td>10 (1%)</td>
<td>85%</td>
</tr>
<tr>
<td>2015</td>
<td>211 (16%)</td>
<td>10 (1%)</td>
<td>84%</td>
</tr>
<tr>
<td>2016</td>
<td>255 (19%)</td>
<td>0 (0%)</td>
<td>85%</td>
</tr>
</tbody>
</table>

OECD CRS, and imputed multilateral contributions to the health sector: DAC secretariat estimations. In 2017 prices.
RECIPIENTS OF SOUTH KOREA’S HEALTH ODA, 2016

Total: US$255 million

Bilateral: 85.1% (US$217m.)
WHO (assessed & CVCA): 4.3% (US$11m.)
IDA: 5.1% (US$13m.)
Other: 5.0% (US$14m.)

OECD CRS and imputed multilateral contributions to the health sector. DAC secretariat estimates. In 2017 prices.

SOUTH KOREA’S KEY GLOBAL HEALTH COMMITMENTS

US$ millions


Data from government and listed organizations
TOP 15 DAC DONORS TO HEALTH, 2016
Total health ODA; US$ millions; in 2017 prices; incl. bilateral and multilateral funding

- United States: 10,048
- United Kingdom: 2,359
- Germany: 1,184
- France: 671
- Japan: 871
- Canada: 790
- Netherlands: 589
- Norway: 568
- Sweden: 530
- Australia: 372
- Italy: 271
- Korea: 265
- Belgium: 204
- Switzerland: 197
- Denmark: 161

TOP 10 DAC DONORS TO HEALTH, 2016
Health ODA as % of total ODA

- United States: 28.1
- Canada: 19.2
- Luxembourg: 15.8
- United Kingdom: 13.3
- Ireland: 13.2
- Norway: 12.3
- Netherlands: 11.1
- Australia: 10.6
- Korea: 10.4
- Sweden: 10.3

OECD CRS and imputed multilateral contributions to the health sector (DAC Secretariat estimates)
South Korea’s global health R&D

Global health R&D is not a strategic priority; limited funding focuses on vaccine development and typhoid

Research and development for poverty-related and neglected diseases (PRNDs; referred to as ‘global health R&D’ in this profile) is not a focus of South Korea’s development assistance for health. The South Korean government spent US$2.7 million in 2017, according to the 2018 G-FINDER report, produced by Policy Cures. Despite not being a top donor, this funding is significant an increase over the US$550,000 it invested in 2016.

In 2017, most funding (US$2 million) went to the Seoul-based International Vaccine Institute (IVI) for a Product Development Partnership (PDP) dedicated to research in vaccine development and delivery for partner countries. The remaining US$723,000 (one-quarter of all R&D funding) went to the Korean Institute of Tuberculosis, a government research institution. These figures may differ from the trend numbers presented in the chart due to changes in the scope of the G-FINDER survey from year to year.

In 2019, South Korea plans to increase its support to the IVI and has budgeted KRW6.1 billion (US$5 million) in core funding, and an addition KRW5 billion (US$4 million) in earmarked funding for the establishment of the ‘Research Investment for Global Health Technology’ (RIGHT) Fund. The same level of funding (KRW6.1 billion in core contributions and KRW5 billion for the RIGHT Fund) is planned for 2020.

South Korea’s Center for Disease Control and Prevention (CDC) takes on the lead role for disease control in South Korea. Within the CDC, the Risk Assessment and International Cooperation Division under the Emergency Operations Bureau manages operations in partner countries.

Further information: G-FINDER

G-FINDER is a data source developed by Policy Cures Research that provides information on global investments into R&D for neglected diseases. Figures in this section are based on the G-FINDER survey, which covers basic research and product-related R&D (drugs, vaccines, and diagnostics) for a select group of diseases The G-FINDER scope has been defined by an expert committee, in line with three criteria: the disease disproportionately affects people in developing countries, there is a need for new products, and the commercial incentives are insufficient to attract R&D from private industry.

For more information: www.policycuresresearch.org.
SOUTH KOREA’S R&D FUNDING FOR NEGLECTED DISEASES
US$ millions; in 2017 prices

Policy Cures Research, G-Finder Public Search Tool.
South Korea is the seventh-largest donor country to global education, spending US$278 million on education official development assistance (ODA) in 2016 (the latest year for which complete data is available). Education is a top priority of South Korea’s development portfolio: In 2016, the country spent 11% of its total ODA on education, ranking sixth among the Organisation for Economic Co-operation and Development’s Development Assistance Committee (OECD DAC) donor countries in relative terms. This is well above the average spent on education by other donor countries (8%). If costs of scholarships and other costs of students from partner countries studying in South Korea are excluded, education ODA decreases to US$240 million in 2016. These costs are reportable as ODA but do not constitute cross-border financial flows.

South Korea considers education a key sector through which it can achieve the Sustainable Development Goals (SDGs). Education is one of five priorities of South Korea’s 2019 International Development Cooperation Plan of Action, with a focus on information and communication technology-based education systems. Education featured prominently in South Korea’s four flagship initiatives launched in 2016. Three of the four initiatives had a focus on education: ‘Better Life for Girls’ (US$200 million), focusing on girls’ education and health; ‘Science, Technology and Innovation for Better Life’ (US$200 million); and ‘Better Education for Africa’s Rise’ (US$100 million). Although the initiatives themselves were discontinued during the presidential impeachment in 2017 and the election of a new government, the education budget has been protected and much of the committed funding allocated to other government programs with an education focus. Gender equality, linked to girls’ education, remains a cross-cutting issue of South Korea’s development policy.

South Korea’s bilateral education focuses on support for post-secondary education

South Korea’s bilateral education ODA was US$221 million in 2017, slightly down from US$253 million in 2016. Looking ahead, education ODA, as one of South Korea’s priority sectors, could be expected to increase moderately in line with the overall expectations for a growing ODA budget.

Further information: ‘basic’ and ‘general’ education

In this profile, ‘basic education’ refers to the OECD Creditor Reporting System (CRS) sector code ‘basic education’ (112), which includes primary education, basic skills for youths and adults, and early childhood education. ‘General education’ refers to the OECD CRS sector code ’education, level unspecified’, which includes education policy and administrative management, education facilities and training, teacher training, and educational research.

Most bilateral funding is allocated to ‘post-secondary education’, which accounted for 41% of bilateral ODA in 2017 and includes costs of hosting international students in South Korea (US$43 million in 2017). These costs are reported as ODA but do not constitute cross-border financial flows. The next largest area to receive funding in 2017 was vocational training, which accounted for 19% of bilateral ODA to education. Smaller shares were spent on ‘basic education’ (18%) and ‘secondary education’ (12%).

This funding pattern is in line with South Korea’s priorities for education as outlined in ‘KOICA’s education midterm strategy 2016-2020’. The strategy envisions “inclusive development through quality education”, and its mission is “to ensure rights to education for all by strengthening education systems in partner countries”. The strategy outlines three strategic objectives which are linked to the targets of Sustainable Development Goal 4 (‘Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all’):

1. Quality education and learning achievement;
2. Inclusive education for disadvantaged groups;
3. Improving skills and technology for work by identifying skill shortages in local labor markets.

South Korea’s bilateral education ODA is focused on Asia: 37% of all bilateral ODA to education went to the region in 2017. 24% was invested in sub-Saharan Africa the same year. Education is a focus sector in 15 of the 24 priority countries of South Korea’s development assistance. Seven of these priority countries are in Africa; eight are in Asia.
South Korea provides most multilateral education ODA to the World Bank

South Korea is not a major provider of multilateral ODA to education, spending only US$25 million in 2016 (the latest year for which complete data is available), representing 9% of its total education ODA that year. Most of this funding was channeled in the form of core contributions to the World Bank (69%) and the Asian Development Bank (19%). South Korea has increased its multilateral engagement in education since becoming a member of the OECD DAC. It joined the Global Partnership for Education (GPE) in 2014. South Korea has budgeted to contribute KRW770 million (US$680,000) to GPE in 2019, and KRW824 million (US$730,000) in 2020. By the end of 2020, South Korea will have provided a total of KRW5.7 billion (US$5 million) to GPE.

South Korea held the 2015 World Education Forum in Incheon, South Korea, where stakeholders identified key elements of the ‘Education 2030: Framework for Action’, which laid out a vision for global education policy for the coming 15 years. A key outcome of the forum was that countries agreed on a goal of spending 4% to 6% of gross domestic product (GDP) and/or 15% to 20% of total public expenditure on education in order to achieve the Education 2030 agenda.

MOFA’s Development Cooperation Bureau guides international education policy

MOFA drives the formulation of South Korea’s global education policy. Within MOFA, the Development Policy Bureau is responsible for developing policies (specifically the Development Policy Divisions within the Bureau). MOFA’s Multilateral Development Cooperation Division manages relations with multilateral education initiatives such as GPE. KOICA (overseen by MOFA) is responsible for the implementation of bilateral grants and other technical cooperation. The Korea Eximbank implements projects for the Ministry of Economy and Finance (MOEF), mainly in the form of ODA loans.
SOUTH KOREA’S ODA TO EDUCATION
US$ millions

KOREA’S BILATERAL ODA TO EDUCATION ACROSS SUB-SECTORS, 2017
Total: US$221 million

OECD CRS. In 2017 prices.
TOP 10 DAC DONORS TO EDUCATION, 2016
Total education ODA; US$ millions; in 2017 prices; incl. bilateral and multilateral funding

- Germany: 2,094
- United States: 1,600
- United Kingdom: 1,457
- Japan: 737
- Norway: 435
- Korea: 273
- Canada: 273
- Australia: 273
- Italy: 273

OECD CRS and imputed multilateral contributions to the education sector (DAC Secretariat estimates).

TOP 10 DAC DONORS TO EDUCATION, 2016
Education ODA as % of total ODA

- New Zealand: 15.7
- Portugal: 14.8
- Luxembourg: 14.3
- Hungary: 12.9
- Slovenia: 12.9
- Korea: 11.4
- France: 11.2
- Austria: 11
- Poland: 9.3
- Norway: 9.3

OECD CRS and imputed multilateral contributions to the education sector (DAC Secretariat estimates).
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 stood at US$176 million in 2016 (the latest year for which complete data is available), accounting for 7% of total ODA. This is on par with the average of other members of the Organisation for Economic Co-operation and Development’s Development Assistance Committee (OECD DAC).

South Korea has identified rural development as a priority sector of its development policy, with the view 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 ‘Saemaul Undong’ (New Village Movement) – a community-based approach that improved local economies in the South Korean countryside in the 1970s. Although the movement is associated with former President Park Chung-hee, the father of impeached President Park Geun-hye, it has retained support from the current government. The Korea International Cooperation Agency (KOICA), the Ministry of Public Administration, and regional governments are still implementing Saemaul Undong projects. Rural development is expected to remain a priority of South Korean, and Saemul Undong will likely remain a key program for implementation. Saemaul Undong agriculture development projects in Laos, Vietnam, and Ethiopia were among South Korea’s largest agriculture investments in 2017, all with a focus on local participation and sharing best practices.

South Korea channeled US$132 million to agriculture ODA bilaterally in 2017, at a similar level to 2016 (US$136 million). Bilateral ODA focused on agricultural development (34%), rural development (18%), and agricultural water resources (10%). Other subsectors receive only smaller shares of funding.

KOICA 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 2019 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$40 million, or 23%) of agriculture ODA was channeled multilaterally in 2016, which was well below the OECD DAC average of 45%. The largest share of this was made up of contributions to the World Bank through the International Development Association (IDA; 45%), the Food and Agriculture Organization of the UN (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 in 2016. South Korea has budgeted to support the World Food Programme (WFP) with KRW110 million (US$97,000 million) in contributions in 2019 and KRW 113 million (US$100,000) in 2020; the FAO with KRW6.1 billion (US$5 million) in core and voluntary contributions in 2019; and the International Fund for Agricultural Development (IFAD) with KRW3.9 billion (US$3 million) in 2019 and KRW4.4 billion (US$4 million) in 2020. The FAO opened a partnerships and liaison office in Seoul in May 2019 to strengthen collaboration between South Korea and the organization.

Offices 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, leads on developing ODA policies, including on agriculture. The Multilateral Development Cooperation and Humanitarian Assistance Division manages relations with multilateral agricultural organizations like WFP. 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 including contributions to FAO, WFP, and IFAD.
SOUTH KOREA'S ODA TO AGRICULTURE
US$ millions

RECIPIENTS OF KOREA'S AGRICULTURE ODA, 2016
Total: US$176 million

OECD CRS and imputed multilateral contributions to the agriculture sector: DAC secretariat estimates. In 2017 prices.
TOP 15 DAC DONORS TO AGRICULTURE, 2016
Total agriculture ODA; US$ millions; in 2017 prices; incl. bilateral and multilateral funding

- United States: 1,904
- Germany: 1,236
- Japan: 1,071
- United Kingdom: 952
- France: 713
- Netherlands: 447
- Italy: 299
- Canada: 292
- Switzerland: 246
- Sweden: 230
- Spain: 212
- Belgium: 188
- Korea: 176
- Australia: 174
- Denmark: 156

TOP 10 DAC DONORS TO AGRICULTURE, 2016
Agriculture ODA as % of total ODA

- Poland: 15.5%
- New Zealand: 9.9%
- Finland: 9.1%
- Ireland: 8.7%
- Netherlands: 8.6%
- Luxembourg: 7.7%
- Belgium: 7.7%
- Iceland: 7.4%
- Korea: 7.2%
- Canada: 7%

OECD CRS and imputed multilateral contributions to the agriculture sector (DAC Secretariat estimates)
South Korea’s nutrition ODA

**Nutrition is a focus of South Korea’s new global health strategy; funding is low but increasing**

South Korea has not made nutrition one of its top five priority issues in its overall development policy. However, the Korea International Cooperation Agency (KOICA) has identified ensuring the stable supply of key nutrients and creating a self-sustaining environment where communities leverage their resources to adequately supply nutrients as one of its focus areas within its mid-term health strategy for 2016 to 2020. The strategy emphasizes exclusive breastfeeding, preventing and treating malnutrition, community-based nutrition, and supplying essential micronutrients for pregnant women and children.

According to data from the Organisation for Economic Co-operation and Development (OECD), South Korea spent US$5 million on basic nutrition in 2017. US$3 million alone was for a single investment in Afghanistan to support the United Nations Children’s Fund (UNICEF) work strengthening maternal and child nutrition. Disbursements in 2017 were lower than in 2016 (US$8 million) but an increase over 2015, when South Korea spent US$3 million.

South Korea does not participate in the reporting framework set by the ‘Scaling Up Nutrition’ (SUN) initiative to track nutrition-sensitive interventions. The country also did not make a commitment to Nutrition for Growth, an initiative where participating countries signed on to a ‘global compact’ to improve nutrition and made a range of international commitments.

**Nutrition-specific:**
Interventions that address underlying causes of malnutrition and that take into account cross-sector actions and impacts (i.e. improving access to diverse foods).

**Nutrition-sensitive:**
Interventions that address immediate causes of undernutrition and have the improvement of nutrition (i.e. support for exclusive breastfeeding, supplementary feeding, etc.) as their primary objective.

**The Ministry of Foreign Affairs leads South Korea’s nutrition strategy development**

South Korea’s nutrition policy is largely defined by the Ministry of Foreign Affairs (MOFA). The Development Policy Division, within MOFA’s Development Cooperation Bureau, is responsible for nutrition policies. The Multilateral Development Cooperation and Humanitarian Assistance Division manages relations with multilateral organizations like the World Food Programme (WFP).

The Ministry of Agriculture, Food and Rural Affairs and its International Cooperation Bureau are also engaged in nutrition policy. The ministry’s total ODA budget for food and agricultural projects is KRW77 billion (US$68 million) in 2019. Its funding request for 2020 is for an increased budget of KRW85.5 billion (US$76 million).
About the Donor Tracker

The Donor Tracker seeks to advance and support progress in global development by providing advocates with easy access to high-quality quantitative and qualitative strategic information to support their work. The Donor Tracker is a free, independent website for development professionals that provides relevant information and analysis on 14 major OECD donors.

For more in-depth information on the six donor countries covered in this analysis and to find out more about strategic priorities, funding trends, decision-making, and key opportunities, please visit: donortracker.org and follow us on twitter @DonorTracker

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