

KEY QUESTIONS

the big six

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How is the South Korean ODA budget structured?

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

The majority (74%) of South Korean ODA is provided by the Ministry of Strategy and Finance (MOSF, US\$1.1 billion, 40% of total ODA in 2018) and the Ministry of Foreign Affairs (MOFA, US\$882 million, 34%). The remaining 26% 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.

Most of MOSF’s ODA budget is delivered bilaterally (90%), almost exclusively as loans through the Economic Development Cooperation Fund (EDCF). Only a small amount (US\$44 million, 4% of MOSF’s bilateral ODA) is delivered as grant funding. The rest (US\$303 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:	millions US\$	millions KRW
South Korea’s 2018 ODA budget		
Ministry of Strategy and Finance	1,056	1,226
Bilateral	954	1,107
Economic Development Cooperation Fund loans	912	1,058
Grants (including Committee for International Development Cooperation spending)	42	49
Multilateral	102	119
Ministry of Foreign Affairs	882	1,023
Bilateral grants	791	918
Projects and programs	397	461
Technical assistance	149	173
Other spending	19	22
Public-private partnerships	54	63
Admin costs	4	5
Multilateral	91	106
Other ministries	351	408
Ministry of Health (incl. part of funding for the Global Fund)	44	51
Ministry of Agriculture (incl. Food and Agriculture Organization, International Fund for Agricultural Development)	65	75
Other contributions	338	392
Total ODA spending	2,627	3,048