KOREA

Leaving no one behind: Korea’s approach and priorities

At the 2017 UN General Assembly, Korea committed to support sustainable growth in developing countries with a specific aim of eradicating inequality. Korea has two strategies related to leaving no one behind: the Strategy on Assistance to Fragile States, which targets the causes of fragility in marginalised fragile states with a focus on vulnerable groups, and the Humanitarian Strategy, which aims to build resilience and looks at prolonged crises as well as emergencies.

For Korea, taking a leave no one behind approach helps development co-operation focus on “countries most in need” and vulnerable and marginalised people, including refugees and persons with disabilities. Official development assistance has a comparative and crucial advantage in supporting marginalised people, especially in fragile states, focusing on social impacts and development effectiveness with less pressure for economic returns, unlike other types of development finance.

Korea’s Ministry for Foreign Affairs’ implementing agency (KOICA) and the Economic Development Cooperation Fund (KEXIM EDCF) each invest in fragile states on the basis of fragility criteria, taking differentiated and context-specific approaches. Korea also has guidelines on disability-inclusive development co-operation. Data gaps and low quality data on who is left behind and where are a key challenge for Korea in operationalising the approach and in measuring results.

Financial flows from Korea to developing countries

Figure 30.1. Net resource flows to developing countries, 2006-16, Korea

Figure 30.2. Net ODA: Trends in volume and as a share of GNI, 2006-17, Korea

Korea’s performance against commitments for effective development co-operation

Table 30.1. Results of the 2016 Global Partnership monitoring round (updated), Korea

Note: Please refer to Annex B for details on the indicators. Data on untied ODA, retrospective statistics and publishing to the IATI have been updated according to the latest information available.
Korea’s official development assistance

In 2017, Korea provided USD 2.2 billion in net ODA (preliminary data), which represented 0.14% of gross national income (GNI) and a 6.5% decrease in real terms from 2016, due to lower levels of contributions to multilateral organisations. Korea missed its ODA/GNI target of 0.25% by 2015 but has set a new target of 0.30% ODA/GNI by 2030. It does not yet have an official development assistance (ODA) growth plan in place to underpin this target. Korea did not report in-donor refugee costs as ODA in 2017.

Korea’s share of untied ODA (excluding administrative costs and in-donor refugee costs) was 56% in 2016 (up from 48.7% in 2015), compared to the Development Assistance Committee (DAC) average of 81.2%. The grant element of total ODA was 93.4% in 2016. Loans amounted to 27.5% of gross ODA.

In 2016, 69.9% of ODA was provided bilaterally. Korea allocated 30.1% of total ODA as core contributions to multilateral organisations. In addition, it channelled 12.5% of its bilateral ODA for specific projects implemented by multilateral organisations (multi-bi/non-core contributions).

In 2016, 80.5% of bilateral ODA was programmed with partner countries. Korea’s bilateral programme is characterised by a high proportion of country programmable aid, which was above the DAC country average of 46.8% in 2016. This is explained mainly by its low levels of other bilateral expenditures, such as in-donor refugee costs and debt relief. Project-type interventions amounted to 80% of country programmable aid.

In 2016, USD 38.3 million of bilateral ODA was channelled to and through civil society organisations (CSOs). Korea’s ODA channelled to and through CSOs has been a consistently low share of bilateral ODA in recent years. This share amounted to 2.4% in 2016 and to 2.5% in 2015.

2. Korea does not report to the DAC on ODA-eligible assistance to the Democratic People’s Republic of Korea (DPRK). The ODA-eligible portion of its assistance to the DPRK was estimated at approximately USD 0.19 million in 2016.
Bilateral ODA was primarily focused on Asia and sub-Saharan Africa. In 2016, USD 460.1 million was allocated to Far East Asia and USD 249.4 million to south and central Asia. USD 395.7 million was allocated to sub-Saharan Africa.

In 2016, 36.6% of bilateral ODA was allocated to least developed countries (LDCs), reaching USD 594 million. The share slightly decreased from 2015 (when it stood at 38.4% of bilateral ODA) but remains higher than the 2016 DAC average of 21.9%. The LDCs received the highest share of bilateral ODA in 2016, followed by lower middle-income countries (35.5%). At 0.05% of GNI in 2016, total ODA to the LDCs was lower than the UN target of 0.15% of GNI.
In 2016, 41.9% of Korea’s bilateral ODA was allocated to social infrastructure and services, amounting to USD 1 billion, with a strong focus on support to education (USD 366.7 million), water and sanitation (USD 269.4 million), and health (USD 234.7 million). USD 871.4 million (35.5% of bilateral ODA) was allocated to economic infrastructure and services, with a strong focus on transport and storage (USD 665.9 million). Humanitarian aid amounted to USD 67.2 million. In 2016, Korea committed USD 1 billion (43.3% of bilateral allocable aid) to promote aid for trade and to improve developing countries’ trade performance and integration into the world economy.

USD 360.3 million of bilateral ODA supported gender equality. In 2016, 15.4% of Korea’s bilateral allocable aid had gender equality and women’s empowerment as a principal or significant objective, compared with the DAC country average of 36.5%. This is up from 9.8% in 2015.

USD 362.4 million of bilateral ODA supported the environment. In 2016, 15.4% of its bilateral allocable aid supported the environment and 10.1% (USD 237.0 million) focused specifically on climate change, compared with the DAC country averages of 33% and 25.7% respectively.

Note to reader: Annex B provides “Methodological notes on the profiles of Development Assistance Committee members".