NORTH-EAST ASIA
DEVELOPMENT COOPERATION FORUM

September 2017

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ODA Research Center, ODA Academy
KOICA(Korea International Cooperation Agency)
1. KOICA’s mainstreaming efforts of SDGs

2. Peace, security and development cooperation in fragile states

3. Shifting ODA role from traditional donors to a Catalyst to Financing

4. Suggestions for NEA Partnerships in Dev Cooperation
1. Korea’s approaches to the SDGs

  - Vision : Contribution to global co-prosperity of humanity & global peace and the SDG realization

  - Incorporate the SDGs to 24 priority country programs by taking into account development goals and targets tailored for each developing country

◆ The Five(5) Korea’s Development Cooperation Initiatives to SDG launched : 2015
  1) Better Life for Girls
  2) Safe Life for All
  3) STI for Better Life
  4) New Rural Dev. Paradigm: SMU
  5) BEAR* and ICT-Education in Africa

(* Better Education for Africa Rise Project by UNESCO)
KOICA’s aligning with government strategies to the SDGs: 2016
- Sectoral mid-term Strategy (2016-2020) to embed the SDGs goals into its aid programs

KOICA Mid-to-Long Term Strategy
Integration

KOICA Mid-term Strategy (2016-2020)

Strategy to Mainstream SDGs into KOICA’s Operations
- 4 arms to review: where, what, how, with whom

Sectoral Mid-term Strategy 2016-2020

Cross-cutting Issues

Derive KOICA’s Core Programs to help achieve the SDGs

KOICA’s Core Programs to help achieve the SDGs

KOICA’s SDGs Brand Program

KOICA Mid-term Sectoral Strategy (2016-2020)
KOICA’s 10 sub-sector programs to serve as a guiding role in that Each program vision and mission are interlinked with SDGs goals and targets

- Education, Health, Governance, Agriculture and rural Development, Water, Transportation, Energy, Gender Equality, Climate change response, STI

Approach : Established Result-based Framework to effectively make the global sustainable goals into a reality
2. Fragile States VS decreasing poverty

◆ Significance of links between Peace and Development in OECD DAC to prevent conflict and secure institutional building for states in fragility

=> Redefining of ODA and Securitization of ODA

* 43% in absolute poverty and 2/3 of fragile states failed to poverty reduction in fragile countries

=> SDG 16 “Peace, justice and strong institution” and international guiding principle of ‘LEAVE NO ONE BEHIND’ => “there can be no peace without development and no development without peace”

Polarized Evolution of development trends

◆ Changing Landscape of poverty reduction trends in developing countries

- Extreme poverty halved (1.9 billion in 1990 => 0.8 billion in 2015) (UN, 2015)
- 63 LIC countries in 2000 => 33 LIC in 2015 (Gavas, Gularjani and Hart, 2015)
- Poverty targets group: MIC and Fragile states
- For MIC countries, ODA model needed classical ODA + mobilizing private fund, innovative financing
KOICA Assistance to Fragile states

◆ Korea’s “Mid-term Framework for Fragile States (2017-2019)” and “Strategy on Assistance to Fragile and Post-conflict Countries in 2015

- OECD multi-dimensional fragility approach reflected
- KOICA’s 30% of its bilateral ODA budget to fragile and post-conflict countries (2015)
- Setup of budget for conflict and fragile state in KOICA (2015)

◆ Goals
  1. Strengthening resilience to ensure sustainable development
     - respond to adversities such as armed conflict and disaster
  2. Enhancing institution and public service
     - strengthening governance and equal justice, transparent legislation
  3. Establishing economic foundation for vulnerable group
     - achieve inclusive growth with vulnerable groups (refugees, women..)
KOICA Assistance to Fragile states

◆ Definition of Fragile states
- a state that faces complex and unique challenges because it lacks capacity to respond to and manage societal, political, economic and environmental risks (referring to OECD report)

◆ Selected list of Fragile states
- mixed consideration of harmonized list of fragile situation from WB & OECD DAC list and various indices-FS I(fragile state index), climate risk index of Germanwatch, natural hazard index of INFORM

◆ Mix and match aid instrument: considering situations and state system, harmonize and align aid instruments in a short- and long-term approaches

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<tr>
<th>Alignment</th>
<th>Long</th>
<th>Mid</th>
<th>Short</th>
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<tr>
<td>Low</td>
<td>partnership</td>
<td>partnership</td>
<td>Humanitarian aid, partnership, ppp</td>
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<td>Medium</td>
<td>partnership Bilateral project</td>
<td>Partnership Bilateral project</td>
<td>Reconstruction, rehabilitation, Partnership</td>
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<td>High</td>
<td>Bilateral project</td>
<td>Bilateral project</td>
<td>Security stability</td>
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Long Mid Short

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KOICA
Korea International Cooperation Agency
3. Shifting ODA Role as a catalyst

• On top of traditional role of ODA that eradicates poverty and improves quality of life in vulnerable and fragile countries

  **paradigm shift to deploy ODA more strategically in SDG implementation**

• Emerging significance of ODA as a catalyst for mobilizing private financial resources given SDGs that are too comprehensive and ambitious to be achieved through a classic development approach (11th Seoul ODA conference, 2017)

• For KOICA, increasing trends of putting more projects for private expertise, finance, and innovation in place making use of ODA
Development Innovation Program of KOICA

What has KOICA been working for partnering with the private sector?

- **CTS**
  Creative Technology Solution
  Solutions for various development challenges with creative ideas and

- **IBS**
  Inclusive Business Solution
  BOP-driven market and business approaches to solve poverty and social problems

- **IPS**
  Innovative Partnership Solution
  Innovative solutions in partnership with globally leading players
CTS : Development Innovation Program of KOICA

Creative Technology Solution (CTS) projects

- Smart Malaria Diagnostic Kit
- Braille Smart Watch
- Portable Hand-held Eye Examination Device
- Tablet-based App for Independent Learning
# Development Innovation Program of KOICA

### What has CTS made so far?

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<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Description</th>
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<tr>
<td>End-users of innovative technology-based products</td>
<td>13,773</td>
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<tr>
<td>BOP directly and indirectly benefited from CTS</td>
<td>1.3 mn</td>
<td></td>
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<td>New technologies developed and applied to development projects</td>
<td>10</td>
<td></td>
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<tr>
<td>Patents acquired through CTS</td>
<td>42</td>
<td></td>
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<td>CTS partners awarded at global challenge competitions</td>
<td>51</td>
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<tr>
<td>Increase in assets of CTS partners after completing CTS projects</td>
<td>120%</td>
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IBS : Development Innovation Program of KOICA
Inclusive Business Solution (IBS) Case
- Capacity Building of Female Professionals in Electronics with GIZ and Samsung Electronics

Overview
- Duration: 2014–2017
- Country: Ghana
- Budget: USD 1.5 millions

Features

Co-funding
- Matching fund scheme

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<td>GIZ</td>
<td>USD 0.5m</td>
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Crowd-in of expertise
- (KOICA) Strategic and operational competency in Ghana
- (GIZ) Evidence-based know-how in vocational training
- (Samsung) Global-level electronics repair and maintenance know-how
- Awarded at the 2016 Global CSR Best Practice Award from Korean Ministry of Trade, Industry and Energy

Gender-focused
- 100% focus on women
- Awarded 3rd prize at the 2016 Gender Competition organized by GIZ
Development Innovation Program of KOICA

What has IBS made so far?

Currently 27 projects in 17 countries making impacts mainly in education, rural development, health, technology, environment, energy etc.

Source: KOICA(2017)
Development Innovation Program of KOICA

- Participation in global innovation platforms

**Global Challenge for Development (GCD)**

- Co-management of an innovative challenge competition program, GCD, with major global leaders in development cooperation including USAID, DFID, and BMGF etc.

**Global Innovation Exchange (GIE)**

- Connect KOICA’s CTS partners to global and local innovators to scale-up their business solutions
1) Increased opportunity of partnership among donors in North-East Asian

- For KOICA, 19 organizations with 209 cases of cooperation (as of Dec 2016)
- JICA (45) - training 22, forum/seminar 9, research/evaluation 2...
- USAID (13) - project 6, forum/seminar 4, evaluation 2, training 1
- GIZ (11) - project 6, training 3, forum/seminar 4
  * Singapore – training 100, volunteer 2

=> KOICA-JICA annual meeting + China, Russia?

=> From joint-training program/forum/seminar to expand co-projects

=> making use of each strength (china: AIIB, Brics Bank, emerging donor/Japan: long-history in ODA, quality infrastructure/Korea: development knowledge, technology, middle power)
2) Strengthening knowledge sharing in areas below

1) Exploring innovative aid modalities together
   - forum and seminar/identification for co-financing opportunities for innovative ODA strategy and practice partnering with many private startups and social & economic entrepreneurship catalyst using ODA

2) Mutual learning for Result-based approaches for Effective ODA
   - simple ODA model (input-output) => evidence-based impact and aid effective

3) Sharing of organizational operation policies and practices
   - Gender/climate mainstreaming, projects process, lesson learned, safe policy and country office management and so on…