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Country programmes and related matters

**Draft country programme document for the
Republic of Korea (2005-2008)***

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* The collection of data required to present the Executive Board with the most current information has delayed submission of the present document.

Introduction

1. The draft country programme document for the Republic of Korea (2005-2008) supports the Government in achieving Millennium Development Goal 8, aimed at strengthening partnership between developed and developing countries. The Government prepared the draft country programme document jointly with UNDP, in consultation with national think tanks and science and technology institutions, civil society organizations, private sector bodies and other development partners. It takes into account UNDP comparative advantages as outlined in the multi-year funding framework, 2004-2007 (DP/2003/32).

I. Situation analysis

2. The country's reconstruction and development success in just the last 40 years is often cited as a model and beacon for less developed countries. Thanks to a series of well-targeted five-year plans successively emphasizing agricultural recovery, education, light industry, heavy industry and high-tech industry, coupled with a strong export drive and social mobilization, the country's gross national product per capita rose from \$82 in 1961 to \$11 400 in 2002. Plans are to reach \$20 000 in the near future. The repayment of the International Monetary Fund loan, following the 1997 financial crisis, two years ahead of schedule, attests to the country's capacity to adapt, adjust and introduce change rapidly in order to maintain its position among the world's leading economies. Currently, the country has the eleventh largest economy in the world. The Republic of Korea became a member of the Organisation for Economic Co-operation and Development (OECD) in December 1996.

3. In recent years, environmental concerns, including accession to and compliance with international environment conventions, have come to the fore of the national agenda. Key areas of focus are nature and biosphere conservation, improvement of air quality, water quality protection for four major rivers together with safe and sanitary water supply, waste management and recycling, and management of chemical substances.

4. A number of social issues are also gaining importance as a result of rapid social and economic change and as a by-product of globalization and changing global trends. Among problems needing vigorous attention are an aging population, growing youth unemployment, the impact on labour of production outsourcing to China and other countries, social safety nets, and gender empowerment and mainstreaming. There are also emerging issues such as HIV/AIDS, which bring into play the need for early preventive action.

5. During its recovery and development, the Republic of Korea benefited greatly from the international community's support, which was financially quite substantial. Today the Government and people feel very strongly that it is now time to "pay back" and provide less advanced countries with similar development support. Consequently, the country has been raising its profile as a donor country and is now the eleventh largest contributor to the United Nations budget.

6. That the country's aggregate volume of official development assistance (ODA) has continued to rise in the last decade is apparent in the following table.

Official development assistance trend for the Republic of Korea
(millions of United States dollars)

	1991	1995	2000	2003*
Total ODA	57.5	116.0	212.2	334
- Bilateral	31.5	71.5	131.2	220
- Multilateral **	26.0	21.4	80.9	114
- Grants	25.0	50.1	47.8	120
- Loans	6.5	21.4	83.4	100
ODA/GNP (%)	0.020	0.026	0.047	0.06

* Tentative estimates

Source: Ministry of Foreign Affairs and Trade.

** Includes contributions to the United Nations budget and voluntary contributions to United Nations organizations and other international development organizations.

7. While in absolute terms the increase in total volume has indeed been substantial, the Government recognizes that, relative to traditional OECD Development Assistance Committee (DAC) donor countries, greater progress is clearly needed. The question of ODA expansion and efficiency continues to occupy a prominent place in national policy discussions.

8. At this stage, about 60 per cent of ODA is disbursed through bilateral channels, particularly the Korea International Cooperation Agency (KOICA) for grants, the Korea Import-Export Bank (EXIM Bank) for loans, and Korean non-governmental organizations.

II. Past cooperation and lessons learned

9. The current country cooperation framework 2001-2003 (DP/CCF/ROK/2) and the extension to 31 December 2004 (DP/2004/9) address three thematic areas: (a) the environment and sustainable development; (b) science and technology, including information and communication technology (ICT) for development; and (c) social equity. The CCF document also contains a discussion on a new paradigm for future cooperation between UNDP and the Republic of Korea. It further spells out the country's intention to strengthen cooperation at the North-East Asian subregional level as well as at wider regional and global levels.

10. Results achieved by a number of projects, both national and regional, have created a basis for enhanced collaboration between the Republic of Korea and partner countries in the developing world. Best practices derived from projects will serve as guides for the new programme set out in part III below.

11. Applying lessons learned during current CCF implementation, and promoting networking and synergy among partners and projects would thus be given early priority. Attention will also be focused on positioning projects within broader policy and programming frameworks and, where appropriate, within a comprehensive approach to capacity development. To achieve sustainable project results, it will be important, with UNDP support, to apply fully the principle of partnership between the Republic of Korea and the developing country or countries concerned. This will include the identification and pursuit of common interests and common goals through

mutual consultation and agreement between the Republic of Korea and the partner country or countries – again with UNDP providing advice and playing a facilitating role.

III. Proposed programme

12. The draft country programme document (2005-2008) represents an interim but decisive step taken by the country to become a full-fledged donor. It is also a pilot initiative to strengthen the multilateral dimension of the country's ODA policy.

13. In essence, the programme maps out a new partnership with UNDP for support to the country's achievement of Millennium Development Goal 8, which calls for a global partnership for development. Consistent with its evolving capacities and possibilities, the Republic of Korea will contribute to realizing policy changes for aid, debt, trade and technology transfer that are essential for developing countries to achieve MDGs 1 to 7.

14. To the new programme, the country will bring to bear its expertise and experience in becoming an industrialized country, in eradicating poverty, in raising the living standards of its people, and in contributing to and adjusting to globalization. Lessons acquired through the programme may, in turn, throw fresh light on the country's own national policy options. They may also help to create a more solid base for meeting its subregional, regional and global concerns.

15. The proposed country programme will comprise two components. The main component will consist of an outward-looking development cooperation programme (DCP) for less developed countries aimed at utilizing the country's capacities to promote development in partner countries in the developing world, essentially through South-South cooperation and regional cooperation. In the second component, attention to national concerns will continue to a limited degree, mainly as an extension or outcome of ongoing interventions. A main thrust will cover the country's national and international environmental obligations. Gender issues of national priority will also be addressed.

Development cooperation programme for less developed countries

16. In order to launch this pioneering programming strategy and in consultation with a range of national think tanks and research institutions, the Government has put together a package of project proposals that constitute a first step for the development cooperation programme. This also represents a successful initial effort to leverage domestic resource mobilization for an outward-looking DCP for less developed countries.

17. The think tanks and research institutions that have agreed to come on board both as resource providers and implementation agents represent a substantial reservoir of intellectual capital and technological capability. They include, among others, the Korea Science Foundation, the Korea Institute of Science and Technology, the Korean Women's Development Institute, the Korea Food and Drug Administration, the Korea Institute of Water and Environment, the Korea Maritime Institute, the

Korea Institute of Bioscience and Biotechnology, the Korea Institute of Geosciences and Mineral Sciences, and the Korea Culture and Tourism Policy Institute. The list also includes a private sector entity: Science Lab Centre Co., Ltd. Partnerships with institutions with which UNDP has collaborated in the past will likewise be explored, for example, the Korean Development Institute.

18. Capitalizing on the country's successful modernization experience in a relatively short time span through human resource development and the promotion of innovative research and development, the package of projects aims mainly at applying science and technology to issues of poverty eradication and environmental management. UNDP support will be provided within the framework of the poverty reduction service line, and in particular local poverty initiatives. Attention will also be given to link community-level action to national economic and social policies. Gender mainstreaming is also emphasized. There is moreover significant attention to North-East Asian subregional cooperation.

19. Three thematic priorities will guide the broad-based programming of the DCP and the further elaboration of the package of project proposals: (a) science and technology; (b) poverty reduction; and (c) gender mainstreaming.

20. *Science and technology.* Today, in the world at large, globalization has increasingly acquired a science and technology dimension, giving rise to the need to redistribute science and technology resources among countries and regions, especially through South-South cooperation. The Government wishes to expand science and technology cooperation with developing countries, and recognizes that strong private sector participation will be important for such cooperation. Renewed attention will be given to the Seoul Accord adopted in February 2000 by the Forum on South-South Cooperation in Science and Technology that was organized by UNDP headquarters and hosted by the Government of the Republic of Korea with the participation of a large number of science and technology experts. The Accord called for, inter alia, the facilitation of technological cooperation among firms in developing countries; increasing the human capital base in developing countries by pooling efforts in education and training, with special emphasis on women; sharing experience on applying science and technology to food security and poverty alleviation; and strategic South-South research and development programmes for vaccines, drugs and diagnostics for major communicable diseases in the South, for example, malaria, tuberculosis and HIV/AIDS.

21. *Poverty reduction.* Based on its own development experience, the country has recently adopted an ODA policy for poverty reduction that stresses job creation and income generation. The policy will apply the lessons learned from the country's New Community Movement (*Saemaul Undong*), which stresses the need to combine self-help with income generation. While the country will promote the "new poverty reduction policy" first and foremost in the Association of South-East Asian Nations (ASEAN) region, African and Latin American countries are also of interest. UNDP support will be provided within the framework of its poverty reduction service line, in particular local poverty initiatives. Attention will also be given to link community-level action to national economic and social policies.

22. *Gender mainstreaming.* The Republic of Korea has by now developed excellent methodologies and capabilities for gender analysis and gender policy work, including gender-sensitive indicators and statistics and gender-responsive budgeting. This expertise will be placed at the disposal of developing countries and

disseminated among them. Emphasis will be placed on helping partner countries to develop instruments for mainstreaming gender concerns into policy analysis and in establishing national programming priorities. Related capacity building will be highlighted.

23. The country will continue to engage in regional and subregional cooperation both as a donor and regional country, which will have an important bearing on the development of the DCP. In particular, the emphasis on the above-mentioned North-East Asian subregional cooperation will be developed further. This is likely to entail partnership with the Korean Presidential Committee on Northeast Asia, whose mandate will shortly be broadened.

24. The new country programme will, through the DCP, break new ground. By implementing it, the country will have taken one more step to strengthen its position as a donor. A number of countries will have substantially benefited from the country's knowledge and technology transfer. A set of best practices will have been produced for replication and up-scaling. These tangible, practical and visible outcomes will have contributed to promoting knowledge of the country's capacities in developing countries, thereby generating more demand for its cooperation (both in the form of aid and on a commercial basis). Support for such cooperation will also have grown within the national public. The Republic of Korea will have become a pivotal prime-mover country in South-South cooperation. The development cooperation programme will have promoted constructive inter-country relations in North-East Asia. And this pilot DCP will have created a new model within UNDP for emerging donor countries.

National and international environmental obligations

25. This segment of the country programme will provide room initially for two Global Environment Facility (GEF)-supported projects and one UNDP-assisted intervention, all with a view to enabling the country to meet its environmental obligations better. In carrying out these projects, the programme will reinforce the achievement of DCP objectives, for all three undertakings have significant regional implications. The two GEF projects are also globally important.

26. The segment presently focuses on: (a) a strategic action programme entailing joint action by China and the Republic of Korea for the Yellow Sea Large Marine System, which is a vital trans-boundary global resource; (b) conserving globally significant wetlands in the country, a prerequisite for the survival of the East Asian Flyway and of a unique biosphere; and (c) improving agricultural production for food safety and environmental sustainability. The latter project will include technical assistance to three to five countries in the ASEAN region. Going beyond the environmental dimension, all three initiatives also contain a strong focus on enhancing and developing the livelihoods and quality of life of the concerned local populations. Included as well – and this will be developed further – is the participation of civil society organizations (CSOs).

27. While the outward focus of DCP will remain the major thrust of the new country programme, additional national needs will be included in the programme on a highly selective basis. This will include further attention to gender issues, keeping in mind that while the country ranks high at 28 out of 177 countries with a human

development index of 0.888 in 2002, according to the *Human Development Report 2004*, it has a low rank on the gender empowerment measure at 68 out of 78 countries. In this process, the country programme will identify and undertake follow-up actions on two major initiatives of the second CCF – the Korean Gender Management System proposal and the National Human Development Report on Gender, which will be completed in the fourth quarter of 2004. A road map for cooperation between UNDP and Republic of Korea in this area will be prepared as well, keeping in mind the UNDP service line on gender mainstreaming.

IV. Programme management, monitoring and evaluation

28. The initial package of project proposals assembled for the DCP has already expanded the UNDP partnership network within the Republic of Korea. The Government and UNDP will strive to reach the resource mobilization target required to finance the new country programme. In this connection, research institutions, the private sector and other partners will be sought.

29. The leading roles of the Ministry of Foreign Affairs and Trade and the Ministry of Science and Technology will be critical for the success of the new country programme. They will work to ensure that the country programme is given a high-level recognition and support within the country; promote the programme with the private sector and civil society, and help to create international awareness of the programme; provide incentives to national agencies and institutions to enter into new substantive and financial partnerships with the programme; continue to advocate seed funding as an essential instrument for securing the confidence of partners; and support the country programme on a sustained basis. To reinforce these efforts, a joint communication strategy will be elaborated and implemented with UNDP and the media.

30. The creation of an in-country MDG-8 network, supported by an advisory board, will be explored and hopefully institutionalized. Such a network is likely to generate expanded support for the DCP and help to create political will and public support for the achievement of MDG 8. In promoting national debates on issues, appropriate use will be made of the *Human Development Report*. Stakeholder representation will come from government, science and technology institutions, the private sector, academia, civil society and the media.

31. In further developing the country programme and in particular the DCP, full utilization of the UNDP global development network, including its subregional resource facilities, will be sought at all times. Attention will be given to links with other UNDP country programmes, as appropriate, such as the UNDP inter-country programme for Asia and the Pacific, other UNDP inter-country programmes, the global cooperation framework, and the South-South cooperation framework. The collaboration of other United Nations organizations will be sought.

32. With the Government wishing to use the country programme as an instrument for fortifying the country's move to becoming a full-fledged donor, the partnership between UNDP and the Republic of Korea will clearly evolve in furtherance of DCP goals and operational requirements. Expanded resource mobilization and widening of the DCP constituency within the country will need to be accompanied by an exploration of how best to diversify and maximize the utilization of UNDP service

lines. To this end, dialogue between UNDP and the Republic of Korea will be enhanced through continued periodic close consultations.

33. The preferred cooperation modality is national execution. In this context, the country office in Seoul will assist the Government in formulating, implementing and managing the new country programme under existing arrangements. As in the past, the country office will also continue to provide liaison and support to United Nations organizations not represented in the country, and to high-level United Nations missions or events. It will also continue to serve as a hub for information and advocacy for the larger United Nations agenda and conferences.

34. All country programme projects, even those not directly focused on gender mainstreaming, will be subject to gender analysis. The outcomes will inform both project design and implementation. Cooperation with the United Nations Development Fund for Women will be included wherever applicable.

35. A country programme implementation workshop will be held with the aim of achieving a better understanding of results-based management, programme and project formulation and the national execution modality. Participants will be selected from the agencies and institutions implementing the programme.

36. The country programme will continue using results-based management, deriving from a monitoring and evaluation system at both programme and project levels. The system will be geared to assessing progress as well as implementation and partnership strategies. Experience gained and lessons learned from the projects will be analyzed, documented and disseminated.

37. The country programme will be subject to an independent mid-term review. The review will build on broad-based consultations, including those in partner developing countries. Ensuing actions will be determined through a participatory process. Towards the end of the country programme, an independent evaluation will focus on outputs and initial impact with a view to providing guidance for further programme development. Both the mid-term review and the end-of-programme evaluation will give special attention to the DCP, given its strategic importance to the country's emergence as a full-fledged donor country.

Annex: Results and resources framework for the Republic of Korea (2005-2008)

Programme component	Country programme outcomes, including outcome indicators, baselines and targets	Country programme outputs	Output indicators, baselines and targets	Role of partners	Indicative resources by goal (in United States dollars)
National priority or goals: (a) Increase the level of ODA to participate actively in international affairs as an advanced economy and further take part in development cooperation; (b) Promote science and technology international cooperation through bilateral and multilateral cooperation; (c) Foster subregional cooperation for the peace and prosperity in the North-East Asia region through inter-Korean cooperation, external economic cooperation and building economic competence.					
Intended UNDAF outcome: Not applicable					
MYFF goal: Achieving the MDGs and reducing human poverty	Enhanced global, regional and subregional cooperation through bilateral and multilateral cooperation in science and technology, poverty reduction and gender mainstreaming. <i>Indicators:</i> Sustainable programmes and processes put in place and capacities built in selected countries in the fields of environmentally friendly science and technology, poverty reduction and gender mainstreaming. Percentage increase in ODA and in resources allocated to multilateral development cooperation programmes, including earmarked contributions. Increased demand for cooperation support both in the form of aid and on a commercial basis. <i>Baseline:</i> Most transfers of technology and knowledge are done on a bilateral basis. Many development projects still focus on free-standing, one-time activities.	Dialogue on MDGs and MDG 8 at national level.	MDG 8 network in country.	Ministry of Foreign Affairs and Trade/ Ministry of Science and Technology as national level leading agencies.	<i>Other resources:</i> \$50 000 (Government, government institutions and others)
		A package of science and technology, poverty reduction and gender mainstreaming showcase projects in selected developing countries, with potential for replication.	Increased number of participating institutions/organizations/experts in the country programme. Policy options, actions plans, best practices developed in partner countries. Number of broad-based capacity building initiatives in partner countries. An advisory group established for monitoring and evaluation of the progress of the country programme.	Technology as national level leading agencies Technical ministries, national think tanks/research and development institutions, academia, etc., as implementing and funding agencies. Private sector and non-governmental organizations (NGOs) as executing and financing partners.	<i>Other resources:</i> \$11.85 million (Government, government institutions and others) Distributed as follows: <i>Science and technology:</i> \$5.92 million <i>Poverty reduction:</i> \$4.15 million <i>Gender:</i> \$1.78 million
		Follow-up on the Korea Gender Management System proposal presented in 2003. Follow-up on the national human development report on gender focusing on increasing role women in the economic and political sectors.	New policies implemented facilitating the access of women in the economic sector. New tools available for women to improve their active participation in national political sector.	Ministry of Gender Equality, Korea Women's Development Institute, NGOs, Assembly members	<i>Other resources:</i> \$100 000 (Government, government institutions and others)

National priority or goals: (a) Implement and develop various environmental policies to realize environmental soundness, economic efficiency and social balance and to open doors to an era of life-respecting, participatory green nation; (b) Expansion of gender mainstreaming in the Government, including gender budgeting and enhanced representation of women in all sectors of society through proactive and affirmative actions, in particular to improve women 's competitiveness.					
UNDAF outcome: Not applicable					
MYFF goal: Energy and environment for sustainable development	<p>Strong partnership established with China for the sustainable planning and management of the Yellow Sea.</p> <p>Enhanced sustainable livelihood activities benefiting the riparian populations.</p> <p>Broad-based, multisectoral wetlands planning and sustainable management system put in place both at central and local levels, contributing to the preservation of the East Asian flyway and of globally significant and unique biosphere.</p> <p>Options for sustainable livelihoods adopted in other wetlands in the country.</p> <p>The country will have adopted a new agricultural system for improved food safety and better environmental sustainability.</p> <p><i>Indicators:</i> Joint Yellow Sea Large Marine System conservation and management actions with China. Processes for cross-sect oral review of land-use planning concerning wetlands in place and operational. Pilot wetlands and/or other wetlands in the country declared Ramsar Convention sites within next 10 years. Integrated policy/legal/economic framework and institutional mechanism. A network for the preservations of critical wetlands along the East Asian flyway established. Best practices in food safety and environmentally friendly agriculture implemented throughout the country and available for replication.</p>	<p>Plan of action adopted and implemented by China and Republic of Korea.</p> <p>Pilot initiatives identified and implemented.</p> <p>A functional National Wetlands Committee established at central level and multi-stakeholder planning, and management systems established at the three pilot sites.</p> <p>Lessons learned and best practices for new options for sustainable livelihood in the pilot areas available for replication.</p>	<p>Transboundary diagnostic analysis, plan of action and strategic action programme established.</p> <p>A National Wetlands Committee institutionalized at central level and multi-stakeholder planning and management systems operational at the three pilot sites, able to operate beyond the project life.</p> <p>Legal, policy review carried out and new mechanisms in place for ongoing stocktaking of wetlands situation and evolution.</p> <p>A set of new pilot initiatives tested at the three demonstration sites.</p> <p>Set of policies and recommended practices, manuals available for application in the country at large.</p>	<p>National and local government, legislature – funding, executing, and implementing.</p> <p>Private sector, NGOs, academia – technical input and in-kind contribution.</p>	<p><i>Regular resources:</i> GEF: \$1.8 million</p> <p><i>Other resources:</i> \$5.4 million (Government)</p> <p>Total: 19.2 million</p> <p><i>Regular resources:</i> 1.8 million</p> <p><i>Other resources:</i> 17.4 million</p>