

# 지구적 도전과제 대응을 위한 국제적 파트너십 강화 : 한국의 역할<sup>1)</sup>

2009.8.13 제주도에서 개최된 제5회 제주평화포럼 국제협력 분야의 한국국가브랜드 동 시회의에서 KOICA는 지구적 도전과제 대응을 위한 국제적 파트너십 강화의 일환으로서 ODA 분야에서 한국의 역할에 대해 제언하였다. 동 발제문을 소개한다.

## Introduction

As we are all aware, the world is interconnected. The food, energy and financial crisis in 2008 and the outbreak of H1N1 flu in 2009 clearly demonstrated how quickly incidents on the other side of the globe affect our own communities and countries. That lays a practical rationale as to why the international community as a whole has to tackle global challenges such as poverty, infectious diseases, climate change and population growth. It is needless to say that the mutual benefits of working together for the global public good are enormous.

To deal with these trans-national problems, collaborated efforts are already underway. Examples include the Rio Earth Summit in 1992 from which sustainable development merged as a new paradigm, the Cairo Conference on Population and Development in 1994 that linked poverty alleviation to women's rights and reproductive health, and the MDGs that geared towards the reduction of extreme poverty. As Jeffrey Sachs pointed out, if we continue current levels of economic activity, carbon emissions, and population

1) 본 발제문은 KOICA 정책연구실 정우진 연구원이 작성하고, 잠시정 전 KOICA 이사(현 주카타르 대사)가 제5회 제주평화포럼에서 발표한 문서임을 밝혀둔다.

growth without any counteractions, we will be on an unsustainable trajectory. Changing this unhealthy trajectory into a sustainable development path, however, requires shared duty and sacrifice from all parties.

Before I proceed, I want to share with you why participating international cooperation needs to be covered here at the National Brand Conference. International cooperation and national brands are closely related with each other. This is not because more contributions to the international community directly reinforce a national brand, but because no proper contribution can directly undermine it.

### Volume of aid

Korea's ODA volume is regarded as insufficient compared to the country's economic size. Indeed, increasing ODA volume is essential for Korea to become a responsible member of the international community. However, the fact that Korea's ODA volume has increased at a very rapid pace during the past 20 years should not be overlooked either. ODA volume in 2000 was 200 million USD and has since quadrupled to 800 million USD in 2008. This is outstanding achievement in terms of ODA policy. Korea also plans to increase the ODA/GNI ratio to 0.25% which at current levels is equivalent to 3~4 billion USD, with further expansions of ODA volume expected for 2010 as the economy has recently seen positive indicators.

The long-term plan to increase ODA has been emphasized by the Lee Myung-Bak government, and was reconfirmed at the Korea-ASEAN Summit held here in Jeju in June and at the President's meeting with President Obama in July. Prime Minister Han Seong-Soo also declared at the UN MDG Meeting that Korean government will increase ODA/GNI ratio to 0.25%, with 200 million USD for the East Asia Climate Partnership, and 100 million USD to assist with the world wide food crisis. The national assembly's interest and support is also strong as demonstrated by the recent submission of five new ODA bills in National Assembly. Furthermore, last month when I had a meeting with the President of the OECD DAC, he noted his appreciation for Park Jin, the chairman of the Foreign Affairs Committee of Parliament, for his strong passion for ODA. Consequently, the political will for increasing ODA within the Korean government

is obvious. Beside political will, establishing an explicit road map and making it public widely are also important to guaranteeing the commitment to increasing ODA volume despite situational changes. However, public awareness and support is not sufficient in Korea (Only 50.8% of respondents are ‘very aware of or aware of what development cooperation is’, according to the latest survey conducted in August 2008). Therefore, it is important to raise public awareness about ODA through various efforts such as Public Awareness Programs with universities and NGOs implemented by KOICA. Public support and consensus are prerequisites for ODA volume increases. The Swedish case provides a good example; regardless of a historical regime change in 1997, the new conservative ruling party has kept their ODA/GNI ratio at 1% because of the Swedish people’s strong national consensus and public support for ODA.

Here I’d like to remind you of one thing the political leadership should pay attention to, which is the aid system. The Korean government’s will to increase ODA volume is satisfactory, but the will to streamline the fragmented aid architecture is very disappointing. This issue was pointed out by the OECD/DAC special review last year, but it is not easy to solve due to the current position of both ministries responsible for ODA, the Ministries of Foreign Affairs and Finance. I think only top government leadership can create a breakthrough in this matter as we have seen in the case of JICA.

## Innovative schemes

To give an example of current efforts to increase our aid volume, I would like to introduce the Air Ticket Solidarity Levy (ATSL). This innovative financing mechanism is the first of its kind in Asia. Since September 2007, it has raised approximately 20 million dollars which has been used to help reduce diseases in Sub-Saharan Africa. This is the result of Korea’s 2006 Initiative for Africa’s development to increase assistance to Africa, particularly the least developed countries. As a result of this innovative financing scheme, Korea is the only Asian board member of UNITAID, which has a very positive effect on the nation’s brand.

Other efforts include the East Asia Climate Partnership. KOICA, as the implementation agency for this partnership, is going to deliver a 200 million dollar assistance package

for partner countries in East and South East Asia over the next few years. The East Asian region is the very place where rapid economic growth increases the consumption of non-renewable natural resources and tropical cyclones take an enormous toll in people's lives and properties. It is noteworthy that KOICA is broadening its areas of engagement to climate change and the environment beyond traditional development sectors covered in the MDGs.

Recently, Korea also has integrated existing volunteer groups under different programs and launched an official brand organization for overseas volunteers, "World Friends Korea". We hope this Korean version of the Peace Corps will build an image of Korea that is a friend to all other nations in the world, while expanding its role as a responsible member of the international community. In an effort to attract more volunteers with higher credentials, KOICA will design a year-long program in addition to the current 2-year program. It will enable volunteers to serve shorter periods in host countries. I think this will draw more qualified individuals by enhancing flexibility, and ultimately uphold the image of Korea. As I mentioned, in some countries like Tunisia, World Friends Korea helps inspire people to develop their own local communities.

### **Sharing Korea's experience in socio-economic development**

Korea can play a unique role in the diffusion of good practices, technologies and innovation to fellow countries. Korea represents one of the most outstanding social, political, and economic transformations in modern history. Rapid growth in the second half of the 20th century has propelled Korea, a former aid-recipient, to become somewhere between the 10th and 15th largest economy in the world. Korea has many things in common with current developing nations and can better understand typical challenges faced by the South. Similar to Korea, most of the emerging economies were newly created republics after the World War II, often conflict-affected, and have scarce natural resources. Whereas the success stories of Hong Kong or Singapore might be considered specific to city states, Korea's success is more relevant to nations with an average size economy and population. Various steps of industrialization that Korea has been going through can also offer useful take-home lessons to both low income and middle income countries. Referring to its experiences, Korea can show that poverty

reduction, economic growth and democratization can be accomplished together, and can make more practical suggestions for countries with similar pre-conditions. In an effort to share Korea's experience with the South, KOICA has offered more than 2,000 training courses and Knowledge Sharing Programs for policy makers and technicians in developing nations to assist with, for example, establishing e-governance or formulating economic development plans. Of course, the government-led and export-driven Korean model of development is far from perfect and we revealed structural vulnerability during the Asian economic crisis and recent financial turmoil. However, partner countries can learn from our successes and mistakes. It is the role of our partners to decide what to ask of us and how to make lessons learned relevant to their own context.

## **Capacity building of our partner organizations**

Becoming a responsible DAC member and sharing unique development experiences cannot be done by KOICA alone but only with the support of partner organizations. When I say partner organizations, I mean development actors across the sector including NGOs, think tanks, research/academic institutions, the business community, and governmental agencies. They are all working with KOICA in a wide range of activities from participating in research on Korea's ODA policies to building hospitals in regions of the globe which lack infrastructure. As relations between countries cannot be established solely by the work of diplomats, the quality of KOICA's work is largely dependent on the hands of our partner organizations. Without building the capacity of our partners, enhancing the effectiveness of Korea's aid is not possible. Hence, KOICA will continue to support civil society while consolidating public-private partnership to take full advantage of the private sector's expertise.

## **Whole of government approach**

In addition to the development partnership with civil society and the business sector, I would like to address the importance of forging a "whole of government" approach. As seen in the Swedish government's policy for global development, full support from all levels and different parts of government are required to implement cross-cutting issues like gender and environment. All ministries not just main executing agencies should

refer to and mainstream these development issues in their activities. This will promote aid effectiveness for our partner countries and have a positive effect on Korea's brand.

## Long-term vision

Bringing this discussion to a close, I would like to address the fact that Korea should set up ODA policy with a long-term vision and a focus on more humanitarian factors. Some countries explicitly use aid as a means to enhance economic cooperation and strengthen their geo-political position. However, the economic interest of the donor is not necessarily aligned with urgent development needs of the recipient, and could make it difficult to manage for results. Often countries explicitly pursuing self interest cannot meet international standards of development assistance and therefore will eventually distance themselves from the rest of the development community. Considering that harmonization and partnership among development players is considered essential to producing concrete results, Korea has to implement development aid based on internationally agreed terms and practices. Only when we view aid as a long-term investment for the sake of our partners, not as something that produces immediate results for ourselves, can Korea truly build its brand as a country that not only turned itself into an industrialized nation but also helped others to transform into prosperous economies.

In this context, we can get some insights into this from the relationship between ODA and national brand of Nordic countries. Countries like Norway, Sweden and Denmark have the image of being peace loving countries and egalitarian societies. They are seen at the forefront of protecting human and gender rights. And we can question what has influenced our perception of these countries. Among many plausible factors, what I found interesting was that their level of ODA as a percentage of GNI is at the top of DAC countries and that their foreign aid is strongly oriented toward humanitarian purposes. These two elements have played a part in creating their kind of positive image. Improving Korea's ODA is imperative to our country's brand.

## Conclusion

I have offered a fairly unsystematic overview of Korea's potential role in the field of development cooperation with reference to the country's reputation. ODA is an indispensable part of advancing the country's reputation in the international community and ultimately becoming a global leader as well as helping prevent global disasters, which is a duty for all members of the international community. By enhancing the scale and quality of its ODA together with the involvement of the Korean private sector's CSR, I believe Korea's international reputation will be advanced as well. Thank you.

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