

“Korea’s ODA Policy toward Africa”

Shin Jang Bum / KOICA President

I. Greeting

It is my great pleasure to speak on “Korea’s ODA policy direction for Africa” today, and I would like to extend a warm welcome to all of the ministers from Africa and distinguished guests from the academic and international organizations attending this forum.

“Korea’s Initiative for Africa’s Development” was announced during President Roh Moo-hyun’s visit to three African countries last March. The Initiative has significant meaning since it offers Korea the opportunity to strengthen its role in Africa’s development. Today’s forum between Korea and Africa is timely because it is being held at a time when cooperation

between Korea and Africa is significantly increasing.

Today, I will introduce Korea’s ODA policy direction in general and its assistance guidelines as well as future plans for the African region.

II. Korea’s ODA

In the past, Korea received development assistance from advanced countries. Now it has grown to become the world’s 11th largest economy and has become a donor country.

By establishing the Economic Development Cooperation Fund(EDCF) to provide

concessional loans in 1987, Korea began its efforts to help the developing world achieve their socio-economic development. Furthermore, in 1991, Korea established the Korea International Cooperation Agency (KOICA) to implement technical cooperation and grant aid programs to assist developing countries in building their capacities for development.

Recognizing that international assistance greatly helped with its development, Korea believes that it should return the favor it received in the past and join the efforts of the international community to help developing countries.

Moreover, Korea intends to play an active role in the world commensurate with its economic power. Korea is willing to share the development experience it achieved while it rose from one of the world's poorest countries in the early 1960s to become a major industrialized country.

Since the inauguration of Korea's current administration, strengthened relationships with the developing world have become a priority, and the government has made

efforts to strengthen its relationship with African countries through development cooperation. In addition, the Korean government has actively joined efforts to achieve international development goals such as the UN Millennium Development Goals (MDGs) and to address global issues in order to reduce poverty and support sustainable socio-economic development.

In particular, Korea has reaffirmed its strong determination to contribute to the international community by establishing a mid-term plan for ODA spending and by setting up specific goals. In accordance with its mid-term plan for ODA spending, Korea will increase its ODA budget to 0.1 percent of its GNI by 2009 and 0.25 percent by 2015.

Based on such goals, KOICA places priority on human resources development and governmental capacity building where Korea can meet the needs of developing countries and transfer its development experience.

KOICA also strengthens its support for sectors related to basic human needs such as poverty reduction, basic health, and primary education, and for global issues related to the

empowerment of women, and the environment.

Moreover, KOICA has established an efficient system for rapid disaster relief and reconstruction activities to respond to earthquakes, typhoons, and other natural disasters which have frequently inflicted damage on developing countries in recent years.

III. Korea's Assistance Guidelines and Future Plans for the African Region

President Roh, Moo-hyun declared Korea's pledge to triple ODA for Africa by 2008 through "Korea's Initiative for Africa's Development" during his visit to Africa in March this year.

As outlined in the initiative, the Korean government will support the capacity building of African countries by sharing Korea's development experience with them. In this regard, KOICA decided to significantly increase its assistance for Africa by establishing a mid-term plan from 2007 to 2009. KOICA will increase its grant aid for Africa from 9 percent of its total budget in

2006 to 20 percent in 2009.

KOICA will spare no effort to meet the development needs of African partners and produce tangible results from its assistance. To this end, KOICA established country-specific assistance policies and implemented systemized assistance programs by designating five sectoral priorities such as education, health, rural development, governance, and information & communication technology.

Let me explain the five sectoral priorities.

First, KOICA will assist African countries with support for human resources development since it played a critical role in Korea's development. In this regard, KOICA intends to provide increased educational opportunities to the poor and underprivileged and expand job opportunities through vocational training. To this end, KOICA plans to build and modernize primary schools, improve education policies and institutions, develop curriculums, provide educational material, and establish vocational training centers.

In addition, during the next three years, KOICA will invite more than 2,000 African people to Korea for training programs and increase the number of overseas volunteers dispatched to the African region.

Second, KOICA will provide support to improve basic health services, reduce infant and child mortality, enhance maternal health, and combat HIV/AIDS and other diseases including malaria. In order to achieve such goals, KOICA will support medical centers, improve health policies and institutions, and provide medical equipment and medicine.

Furthermore, KOICA will expand and improve drinking water supply facilities, develop and repair wells, and strengthen the capacity to address the lack of safe drinking water in draught-affected nations in East Africa such as Ethiopia, Tanzania, Kenya, Rwanda, Uganda, and Djibouti. KOICA dispatched feasibility study teams to Ethiopia, Kenya, Tanzania, Rwanda and Djibouti. KOICA is currently carrying out well development projects in Ethiopia and Kenya with a similar project to begin in Tanzania this December.

Third, KOICA will promote its support for projects in the sectors of agriculture and fisheries in an effort to help resolve food shortages and foster primary African industries. By utilizing Korea's experience and technology related to agriculture and fisheries, Korea can contribute to raising the productivity and income of African farmers and fishermen.

Fourth, KOICA will transfer Korea's know-how in government-led development, strengthen the administrative capacity of government, and improve administrative institutions. To this end, KOICA will create country-specific training programs for African countries such as Algeria and Egypt, and provide theme-based programs focusing on specific topics such as economic growth, industrial development, and financial policies.

Lastly, KOICA will support the ICT development of African countries by establishing information and communication infrastructure such as communication networks, devising information and communication policies and regulations, setting up e-government, conducting training programs for information and

communication personnel, and providing basic information and communication equipment to African countries.

Currently, the Korean government is preparing legislation to introduce an air ticket solidarity contribution for the purpose of supporting the international community's humanitarian activities to reduce poverty and combat diseases. The air ticket solidarity contribution is slated to take effect within the first half of next year upon the completion of legislative proceedings. The Korean government is considering spending most of the resources from this fund on poverty reduction in Africa.

In addition to bilateral aid to Africa, multilateral cooperation programs will be expanded for the region. In supporting the development of Africa, KOICA will carry out joint cooperative projects with international organizations that possess regional expertise and strong networks. In particular, from next year, KOICA will implement a joint-project with the United Nations Development Program (UNDP) to foster human resources and strengthen the trade policy capacity of African nations. KOICA will also actively

participate in the medical and agricultural projects of the United Nations Fund for Population Activities (UNFPA) and the New Economic Partnership for Africa's Development (NEPAD).

IV. Closing

Korea is one of the countries in the world to have risen from the ashes of war, overcome extreme poverty, and transform itself into a donor country in less than a half century. I firmly believe that Korea's development experience and know-how will be useful to many African countries, and if Africa's abundant growth potential is combined with Korea's development experience, a synergy effect will take root and further increase cooperation between Korea and the countries of Africa.

Korea is determined to continue efforts to share development experience and know-how with African countries and support them in their drive to expand their growth potential.

Thank you.