

EXECUTIVE SUMMARY⁵²⁾

CHAPTER I: INTRODUCTION

Background of the Study

Korea, a rather small⁵³⁾ and new player in the international development community, indispensably needs to pool its resources into areas where it can add the greatest value. Specifically, Korea is encouraged to identify its competencies, narrow down areas of engagement,⁵⁴⁾ and ultimately enhance division of labor with other donors. By capitalizing on its proven capacity, the country can not only focus on implementing the aid effectiveness agenda, but also survive intense competition among donors. In addition, clarifying the focus of Korean aid bears close relation to the renewal of the Korea International Cooperation Agency (KOICA). To bring a new donor's perspective to the Development Assistance Committee (DAC) and a diverse approach to changing global aid architecture, the organization called for structural reform.

The need to develop strengths as a donor has recently sparked a debate over the Korean Development Cooperation Model (KDCM) also known as the “Korean Aid Model” or “Korean ODA Model.” Since the inception of KOICA in early 1990s, there has been much

52) This is an executive summary for the “Korean Development Cooperation Model” by Woojin Jung, published by KOICA in 2010.

53) In 2008, Korea's net ODA amounted to USD 797 million, representing 0.09% of its GNI. As an emerging donor, Korea's ODA volume remains low in comparison to the DAC average ODA/GNI ratio of 0.31% with the lowest ODA/GNI ratio for a DAC member of 0.17% (Ministry of Foreign Affairs, OECD, 2008). According to the OECD DAC's statistics, Korea ranks 19th in terms of total ODA volume, and 25th in terms of the ODA/GNI ratio among the OECD members in 2008 (Government of the Republic of Korea, 2009). However, Korea's ODA has increased since 2000 at a rapid pace. From 2000 to 2008, its aid volume has almost quadrupled from USD 212 million to USD 797 million. Meanwhile, Korea's ODA/GNI ratio has also seen an increase from 0.04% to 0.09% in the same period. Moreover, the country has pledged to raise its aid from the present 0.09% of its GDP to 0.15% of GDP by 2012 and 0.25% by 2015.

54) (Ministry of Foreign Affairs, OECD, 2008)

interest in developing a bilateral assistance model specific to Korea; however, the overall progress made in this area has been marginal.

The basic idea of the KDCM is that Korea should look for ways to share the lessons learned from its successful socioeconomic transformation with developing countries. Korea, once heavily dependent on foreign aid, has not only achieved impressive economic growth within a generation but also became one of the DAC members.⁵⁵⁾ It has been argued that Korea's experience is relevant to a wide range of developing nations⁵⁶⁾ and despite a caveat about using the Korean development model as an example for others to follow,⁵⁷⁾ there are still valuable lessons the South can learn from Korea.

Nonetheless, there are challenges ahead in embodying Korean-specific development assistance strategies. The first obstacle might be difficulty in formulating overseas development programs complementing assistance from other donors. Secondly, whether Korea's unique experience is replicable is an issue. Suspensions have also been aroused as to whether the model is a blueprint approach with an intention to export the Korean development model to partner countries (PCs). In addition, there is a possibility that the model focuses more on "getting Korea's name out" than on actual development outcomes. Some have also noted that what is critical for an emerging donor like Korea is to benchmark international best practices rather than seeking its own aid model.⁵⁸⁾

55) Korea's membership in the DAC took effect on January 1, 2010.

56) Korea has overcome typical challenges faced by the South and can better understand their constraints. 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. (Park, Bokyoung, Chai, Wook., Lee, Jamin., 2007) "Applicability of Korean Development Experience to Developing Nations"

57) Korea revealed structural vulnerability during the Asian economic crisis and recent financial turmoil. Korea also experienced with the suppression of human rights in its early stages of development.

58) Kwanyool et al. (2006) "Roadmap for the Advancement of Foreign Aid" KOICA In-house Survey, Kyunghang Newspaper, January 25, 2007

Scope, Methodology and Limitations of the Study

In an effort to maximize benefits and minimize risks of the KDCM, this paper studies KOICA's bilateral development assistance model at the sector level.⁵⁹⁾ It builds on the review of literature, interviews with domestic and international development actors, in-house surveys, focus group interviews, and workshops which took place in and out of KOICA. The report will first define an aid model drawn upon Korea's development experiences, its comparative advantages and partner countries' needs. Then, it will review Korea/KOICA's sector focus in comparison with other donors. Based on the sector analysis and a concept of the KDCM, a framework is designed to select competitive sub-sectors among KOICA's 44 interest areas. Using this analytical framework, the paper suggests a short list of sector programs and partner countries that match with the established KDCM model best. Finally, the paper describes how KOICA can operationalize the Korean ODA model under its country programs.

Though previous discussions on the Korean ODA strategies present a general notion of the KDCM, sectors and aid modality,⁶⁰⁾ they are limited to some degree. Research in the past such as the "Study on Establishment of a Korean Development Assistance Model"⁶¹⁾ and "Mid to Long-Term Bilateral Aid Policy of Korea"⁶²⁾ do not set out concrete and consistent criteria to determine competitive sub-sectors at KOICA. The report does not specify which particular development experiences in Korea would be the most useful references to the South and whether they can be replicated elsewhere. In addition, past debates seem to miss the multi-dimensionality of comparative advantage but only stress sectoral competencies. Application of previous studies is also restricted in that they do not assess KOICA's organizational capacity to deliver aid. Weaknesses entail the lack of

59) The paper mainly analyzes projects across seven priority sectors of Korea.

60) Chun et al. (2007) suggested three types of Korean Development Assistance Models: the human capacity development program, the policy and strategy consultation program, and the system and institution building program across eight sectors, education, health, governance, rural development, ICT, industry/energy, environment, disaster relief and reconstruction.

61) (Chun, Seung-hun., Lee, Kyung-gu. and Sohn, Seong-ae., 2007) Published by KDS and KOICA

62) (Chun, Seung-hun. et al. 2006) Published by KDS and KOICA

comparative analysis on priority sectors among DAC members⁶³⁾ and between the DAC and Korea/KOICA. Needs in partner countries and gaps in Millennium Development Goals (MDGs) should have been addressed more than on a superficial level. By complementing previous work, the report tries to take a step further in conceptualizing the Korean ODA model.

Discussions in this report are centered around project types of assistance across seven core sectors at KOICA⁶⁴⁾ managed within a regular aid disbursement cycle.⁶⁵⁾ This paper assumes that key development experience of Korea has already been incorporated into KOICA's main projects across sectors. Consequently, it does not review Korean development models on the grounds of theoretical and empirical research; instead, it tries to elaborate how Korea's experience can be programmed into ODA programs. The paper provides only policy guidelines but not ready-made programs that program divisions can implement immediately. Therefore, in-depth research on selected sub-sectors in primary cooperation countries is further needed to localize the Korean experience in the context of each PC. It should be also mentioned that the focus of this paper is to identify competitive sectors mainly based on Korea and KOICA's capacity concerns but not from a purely "aid effective" perspective.

63) DAC members before 2010: Australia, Austria, Belgium, Canada Denmark, EC, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, UK, US

64) But without excluding other schemes such as training programs, volunteer services, expert dispatch and support for NGOs

65) Discussions in this paper do not include aid with unpredictable nature, such as humanitarian assistance, special funds such as East Asia Climate Partnership and allocation for cross-cutting issues.

CHAPTER II: DEFINITION OF THE KOREAN ODA MODEL

Case Studies: Specialized Aid Programs of DAC Members

To formulate the Korean ODA model, it would be useful to examine how other donors incorporate their competences in development policies and programs. For this purpose, this paper briefly looks at the principles of “division of labor” and its implications for Korea. It then turns to specialized aid practices in selected DAC members.

Norwegian programs are good case studies for programs aimed at sharing knowledge with PCs. The Norwegian Oil for Development (OfD) initiative launched in 2005 is geared towards “helping oil and gas producing countries manage their petroleum resource in a way that generates economic growth, promotes the well-being of citizens and at the same time is environmentally sustainable”.⁶⁶⁾ The success factors of the OfD probably account for seven pillars as presented in [Figure 1]. They include growing requests from partner countries; successful development experience led by the government; interministerial partnership; techniques and competence across the full cycle of petroleum sector management; collaboration with various players including international organizations, research institutions and non-governmental organizations (NGOs); increase in aid volume; and independent evaluation reports carried out by a foreign organization, the Danish Energy Agency.

66) (Norwegian Agency for Development, 2008)

[FIGURE 1] NORWAY'S OIL FOR DEVELOPMENT PROGRAM



Japan also provides a good case study where it has applied Japan's development experience in its ODA practice by supporting the PCs' infrastructure development through ODA loans and the promotion of foreign direct investment (FDI).⁶⁷⁾ Korea's development philosophy, strategies and architecture are close to those of Japan. Hence, how Japan handles criticism over its ODA practices while trying to link growth with a poverty reduction agenda has a great deal of implications to Korea. Austria, a small actor like Korea, overcame the dilemma as a modest donor by finding a niche market for its ODA activities in a sector and country crowded by much larger donors. The country has innovative cooperation programs on organic agriculture in Ethiopia and became a niche donor at the local level.⁶⁸⁾ On the other hand, Spanish cooperation has developed a special cross-cutting sector called "culture and development" to support cultural policies

67) (OECD, 2004)

68) (OECD, 2009)

for indigenous people.⁶⁹⁾ The case of Luxembourg reveals a linkage between comparative advantage and the nation's major industry. Luxembourg hosts half of the world's top microfinance investment vehicles and thus enjoys its advantage in financial sectors, particularly in microfinance.⁷⁰⁾

Comparative advantage should not be perceived just in terms of sectors but also in terms of regions where donors have linguistic, historic and cultural ties with PCs. For example, Portugal's institutional similarities with its former colonies continue to be the foundation in undertaking specific interventions in those countries.⁷¹⁾ Aid modality is another dimension of comparative advantage.⁷²⁾ The European Union (EU)'s relative strengths lie in the employment of budget support and policy dialogue due to its aid volume, trans-border nature, and potential weight in negotiations with partner governments.⁷³⁾ On the same note, the United Kingdom (UK) can take advantage of its strong policy advisory capacity and leadership to promote multilateral partnership.⁷⁴⁾

Components of Comparative Advantages

A synthesis from all case studies boils down to the three elements of comparative advantage: the supply side, the process side, and the demand side [Figure 2]. When it comes to the **supply side**, donors should distill findings from their government policies that have produced outstanding development outcomes. Donors should have technical competencies in the sectors of their assistance and track record of accomplishment in aid interventions. Opting for an innovative sector is strongly encouraged, and ideally, a priority sector of a donor should be connected to other priority sectors of the donor.⁷⁵⁾ In terms of **process**, aid volume, modality and partnership with implementing

69) (OECD, 2007c)

70) (OECD, 2008)

71) (Bucar, Maja. et al., 2007)

72) (OECD, 2006a)

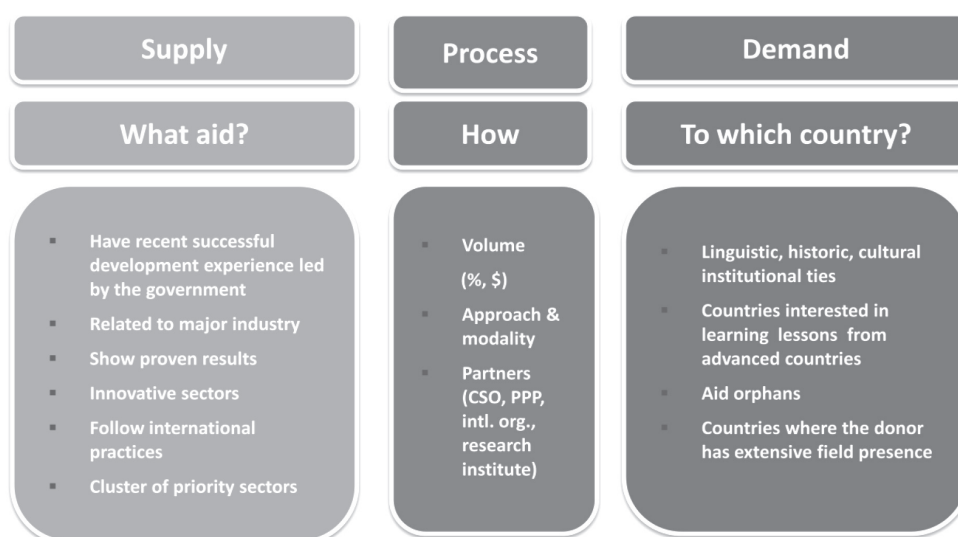
73) (OECD, 2007a)

74) (OECD, 2006b)

75) For example, organic agriculture is connected to Austria's priority of rural development and private sector development.

organizations should be taken into account as a component of comparative advantage. It should be also highlighted that aid practices shall abide by international norms and standards. Pertaining to the **demand side**, support can be given to countries with similar socioeconomic conditions, culture and language that facilitate lessons sharing and good practice. A donor should also balance its comparative advantage with an assessment of partner's needs. Recipients' interests and needs for learning from a particular donor country are vital and they have the final say on the type and level of assistance. In consideration of cross-country division of labor, a donor can support countries that may be neglected by current ODA channels. Further considerations should be also given to countries where the donor has substantive field presence.

[FIGURE 2] COMPONENTS OF COMPARATIVE ADVANTAGE



Definition of the Korean Development Cooperation Model (KDCM)

Analyzing donors' specialization potential helps define the Korean Development Cooperation Model (KDCM) or Korean ODA Model in four aspects: sector, partner country, aid volume, and approach/modality. The KDCM is *KOICA's bilateral development assistance strategy under which Korea contributes to the socioeconomic development of*

countries in need by sharing key policies, knowledge, skills and experiences that have led to Korea's successful development and tailoring them to partner countries' conditions.

The Korean ODA model covers **sectors** where Korea has technical expertise and can complement the efforts of other donors. Toward managing for results, sector selection should be based on KOICA's aid performance. The KDCM is aimed at achieving globally agreed development objectives by means of adhering to international standards and norms on aid.

KDCM assistance should only be directed to developing nations that show interest in benchmarking Korean policies and techniques. Key cooperation partners can have cultural, regional ties or similar development conditions with Korea under the assumption that commonality of development circumstances across two countries will facilitate the exchange of knowledge and skills. In addition, special attention should be paid to PCs underfunded by other donors. Other considerations include whether the country hosts an extensive number of Korean NGOs and businesses whose local knowledge would be of use for Korea's ODA practice.

The level of aid within the KDCM model should be scaled up at least to the DAC average and possibly to the aid volume of major donors in the respective CRS codes. The share of the assistance in the respective sector should be comparable to a donor whose proportion of aid to that sector is the greatest.

Keeping the primacy of country leadership and donor harmonization in sight, the KDCM should take a multi-year sector-wide approach (SWAp) under the Country Assistance Strategy (CAS) in order to support programs in the long run. The CAS mechanism will enable PCs to decide Korea's comparative advantage. The paper also suggests an integrated aid package, which combines policy advice with infrastructure building and human resource development. [Figure 3] exhibits Korea's strategic positioning, which can balance practices of traditional donors with those of emerging ones. Korea should reinforce its policy advisory capacity like DAC sovereigns, while at the same time continue to invest in key infrastructure in developing economies equally with other Southern

donors. Korea can also play a great role in increasing stocks of human intellectual capital that is largely underfunded by the international development community. Compared to the DAC, Korea can offer assistance at lower cost and with less time; that is, as opposed to non-DAC countries, Korea can provide high quality technologies. Finally, since the KDCM requires diverse skills and experiences at many different levels, development agencies from Korea, PCs and multilateral organizations should form a partnership in implementing the model. Application of the KDCM should be in a participatory manner, engaging stakeholders at the grassroots level in the whole process of the program.

[FIGURE 3] KOREA'S STRATEGIC POSITIONING BETWEEN EMERGING AND TRADITIONAL DONORS

	EMERGING DONORS	KOREA'S STRATEGIC POSITIONING	TRADITIONAL DONORS
STRENGTHS	• Focus on infrastructure building & production sectors • More egalitarian and innovative aid modalities such as South-South Cooperation • Emphasis on the transfer of alternative technology • People-to-people cooperation • Fast and responsive • Mutual benefit & non-interference principles • De facto adherence to aid effectiveness principles • Engagement as an opportunity for the future • Non-conditional and free from patronage • Fresh hands-on experience	• Focus on economic sectors • Integrated aid package, which combines policy advice with infrastructure building and human resource development • Need to promotes synergies among different types of aid • SWApS under the CAS • Make endeavors to meet DAC standards and guidelines • Being responsive and participatory • Offer relatively high-quality technology with cost and time efficiency • Can build a bridge between DAC members and non-DAC countries • First-hand experience	• Focus on social sectors, particularly governance • Characterized by larger size of aid and the use of various aid approach & instruments, such as PBA and budget support • High-quality technologies • Set aid effectiveness agenda such as PD & AAA in international fora • Provide an estimated 90% of global ODA
WEAKNESSES	• Administrative structures for development assistance programs tend to be relatively diffuse and uncoordinated. • Typically tied • Issues with the sustainability of capacity development • Some cooperation agreements are conducted at the highest political level and outside the existing aid management system. • Not given appropriate voice in the established international fora		• Underfunded infrastructure and production sector • Being risk-averse • Higher cost and a long process • "Fix the problem" approach • Lack of first-hand experience as a partner developing country

<Source: (OECD, 2009c), (OECD, 2009a), (Workshop Steering Committee of the 2nd Policy Workshop on Aid Effectiveness, November 2009), (Jerve, Alf. & Selbervik, Hilde., 2009)>

CHAPTER III: SECTOR ANALYSIS

Sectoral focus of Korea in Comparison to DAC

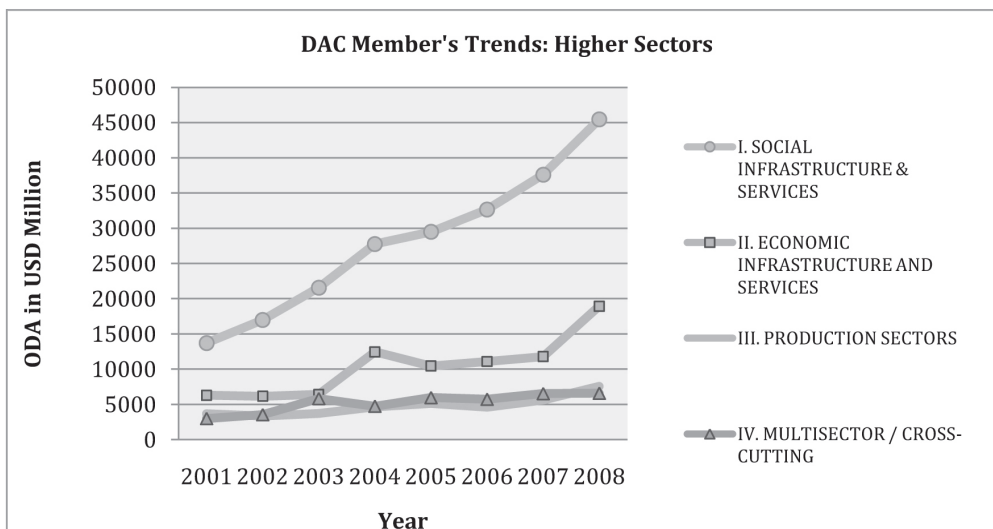
To further assess the competitiveness of KOICA, the paper compares sector focuses of Korea/KOICA with that of DAC members by measuring trends in and the proportion of total sector-allocable ODA.⁷⁶⁾ Korea, where total ODA has grown both in real terms and in terms of percentage of GNI, has put greater emphasis on economic infrastructure and the production sector over time, and particularly since 2006 [Figure 4]. On the contrary, DAC members' aid flows to social infrastructure have seen sharp increases whereas commitment for economic and production sectors as a share of total sector-allocable aid has been going downward as shown in [Figure 5]. Concerning DAC donor's trend, the largest increase has taken place in the government and civil society sector, particularly in the fields of "security and peace building" and "general government administration".⁷⁷⁾ In contrast, the proportion of aid going through agriculture in total bilateral ODA has declined from a 17% share in the early 1980s to 8% at the end of the 1990s.⁷⁸⁾

76) Sector-allocable ODA concerns all ODA flows aimed at fostering a peculiar sector in the recipient country (examples of sectors are: agriculture, education, health, water supply and sanitation, government and civil society, transport and storage, etc.) and thus excludes all the contributions that are not susceptible to allocation by sector (e.g., balance-of-payments support, actions relating to debt, emergency assistance, and internal transactions in the donor country). Sector-allocable aid has four main categories, social, economic, production and multisector; and many sub-categories.

77) (OECD, 2006)

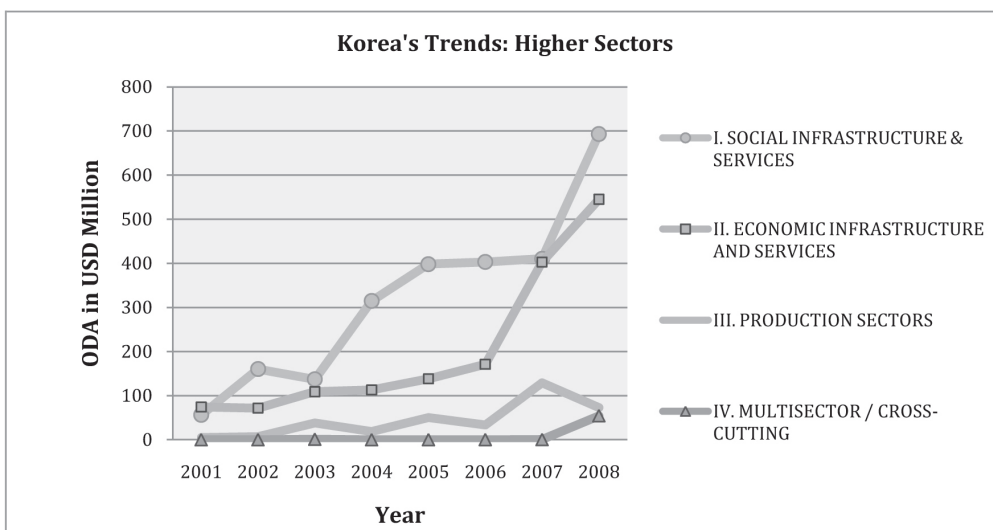
78) (OECD, 2006)

[FIGURE 4] DAC MEMBER'S SECTOR ASSISTANCE TRENDS IN HIGHER SECTORS, 2001-2008



<Data Source: OECD Stats>

[FIGURE 5] KOREA'S SECTOR ASSISTANCE TREND IN HIGHER SECTOR, 2001-2008



<Data Source: OECD Stats>

Taking a close look at allocation by sector, it is noteworthy that Korea has heavily invested in “information and communication technology (ICT)” and “vocational training.” The amount of disbursement to ICT is four times higher than that of average DAC

members in the 2000s; its proportion in the total bilateral aid is almost 12 times higher than that of other donors. Similarly, a proportion of aid devoted to secondary education in 2007 was about five times higher than the average share of vocational training in the total ODA among DAC members⁷⁹⁾. However, spending on “basic education” and “population policy and reproductive health” was low, accounting for only 6% and 1% of the DAC average, respectively.

Sectoral Focus of KOICA in Comparison to DAC

The portfolio of aid activities in KOICA shows that “vocational training (7.62%)” and “ICT (6.14%)” is the organization’s top sectoral priorities whereas “higher education (4.20%)” and “STD control including HIV/AIDS (3.20%)” are the most funded sectors among DAC members. Interestingly, Korea treats ICT as a specific sector rather than a cross-cutting issue [Table 1]. Both parties made a considerably high investment in government administration [Table 1 and Table 2]. However, KOICA’s commitment in the sector is concentrated on the advancement of economic development strategy, trade promotion or private sector development, which is clearly different from typical sub-fields in the government sector, such as the rule of law, decentralization, or corruption. Among KOICA’s main sectors, ICT, transport and energy stands out as areas in which fewer donors are involved. However, activities across KOICA’s main sectors do not seem to be very distinctive from other larger donors. When comparing KOICA’s mid-term goals and targets with those of JICA and USAID, it is found that these two organizations are engaged in all of KOICA’s sub-sectors except for “ICT human resources” and “establishment of e-government”⁸⁰⁾ [Annex 5, 6]. In regards to the number of sectors, DAC members cover eight sectors on average. Despite much limited resources, KOICA engages in 11 sectors which amount to 44 sub-sectors when disaggregated [Annex 4]. Officially, KOICA has seven loosely defined sectors including education, health, government, ICT, rural development, industry & energy, and environment that permit the organization to engage in a wide spectrum of activities.⁸¹⁾

79) The amount of aid committed to vocational training at KOICA is close to the DAC average.

80) (USAID, 2006), (JICA, 2008)

81) (Ministry of Foreign Affairs, OECD, 2008)

[TABLE 1] KOICA'S BILATERAL ODA 2002-2007

Sector Name	CRS	Purpose	Disbursement in USD Million	%	Rank
I.5.a. Government & Civil Society - General	15140	GOVERNMENT ADMINISTRATION	209,261	18.20%	1
IX. ADMINISTRATIVE COSTS OF DONORS	91010	ADMINISTRATIVE COSTS	97,772	8.50%	2
II.2. Communications	22040	INFORMATION AND COMMUNICATION TECHNOLOGY	87,625	7.62%	3
I.1.c. Secondary Education	11330	VOCATIONAL TRAINING	70,567	6.14%	4
VIII.2. Reconstruction Relief & Rehabilitation	73010	RECONSTRUCTION RELIEF	52,880	4.60%	5
I.2.a. Health, General	12191	MEDICAL SERVICES	47,567	4.14%	6
I.1.a. Education, Level Unspecified	11120	EDUCATION FACILITIES AND TRAINING	43,661	3.80%	7
VIII.1. Emergency Response	72010	EMERGENCY/DISTRESS RELIEF	39,260	3.42%	8
I.2.b. Basic Health	12230	HEALTH INFRASTRUCTURE	34,232	2.98%	9
I.2.b. Basic Health	12220	BASIC HEALTH CARE	29,673	2.58%	10
I.6. Other Social Infrastructure & Services	16061	CULTURE AND RECREATION	29,634	2.58%	11
I.2.a. Health, General	12110	HEALTH POLICY & ADMIN. MANAGEMENT	27,510	2.39%	12
I.1.a. Education, Level Unspecified	11110	EDUCATION POLICY & ADMIN. MANAGEMENT	21,034	1.83%	13
X. SUPPORT TO NGO'S	92010	SUPPORT TO NATIONAL NGOS	17,836	1.55%	14
I.1.d. Post-Secondary Education	11420	HIGHER EDUCATION	16,622	1.45%	15
XII. UNALLOCATED/ UNSPECIFIED	99820	PROMOTION OF DEVELOPMENT AWARENESS	14,238	1.24%	16
I.5.a. Government & Civil Society - General	15110	ECONOMIC AND DEVELOPMENT POLICY/PLANNING	13,966	1.21%	17
IV.2. Other Multisector	43040	RURAL DEVELOPMENT	13,442	1.17%	18
II.3. Energy	23065	HYDROELECTRIC POWER PLANTS	12,754	1.11%	19
I.4. Water Supply & Sanitation	14020	WATER SUPPLY & SANIT. - LARGE SYST.	11,080	0.96%	20

[TABLE 2] DAC MEMBERS' BILATERAL ODA 2002-2007

Sector Name	CRS	Purpose Name	Disbursement in USD Million	%	Rank
VII. ACTION RELATING TO DEBT	60020	DEBT FORGIVENESS	72,942.55	20.05%	1
VIII.1. Emergency Response	72010	EMERGENCY/DISTRESS RELIEF	21,041.00	5.78%	2
I.1.d. Post-Secondary Education	11420	HIGHER EDUCATION	15,293.48	4.20%	3
IX. ADMINISTRATIVE COSTS OF DONORS	91010	ADMINISTRATIVE COSTS	14,345.12	3.94%	4
I.3. Population Pol./ Program. & Reproductive Health	13040	STD CONTROL INCLUDING HIV/ AIDS	11,648.53	3.20%	5
I.5.a. Government & Civil Society - General	15140	GOVERNMENT ADMINISTRATION	10,937.78	3.01%	6
VI.1. General Budget Support	51010	GENERAL BUDGET SUPPORT	10,773.82	2.96%	7
IV.2. Other Multisector	43010	MULTISECTOR AID	10,246.60	2.82%	8
XII. UNALLOCATED/ UNSPECIFIED	99810	SECTORS NOT SPECIFIED	9,969.50	2.74%	9
VIII.1. Emergency Response	72040	EMERGENCY FOOD AID	9,813.47	2.70%	10
XI. REFUGEES IN DONOR COUNTRIES	93010	REFUGEES IN DONOR COUNTRIES	8,599.68	2.36%	11
I.1.b. Basic Education	11220	PRIMARY EDUCATION	7,548.15	2.08%	12
VI.2. Dev. Food Aid/Food Security Ass.	52010	FOOD SECURITY PROGRAMS/ FOOD AID	6,280.56	1.73%	13
X. SUPPORT TO NGO'S	92010	SUPPORT TO NATIONAL NGOS	6,112.37	1.68%	14
I.5.a. Government & Civil Society - General	15150	STRENGTHENING CIVIL SOCIETY	5,756.69	1.58%	15
I.6. Other Social Infrastructure & Services	16063	NARCOTICS CONTROL	5,639.60	1.55%	16
I.5.a. Government & Civil Society - General	15110	ECONOMIC AND DEVELOPMENT POLICY/PLANNING	5,480.67	1.51%	17
I.2.b. Basic Health	12220	BASIC HEALTH CARE	4,452.63	1.22%	18
II.5. Business & Other Services	25010	BUSINESS SUPPORT SERVICES & INSTITUTIONS	4,451.14	1.22%	19
I.2.a. Health, General	12110	HEALTH POLICY & ADMIN. MANAGEMENT	4,045.63	1.11%	20

Analysis on the Seven Priority Sectors at KOICA

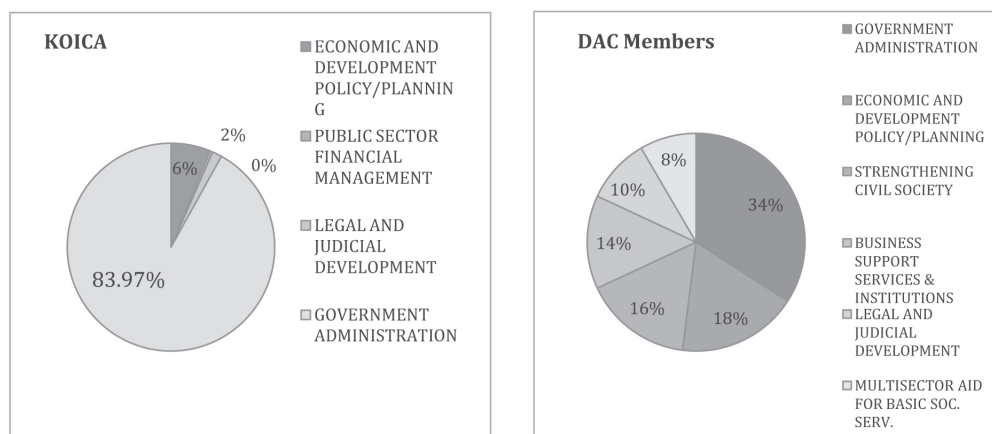
Followed by the overview of sectoral disbursements, the paper reviews KOICA's seven priority from the angle of the sub-sectoral breakdown, findings from evaluation reports, and technical competencies underpinned by Korea's main industry. Results of evaluations suggest that aid focusing on the transfer of Korean experience works well in some fields and countries. For instance, the New Village Movement in Vietnam has spread to other villages with strong political will and interest of Vietnamese government in promoting rural development projects. Another example is the ICT legislation in Vietnam that was drafted based on Korea's legislation. Smart grid technology⁸²⁾ developed by the Korea Electric Power Corporation has also contributed to resolve power shortages in Myanmar. In Ethiopia, KOICA has also been engaged in a community-based family planning project in reference to Korea's achievement in reproductive health and family planning. In addition, there are a number of outstanding vocational training centers in Egypt and community health care centers in Ecuador initiated by KOICA.⁸³⁾

Nonetheless, there still are some challenges in applying Korea's experience. In the government and health sector, less than optimal resources were being used in the fields where Korea can draw upon its development experience. Allocation in the government sector illustrates this issue. Certain sub-sectors like "economic and development planning" are strategic fields in which to implement the Korean aid model. Yet, economic and development policy sub-sectors only represent 5.6% of KOICA's aid to the government sector between 2001 and 2007 [Figure 6]. This is different from what is observed in the education and agriculture sectors. Vocational training, a strategic area in which KOICA can apply the country development experience in its ODA practice, comprises 40% of assistance in the education sector. The same applies to the integrated rural development sub-sector which accounts for 22.26% of the share in the community development sector.

82) Automated Meter Reading System and Distribution Automation System

83) Shoubra Vocational Training Center Establishment Project (1993-1995, USD 600,000), Shoubra Automobile Maintenance Center Establishment Project (1996-1998, USD 1,500,000), Alexandria Automobile Maintenance Vocational Training Center Assistance Project (2004-2006, USD 1,800,000)

[FIGURE 6] GOVERNMENT SECTOR BREAKDOWN



<Data Source: KOICA ODA Statistics>

Aid instruments are another issue. Although attempts are already underway to strengthen software assistance, such as policy consulting, a larger part of KOICA's work is on hardware assistance, such as building hospitals and schools. It is also taxing to get key partner organizations and individuals involved. The Centers for Disease Control and Prevention (CDC), for example, should have been an active partner for programs aiming toward infectious disease control. In addition, not many development professionals are available nationwide, partly because only recently has international development been recognized as a field of study and type of profession. Finally, yet importantly, it has been found that the uniqueness of each PC's specific socioeconomic system is often overlooked. Consulting reports to assist Algeria's Industrial Development Plan, for example, were dominated by descriptions on industry policies that worked for Korea but lacked analysis of Algeria's capacities in implementing such policies.⁸⁴⁾ In Laos, projects intended to introduce superior short-maturing Korean rice seed and increase productivity failed partly because there was no assessment on whether or not the taste of a new type of rice would be acceptable to people in Laos and whether or not the seed

84) Based on project completion report on "The Program for Policy Consulting on the Blueprint for the Industrial Development of Algeria" (2008)

would be marketable.⁸⁵⁾

CHAPTER IV: ANALYTICAL FRAMEWORK AND DATABASE

Analytical Framework and Criteria

A review undertaken for KOICA's aid portfolio highlights the need for the extensive revision of a generalist approach. That is to say, KOICA should reduce sectoral spread and streamline its aid strategies to make a better use of Korea's development model. To this end, an analytical framework is established as exhibited in [Figure 7], which is a matrix of criteria in the columns and the programs in the rows.

[FIGURE 7] AN ANALYTICAL FRAMEWORK

Rows: Programs				Columns: Criteria							
				Supply Side				Demand Side			
Sector	Sub-sector	Examples of Programs	CRS Code	Policy Formulation	Korea's Experience	Technical competency	Complementarity	Evaluation	MDG/Global Public good	Needs of Partners	Replicability
				Infrastructure Building							
				Human Capital Development							
				Score	5 point scale	5 point scale	5 point scale	5 point scale	5 or 1 point scale	5 or 1 point scale	±1 point scale

The matrix above establishes criteria for identifying and validating potential areas of specialization based on the KDCM. The column of the matrix includes both providers'

85) The Rice Seed Production Project in Lao PDR was to establish the foundation for a system to manage rice seeds, transfer farming technology to provide quality rice seeds and improve the income of farmers. Even in the World Bank, many rice seed projection projects have failed and it was too naïve to believe that Korean superior short-maturing Korean rice seeds could be easily introduced to Laos because rural villages in two countries have many things in common. The seeds were not marketable.

and customer's perspectives. The supply-side criteria are (1) Korea's development experience (2) industrial comparative advantage (3) complementarity with other DAC members, and (4) KOICA's performance in the respective sub-sector. Even if not included in the framework, the degree of relevance to Korea's industry outlook⁸⁶⁾ is measured. The demand-side criteria are (1) areas far offtrack in achieving the 2015 MDGs or with inadequate provision of global public goods (2) highly requested sectors by PCs and (3) the applicability of Korea's experience to a group of countries categorized by income, region and other characteristics. The programs in rows are represented by sector, sub-sector, CRS code, and examples of three program components including policy consultation, infrastructure and capacity building. The report offers a KDCM database with a detailed analysis on each program according to the matrix in [Figure 7]. [Table 3] shows scores for each program by each element being measured. However, it is important to note that such a quantitative judgment should be interpreted with caution.

[TABLE 3] SCORES FOR 44 SUB-SECTOR PROGRAMS AT KOICA

Sector	Sub	Sharing Korea's Development Experience	Technical Competencies	Complementarity with Other Donors	KOICA's Performance	MDG 5-point Scale	MDG 1-point Scale	Number of Requests	Request Score (5-point Scale)	Request Score (1-point Scale)	Applicability	Relevance to Korea's Industrial Priorities in the Future
Education	Basic Education	5	3	3	3	3	1	10	5	1		
Education	Higher Education	3	4	2	4	1	1	6	4	1		
Education	Vocational & Technical Training	5	4	3	5	1	1	18	5	1	1	
Environment	Air Pollution Control	2	3	4	2			2	2	1		5
Environment	Capacity Building for Forest Preservation	4	4	4	3	3	1	16	5	1		5
Environment	Capacity Building for Ocean Protection	3	3	4	1	3	1	1	2			

86) The Lee Myung-Bak administration is currently fostering industries related to water resources and green growth.

Environment	Eco-friendly Energy Development	3	3	5	2			8	4	1		5
Environment	Improvement of Water Supply & Sewage Systems	4	4	5	3			3	3	1		5
Environment	Waste Treatment	4	4	4	3			4	3	1		5
Environment	Women's Empowerment	4	2	4	2			0	1			
Governance	Development of Transparent and Efficient Government	5	4	1	4			6	4	1		
Governance	Economic Development Strategies	5	3	5	3			9	4	1		
Governance	Encouragement of Market Economy and Financial Sector Reform	3	2	4	4			2	2			
Governance	Legal System and Social Stability	3	4	2	3			5	4	1		
Governance	Promotion of Export Policy and Small- Medium Enterprises	4	4	4	3			1	2			
Governance	Setting up International Trade-Related Infrastructure	3	4	5	2			0	1			
Health	Family Planning	5	4	4	3	4	1	0	1			
Health	Infectious Disease Control	3	3	2	4	5	1	6	4	1		
Health	Local Medical Service	3	3	4	4	1	1	20	5	1		
Health	Maternal/ Child Health Reproductive Health	4	3	4	4	5	1	3	3	1		
Health	Pest Control	5	3	2	5			0	1		1	
Health	Safe Drinking Water	4	3	2	5	2	1	5	4	1		3
Health	Support for Traditional Medicine	3	4	5	3			1	2			
ICT	e-Government	5	5	4	4			16	5	1	-1	

ICT	Human Resources Development in ICT Field	4	4	4	5			4	3	1		
ICT	ICT Usage	4	4	2	2	3	1	1	2			
ICT	Sector-Informatization	4	4	3	4			16	5	1		
Industry & Energy	Airport Infrastructure	4	3	3	3			3	3	1		
Industry & Energy	Electricity Supply Through Power Plant	4	4	4	4			2	2			
Industry & Energy	Harbor Infrastructure	4	4	4	3			2	2			
Industry & Energy	National Land Development	3	3	5	3			5	4	1		
Industry & Energy	Railroad Infrastructure	4	3	2	3			1	2			
Industry & Energy	Road Infrastructure	4	3	1	4			3	3	1		
Industry & Energy	Stable Supply of Electric Power Energy	5	5	1	4			4	3	1		
Industry & Energy	Technical Support for Resource and Energy	3	4	4	3			5	4	1		
Industry & Energy	Urban Planning	4	3	4	5			1	2			
Industry & Energy	Water Resource Development	4	3	4	3	1	1	5	4	1		5
Rural Development	Integrated Rural Development Project	5	4	3	4			11	5	1	-1	
Rural Development	Policy for Improving Agricultural Income	4	3	1	3	2	1	2	2			
Rural Development	Storage, Processing, and Distribution Facilities of Agricultural products	4	3	4	3			4	3	1		
Rural Development	Support for Agricultural Co-operatives	4	4	5	2			1	2			

Rural Development	Support for Agricultural Research Development of New Agricultural Varieties	4	3	2	4			2	2		-1	
Rural Development	Support for Increasing Rice Yield	4	4	4	2	2	1	4	3	1	-1	
Rural Development	Water Supply for Farming	4	4	3	4			9	4	1		5

CHAPTER V: SECTION OF SUB-SECTORS FOR THE KDCM MODEL

Various Rating Methods

Considering the possible controversy over the normative values of each criterion, this paper computes the sum total of criteria in five ways by including different variables and changing their weights. Scoring methodologies are: giving more weights on demand-side factors; incorporating exclusively supply-side factors, eliminating the niche market column, or stressing industries fostered by the current Korean government. The top 23 sub-sector programs were first chosen, among which three or four programs placed in the top 10 most competitive programs. They are “Vocational & Technical Training,” “e-Government,” “Human Resources Development in ICT Field,” “Economic Development Strategies,” “Capacity Building for Forest Preservation,” “Improvement of Water Supply & Sewage Systems,” “Integrated Rural Development Project,” “Water Resource Development,” and “Stable Supply of Electric Power Energy.” Making use of focus groups and individual interviews with a wide range of KOICA staff at both senior and junior levels across planning, policy and program divisions, 10 programs had been reviewed in light of an implementation perspective. Through an organization-wide consultation, five programs were placed on the final list.

Strengths and Weaknesses of the Five Selected Programs

[Table 4] presents advantages and disadvantages of the most highly scored five programs.

[TABLE 4] ADVANTAGES AND DISADVANTAGES OF FIVE SELECTED PROGRAMS

Sector	Sub-sector	Major strengths	Weaknesses and Issues
Education	Strengthen vocational training	· National Qualification System in Korea can be benchmarked in developing countries in need · KOICA's strong aid performance in this sector · Highly demanded project	· How to differentiate KOICA's programs from those of traditional donors with more experience and resources such as Germany
ICT	Establish e-Government	· New technologies · Korea's major industry · Fits Korea's innovative image · Highly demanded	· May not be major development priorities in PCs · Would be preferred by higher income PCs
Governance	Build economic development strategy	· Effective in sharing Korea's development policies and model	· Coincides with KSP programs by the Korea Development Institute · Difficulties in customizing Korean development policies for emerging economies today
Rural Development	Promote integrated community development	· Greater demand and lower supply	· Not Korea's major industry, may be faced with technological constraints · Hard to find experts from younger generation's human resource pool
Industry & Energy	Assist stable provision of electricity	· State-of-the-art technology	· Should be combined with IT technologies · May not be a priority in many partner countries. · Other donors also have made considerable investments in this area

CHAPTER VI: PROGRAMMING OF THE KDCM MODEL

Korean Experience

As a next step, the programming of KDCM assistance is presented with the case of the vocational training program, scored highest when full variables were factored in. During the initial stage, it is necessary to figure out which particular Korean policies, experiences or skills the partner countries might be interested in adapting. A good example at the institutional level would be the National Technical Qualification Test (NTQT) run by the government. Unlike other industrialized nations where private sectors manage job qualification standards, the Ministry of Labor in collaboration of line ministries oversees the Qualification System in Korea. When PCs are interested in establishing or strengthening implementing agencies for the NTQT, the Human Resources Development Services of Korea and the Korea Chamber of Commerce & Industry⁸⁷⁾ can be good points of reference.

While sharing Korean experience that can be adapted to local systems, Korea should also come up with activities that would set itself from the rest of the donors. For instance, Korea can help PCs set up a database with questionnaires for the qualification test making full use of its expertise in IT. KOICA could tap into resources and network of Korean multinational corporations such as Samsung, Hyundai and LG, by linking their corporate social responsibility practices with Korea's interventions.⁸⁸⁾ Tactful

87) The Human Resources Development Services of Korea is in charge of 582 technology-oriented trades and the Korea Chamber of Commerce & Industry is responsible for 21 administrative-capacity-related trades.

88) The long-term goal and mission of **Samsung** Real Dreams is to foster a culture of youth entrepreneurship in Egypt, to improve prospects for employment and income generation for the thousands of young Egyptians expected to enter the job market over the coming years. This program will target over 2,500 students and out-of-school youth and will aim to create 370 internships, jobs and entrepreneurial businesses. (<http://www.ameinfo.com/187484.html>) **SK Telecom** has established IT education centers in Vietnam. (Global Corporate Social Responsibility. Website <http://www.sktelecom.com/>) **LGEIL** is generating self-employment opportunities for the people in the form of tailoring, knitting, etc. with the help of an NGO named Jan Shikshan Sansthan. LG is also offering refrigeration and CTV repair training programs for the youth. <http://www.in.lge.com/experience%20LG/exp-responsibleCitizen.aspx>. "Moving the World Together" 2008 **Hyundai Motor Company** The 2008 Social Contribution Activities White Paper stated that Hyundai has provided cars and engines for automobile maintenance centers in Beijing.

targeting for a specific segment of populations, regions, curricula, levels of courses will be essential in order to design the specialized programs. One way to make it possible is to reinforce base-line surveys for the labor market and qualification demand analyses in a targeted region. Along with the efforts for specialization, KOICA can also step up its technical and vocational education and training (TVET) programs by drawing general lessons from evaluation reports, and actively feed them back to its project design and implementation.⁸⁹⁾

Partner Countries

KDCM funds in vocational training should be spent on countries whose top sector development priorities entail vocational training as stated in the Poverty Reduction Strategy Paper, National Development Plan, Joint Staff Assessments or Millennium Development Goals Report. As the CAS lays down selective sectors linked to the country's development strategy as well as KOICA's comparative advantage in the context of other donor activities, it would be the first document to review.

Korea's major development actors such as the Ministry of Foreign Affairs and Trade (MOFAT), KOICA, the Ministry of Strategy and Finance (MOSF) and Korea Eximbank are in the process of preparing CASs for Ethiopia and Mongolia. However, CASs for many PCs have not yet been established. In these cases, alternative steps can be taken to name potential beneficiaries. To start with, Cambodia, Mongolia or Vietnam can be considered based on their cultural and geographical closeness to Korea. Countries with similar socioeconomic conditions to those of Korea in the 1960s and 70s would be potential candidates. To be specific, if a country's annual income is between USD 250-2,000, their population is no less than 100 million and it has basic conditions for industrialization while its economy is not driven by the export of natural resources, it can be considered to be in comparable conditions to Korea in the past.⁹⁰⁾ Among primary partner states

89) For example, Evaluation on the Education Sector (KOICA, 2008) suggested (1) balance between general skills and technical skills in the curriculum (2) special consideration for women and the socially marginalized (3) incorporation of a polytechnic model and (4) use of project design and management tools.

90) (Park, Bokyoung., Chai, Wook. and Lee, Jamin., 2007) "Applicability of Korean Development Experience to Developing Nations"

in Africa, they would be Senegal, Ghana, Tanzania, Mali, and Uganda of which Tanzania and Ghana have submitted TVET project proposals to KOICA. It is also possible to add Uzbekistan and Kazakhstan as relative aid orphans among KOICA's primary cooperation countries. All of these countries also have demonstrated their interest in working with KOICA as reflected in their requests for vocational training projects in 2010, as well since previous years. Among a pool of candidates, priorities can be given for the regions where Korean NGOs or businesses are active, and thereby KOICA can tap into their local knowledge and network.

Volume of Aid

An economy of scale would occur when KOICA scales up its aid to the DAC average. Ideally, the size of aid can be raised up to the level of the most generous donor in the vocational training sector, which is Germany. Whereas the mean size of annual ODA to this sector among DAC members between 2002 and 2007 was USD 10.77 million, Germany, on average, spent USD 76.33 million per year for the same period. It is calculated from each donor's spending on CRS purpose code 11330, which indicates the "vocational training" sub-sector. The KDCM database offers combinations of major CRS codes for each of 44 programs coupled with disbursement of average DAC members and of major donors.⁹¹⁾

Aid Modality and Approach

Institution building, expansion of infrastructure and human capacity development are building blocks of package assistance. Consulting for the management of a training center should be combined with a pilot project, for example, to construct an actual center equipped with educational supplies. At the same time, capacity building for technical and management staff of the center or for government officials in charge of the country's TVET constitute an important part of the program. Aid should be undertaken

91) Major donors in a certain sector are defined in two ways: absolute major donors and relative major donors. An absolute major donor in a sector makes the highest investment in terms of absolute dollar amount. On the other hand, a relative major donor in a sector allocates the largest share of their sector-allocable aid to the sub-sector among all donors.

under KOICA's country program and SWAp so that the Southern governments can take the lead throughout the whole program cycle. Different aid schemes such as projects, trainings, expatriate consultants, volunteers and support for civil society organizations (CSOs) should be integrated to a single country program towards common goals and outcomes based on advantages of each input. For example, volunteers can teach technical skills at training centers while NGOs implement skill development initiatives in the informal sector in remote rural areas. To make a significant difference, assistance should also be committed for the long-term until intended programs become self-sustainable.

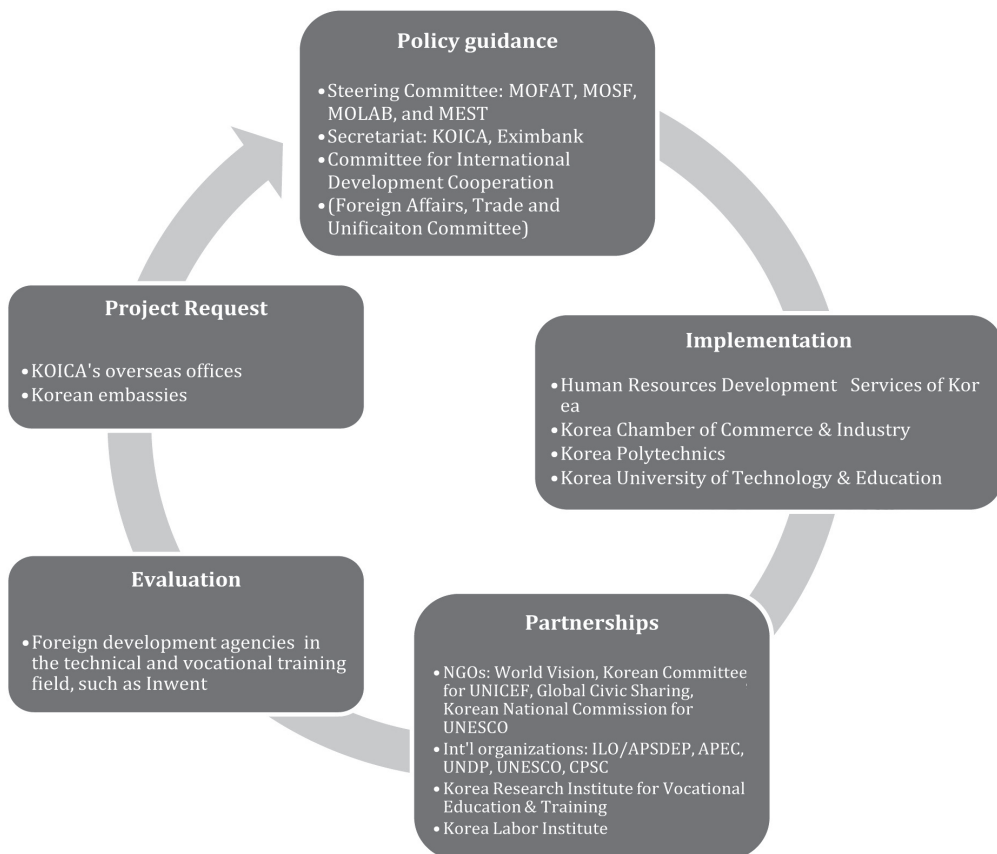
Partner Organizations

Undertaking the KDCM for TVET requires a close collaboration of a range of public and private institutions representing diverse skills and competencies. (Figure 6) shows a potential interagency operating system for the KDCM. An interministerial steering committee needs to be formed for the KDCM with representatives from five government bodies: the Ministry of Foreign Affairs and Trade (MOFAT), the Ministry of Strategy and Finance (MOSF), the Ministry of Labor (MOLAB), the Ministry of Education, Science and Technology (MEST) and the Committee for International Development Cooperation.⁹²⁾ Optionally, the Foreign Affairs, Trade and Unification Committee at the National Assembly of the Republic of Korea can be included. KOICA, in partnership with Korea Eximbank, can serve as the secretariat. The steering committee guides policies, strategies, and priorities for the KDCM. The actual implementation of programs could be headed by the Human Resources Development Services of Korea, the Korea Chamber of Commerce & Industry, Korea Polytechnics, the Korea University of Technology and Education, and local participants including PC governments, consultants, research institutions and CSOs. Besides main executing agencies, partnerships should be forged with Korean NGOs that are active in TVET, and international organizations such as the International Labour Organization's Asian and Pacific Skill Development Programme

92) As Korean aid is fragmented with four main and 30 other actors with separate aid portfolios, the Prime Minister-led Committee for International Development Cooperation provides a mechanism for interministerial collaboration (Ministry of Foreign Affairs, OECD, 2008).

(ILO/APSDEP), Asia-Pacific Economic Cooperation (APEC), the United Nations Development Programme (UNDP), and the United Nations Educational, Scientific and Cultural Organization (UNESCO). External evaluations should be conducted by organizations with expertise in TVET such as Inwent. Working with a foreign organization, conducting evaluations for program participation and making evaluation results accessible to the PC are recommended in order to hold KOICA accountable not only to Korean citizens but also to a wide array of stakeholders across the border. Korean embassies and KOICA's overseas offices in collaboration with partner governments can play a key role in identifying the demand, receiving project proposals, assisting grant writings, and appraising requests for assistance at an early stage.

[FIGURE 8] OPERATING SYSTEM OF THE KDCM AND POTENTIAL PARTNER ORGANIZATIONS



In tandem with the example provided for vocational training sector, the report offers guidelines for how to develop the KDCM for the other selected programs.

Applying the Findings of this Paper to KOICA's Program Management Processes

When establishing CASs and calling for project proposals, KOICA should clearly state how it prioritizes aid sectors and modalities from the early stage of policy dialogue with the recipient governments. This will ensure lower transaction costs for both PCs and KOICA by preventing partner governments from making requests in irrelevant sectors and refraining KOICA from reviewing project proposals in almost all types of sectors. If KOICA invests strategically in initiatives linked to recommended sub-sectors and in less than two or three sectors per country, the impact of its assistance is more likely to be far-reaching.

CHAPTER VII: SUGGESTIONS AND CONCLUSION

Suggestions

In order to consolidate the KDCM, some suggestions have been put forward. KOICA needs to put adequate mechanisms in place to ensure that lessons learned from the Korean development model are translated into practical knowledge. At the same time, the accumulation, processing and dissemination of the knowledge from and across sectors and regions are accordingly linked to program management. Sector classification should also be streamlined more consistently throughout the organization. Although this paper places emphasis on the operational model to normative fundamentals, sharpening organizational goals will help KOICA set boundaries for its targeted actions. To make headway on current aid practice, improved work processes reflecting the PD/AAA principles are equally as important as developing new program content. An important point being made here is that the KDCM should look beyond Korea and be proactive on benchmarking for good practices.

Conclusions

To conclude, the paper revisits concerns for the KDCM model and suggests plausible measures to address its shortcomings. A mechanism to secure Southern ownership will be a pragmatic solution to concerns about a blueprint approach, unsuitable development model, and the pursuit of commercial objectives of Korea. According to Action Aid, studies show that technical assistance is only useful where it is focused on long-term capacity building, which is demanded and controlled by the recipient countries as part of wider, nationally-owned strategies for development.⁹³⁾ Recruiting more local consultants and conducting a wide spectrum of consultation processes, not just at government levels but also with the CSOs, will enable KOICA to use indigenous knowledge⁹⁴⁾ in practical terms. It is also important to rely on country systems which incorporate public financial management (PFM) systems and public procurement management (PPM) systems⁹⁵⁾ when these pass a critical minimum standard. Additionally, mechanisms should be established to make sure that the feedback from PCs are mirrored in the evaluation results, findings from them are followed up on and knowledge from the evaluation is made accessible to local stakeholders, for example, by publishing an evaluation report in English or the local language.⁹⁶⁾ To put more teeth in the mechanisms, the role of field offices is essential, and extended authority should be delegated to the field. It should be also noted that the KDCM should be based on KOICA's aid performance, skills and experience, as the paper suggests, to bypass problems with the KDCM as a means of raising Korea's international standing rather than producing results on behalf of the PCs. In the same context, cautions should be taken for shortsighted benefits of the KDCM to secure contracts for Korean enterprises and to give preferential treatment to their exports. Rather, the model should be utilized to create a level playing field among various development partners. Finally, aid should be viewed as a long-term investment, not as

93) Actionaid International, 2005

94) Based on Korten's "learner's approach"; Easterley's "searcher's approach", Rihan's "non-linear view of the development process", and Ellerman's "doer's approach"

95) Rhee, Hyunjoo (2009). Use of Country Public Financial Management and Procurement Systems, KOICA. KOICA's research reports, such as the "Use of Country Public Financial Management and Procurement Systems," have recently been published to explore ways to integrate the PFM and PPM issues into KOICA's aid delivery systems and procedures.

96) Based on the (DAC Evaluation Network)

something that enables Korea to build the national brand in a short period of time.

As an emerging donor, new member of the DAC, and the chair country of the Fourth High Level Forum on Aid Effectiveness (HLF-4), Korea has greater opportunities and responsibilities to become a key part of the international actions. Attaining a growing role, Korea should concentrate its aid in priority sectors which are in demand, where it has a real comparative advantage, and where it can complement the efforts of other donors. One of the effective ways to develop its distinctive competencies is to illuminate a development path out of many different choices. By further articulating the KDCM and laying out an alternative donorship to traditional aid models, Korea will be able to boost the voices of the South and bring a fresh approach to global development cooperation.