

# Executive Summary

In 2010, multilateral aid of the Republic of Korea amounted to approximately 320 million Korean won, accounting for nearly 26% of its total official development aid. Although multilateral aid of the Republic of Korea has been much less than that of other DAC donors in all areas, including the amount and proportion of the aid, its multilateral aid is expected to increase, as the total ODA scale of Korea is expected to increase dramatically. Nonetheless, the lack of a concrete multilateral development cooperation strategy in Korea calls for new studies and strategies to pursue effective projects in the future. KOICA has conducted multilateral development cooperation projects in collaboration with various international organizations, but the results and effectiveness of those projects have not been systematically analyzed or evaluated. In addition, the concepts of “multilateral aid” and “multi-bilateral aid” provided by KOICA have been causing confusion with one another. Since the Republic of Korea's participation in current multilateral cooperation projects has been also weak, with no system to inspect the effectiveness of such projects and methods to manage the results, there have been continuous suggestions on solving such problems.

Therefore, this study was planned to carry out the following objectives: to identify the status of multilateral development cooperation projects conducted by the international community and Republic of Korea; to confirm the results of multilateral development cooperation projects through empirical analysis comparing multi-bilateral ODA with bilateral ODA conducted in the same area of KOICA; and to suggest how to improve the strategies for multilateral

development cooperation and project implementing system of KOICA based on the analysis results.

This study has been conducted through literature study and interviews and comparatively analyzing the bilateral and multi-bilateral ODA projects of KOICA using the project management knowledge system of PMI. The comparative analysis target was selected considering the scale and period of aid as follows. In terms of rural development, “Regional Poverty Alleviation Program: Replication of Best Practices on Rural Community Development Project” and “Project for the Rural Development in Kampong Cham Province of Cambodia” were selected. With respect to environmental development, UNEP’s projects “Water Management and Resource Efficiency for Green Growth in East Asia” and “Management of Mercury Wastes in Egypt” were selected.

The analysis has revealed the following results. In terms of multi-bilateral (multi-bi) ODA, the project planning process has taken longer than those of bilateral ODA. In addition, a feasibility study was generally not conducted, which has been replaced by a written evaluation (ex-ante evaluation) prior to project approval. The interim evaluation and end-of-project evaluation were often omitted as well. In terms of bilateral projects, the final report submission and settlement were done when the projects of the PMC were completed. However, the final report submission and settlement of international organizations took a long time after project completion. Also, after an agreement was signed, the international organizations were the main entity that implemented and executed the projects, whereas KOICA was only engaging in management. The project procurement necessary for detailed project execution was done by only international organizations in accordance

with regulations of the UN. In terms of the format of reports such as performance and final results, the UN's formats were utilized as rule. As for the unused remaining funds of projects, they were often used for supporting related projects of international organizations.

Based on the analysis results, the following are suggested to improve KOICA's projects at each stage. To reinforce the integrated project management, 1) an ex-ante evaluation of multi-buy projects should be reinforced, 2) the agreement signing stage should be improved, 3) more internal and external multi-buy information should be shared and the results of projects should be shared more actively, 4) multi-bi project personnel and manual development should be reinforced, 5) evaluation of multi-bi ODA should be bolstered, and 6) proper project implementation procedure should be set in line with the purpose of each project. In terms of the scope of project management, the following are necessary: 1) improve the agreement signing stage to reinforce the project scope management, and 2) pursue projects and linkage to bilateral projects in line with the characteristics of each international organization. In addition, the following are suggested: setting project schedule management standards for better time management for project implementation and developing a guideline to reinforce the project budget management.