

The government of the Republic of Korea has enacted the Framework Act on International Development Cooperation in July, 2010 reflecting official views received from Organization for Economic Cooperation and Development (hereinafter referred to as 'the OECD'). In accordance with the new law, the government has established the Committee for International Development Cooperation (hereinafter referred to as 'the CIDC') under the control of the Prime Minister to moderate, deliberate on, and decide international development cooperation policies on grants and concessional loans.

The Framework Act on International Development Cooperation which provides the basic principle of South Korea's official development assistance (hereinafter referred to as 'the ODA') regulates agencies supervising and implementing international development cooperation projects. Regarding the scope of effectiveness, the law belongs to the first type. Also, it features both the aspects of general norms as well as management norms of policy instruments in regard to characteristics of the legal framework. However, the Framework Act on International Development Cooperation has some issues on that front such as absence of provisions concerning the relationship with other laws and insufficiency of delegation provisions in its subordinate statutes.

Korea's ODA implementation system has its base in the 'Framework Act on International Development Cooperation' and the CIDC plays a central role in moderating major matters. The Ministry of Foreign Affairs (in charge of grants) and the Ministry of Strategy and Finance (in charge of loans) are the two supervising agencies. And in terms of ODA implementation, Korea International Cooperation Agency (hereinafter referred to as 'KOICA'), under the Ministry of Foreign Affairs, and Export-Import Bank of Korea (hereinafter referred to as 'the Korea Eximbank'), under the Ministry of Finance, play important roles as executing agencies. Furthermore, other ministries, local governments, and public institutions also carry out a lot of modalities of international development cooperation.

To specify, the CIDC moderates ODA matters based on the following legal grounds: (1) the Framework Act on International Development Cooperation, its Enforcement Decree and Enforcement Rules; (2) the Operating Regulation of the CIDC (currently abolished); and (3) the office for Government Policy Coordination and Institutions Attached Thereto.

The Ministry of Foreign Affairs as a supervising body has its legal base under (1) the Framework Act on International Development Cooperation and its Enforcement Decree; (2) the Rules on Composition and Operation of Council for Grant Aid affiliated Organizations; and (3) the Ministry of Foreign Affairs and Institutions Attached Thereto. Meanwhile, the Ministry of Strategy and Finance conducts its affairs under (1) the Framework Act on International Development Cooperation and its Enforcement Decree; (2) the Economic Development Cooperation Fund Act and its Enforcement Decree and Enforcement Rules; and (3) the Regulations on Operation and Management of Economic Development Cooperation Fund and other administrative rules.

Most of the legal grounds for central administrative agencies, local governments and public institutions that implement international development cooperation projects lies in the Framework Act on International Development Cooperation, its subordinate statutes and administrative rules. In particular, most of the organizations base the ground for implementing their ODA projects on the Enforcement Rules of affiliated institutions and its own administrative rules. Local governments have enacted ordinances that specify the contents of ‘Framework Act on International Development Cooperation’ since 2015.

Aside the Ministry of Strategy and Finance (including Korea Eximbank) and Ministry of Foreign Affairs (including KOICA) serving as the two big pillars of Korea’s ODA projects, the Ministry of Education, the Ministry of Health and Welfare, the Ministry of Agriculture, Forestry and Livestock and the Ministry of Commerce, Industry and Energy are recognized to have received more than 1% (about 26.4 billion won) of the total ODA project budget in Korea. Korea’s ODA loan-assisted projects relatively focus more on bilateral and credit assistance, and tend to be conducted in Asia, Africa and South America. Bilateral aid is the most commonly used method for ODA projects and multilateral assistance is most frequently conducted with the help of the World Bank.