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## International Development Cooperation after COVID-19: Impacts, Challenges, and Ways Forward in the Urban Sector

Youn Hee Jeong, Minjee Kim, Eunhwa Kim

## International Development Cooperation after COVID-19: Impacts, Challenges, and Ways Forward in the Urban Sector

This study analyzes changes in internal and external conditions that have impacted development cooperation sites in the urban sector in Korea for approximately a year and a half since March 2020, when the novel coronavirus (COVID-19) pandemic began. Based on the results of the analysis, the study suggests tasks to be performed in the development cooperation sector, as well as the direction it should take for sustainable development. In response to pandemic-led environmental changes, including decreased financial resources, increased demand for development cooperation to strengthen urban resilience, and the transition to a contact-free mode of cooperation, the following policy tasks are proposed to promote sustainable and effective urban sector development cooperation policies. Firstly, the international community's agenda for cities' digitization and green restoration must be prominent, and the expansion of entry into relevant sectors must be promoted. Second, it is necessary to identify and plan strategic projects that can prevent inefficient overlapping support and increase the effectiveness of cooperation while considering recipient countries' needs and conditions. In particular, it is necessary to establish local partnerships and strengthen local response capabilities by instituting a close cooperation system with international organizations and local governments. Finally, the public sector will need to make efforts to strengthen the urban development sector's development cooperation capacity by securing various financial resources for development and supporting public-private partnership.

## International Development Cooperation after COVID-19: Impacts, Challenges, and Ways Forward in the Urban Sector

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# Summary

The prolonged COVID-19 pandemic has further aggravated the socio-economic vulnerability of developing countries that lack the capacity and financial resources to respond to the crisis, while also negatively affecting the international community's achievement of the sustainable development goals (SDGs).

In the short term, the international community focused on emergency support in the health/food sector for developing countries after the pandemic, but in the mid- to long term, it notes the importance of sustainable development through digitization and green recovery and seeks to turn the COVID-19 crisis into an opportunity for the application of climate crisis response policies and the reconstruction of resilient cities that can respond to infectious diseases and climate crises, with an emphasis on the role of development cooperation for those ends.

The Korean government has also positioned overcoming the impact of COVID-19 and leading the response to climate change as strategic tasks for international development cooperation and is making efforts to support the establishment of a digital infrastructure and the expansion of green official development aid (ODA) that considers developing countries' recovery. However, it is necessary to advance a project planning and promotion strategy that considers the characteristics of development cooperation in the urban sector and the post-pandemic changes in field conditions. To this end, this study investigated changes in conditions and tasks, targeting related institutions and local experts in development cooperation.

The results showed that the pandemic had a complex impact on all stages of development cooperation projects, including their inception, implementation, and evaluation. In particular, difficulties were faced in field investigations and face-to-face consultations due to strong social distancing policies at the beginning of the spread of COVID-19 that continued with the prolongation of the pandemic. This was found to have significantly affected the decreased performance of development cooperation projects in the urban sector, where there are numerous stages of consultation with relevant stakeholders. While some respondents mentioned positive changes due to the expansion of the contact-free work mode, the contact-free mode of cooperation was found to be significantly limited in terms of development cooperation in the urban sector, where field research and stakeholder consultation are crucial.

For sustainable development cooperation in the urban sector to respond to COVID-19-related changes in conditions, local response capabilities will need to be strengthened through improved information accessibility and network establishment; advancement into the private sector will need to be supported through the promotion of package-type projects and strategic business planning/management in f comparative advantage areas; and there will need to be efforts to establish an integrated cooperation system for the joint creation of an urban sector development cooperation ecosystem amongst public, private, and research institutions.

## CHAPTER I.

# Background and Purpose of the Study

More than two years have passed since the World Health Organization declared the COVID-19 pandemic, and there is currently discussion of a "With-Corona" era where we coexist with COVID-19 as we return to our normal daily lives, rather than a post-COVID-19 era that presupposes the end of the COVID-19 pandemic. However, to discuss the directions of cooperation for sustainable development after COVID-19, it is necessary to understand the impact of COVID-19 on development cooperation. Since the declaration of a pandemic in March 2020, countries worldwide have closed their borders and restricted freedom of movement and assembly to prevent the spread of infection caused by overseas travelers. Such a strong lockdown has brought many changes to conditions for international development cooperation. With this background, this study identified how the international community's development cooperation strategy has changed since the COVID-19 pandemic and analyzed changes in the conditions and tasks of development cooperation in Korea to suggest strategic directions and tasks for Korea's development cooperation in the urban sector that comply with international expectations and norms considering national interests in the changing international environment. This study took three approaches to understand the changes in the circumstances that COVID-19 has had on the international communities and development cooperation in the urban sector in Korea. First, in order to understand the changes that have occurred in the field of development cooperation internationally, documents on the strategies of major international organizations and advanced donor countries responding to COVID-19 were analyzed. Through this, changes and characteristics of policies in the development cooperation field in international communities since the COVID-19 pandemic were examined, particularly through an analysis of how strategies were being discussed in the urban sector. Second, in order to understand the change in conditions that occurred in the development cooperation site in the urban sector in Korea for the year and a half from March 2020, when the COVID-19 pandemic began, to August 2021, a survey of stakeholders in development

cooperation projects and in-depth interviews with related experts were conducted to understand the changes in the fields and the challenges we are facing. Third, in order to understand the changes that occurred during the COVID-19 pandemic in development cooperation projects in the overseas urban development field, we analyzed the changes in conditions under the COVID-19 pandemic and derived response strategies according to the change of project implementation conditions in detail based on the projects performed in Indonesia and Vietnam. Based on this multifaceted and comparative analysis of the current status of policy implementation in Korea, new policy directions and tasks for development cooperation in the urban sector were suggested.

## CHAPTER II.

# Trends and Characteristics of the International Community's COVID-19 Response Policy

## I. Global Crisis and Non-Global Response

As seen from the current status and trends of COVID-19, COVID-19 has been an international crisis, requiring a joint response from the international community. Global solidarity and international cooperation are more important in societies where crises spread rapidly. However, since the World Health Organization declared the pandemic in March 2020, the international community has strengthened the principle of national priority rather than cooperation based on multilateralism and has shown independent responses by protecting the lives of its people a top priority. In the European Union, regional conflicts have arisen due to restrictions on the export of medical supplies and the lockdown of borders, which has increased the uncertainty of international leadership and raised the crisis of multilateralism. In particular, when the World Health Organization declared the global pandemic, the US and major European countries, which were central to the spread of the disease, failed to respond, weakening Western leadership.

In an article in the Financial Times, Professor Summers from Harvard University wrote<sup>1)</sup> that if the 21st century becomes the century of Asia, the turning point would be remembered as the COVID-19 pandemic, noting a comparison of the failure of Western

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1) Financial Times. 2020.5.14.

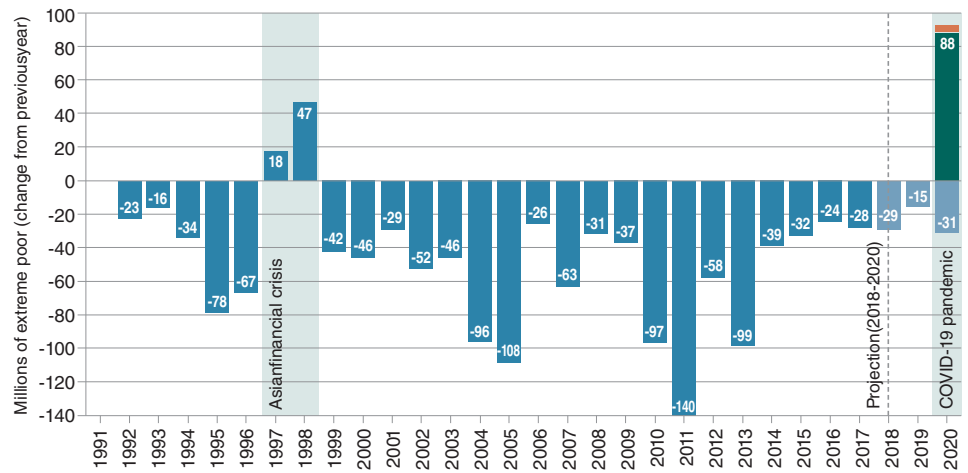
countries such as the US, Britain, France, Spain, and Italy to respond to the COVID-19 with the successful response of Asian countries such as Korea and Taiwan.

## 2. Deepening polarization and inequality in the international community

Meanwhile, each country’s response to prevent the spread of COVID-19 has caused unavoidable changes in the field of international cooperation. Due to the strong lockdown that restricted freedom of movement and assembly, government agencies and civil society organizations that had been dispatched to the sites of partner countries for development cooperation withdrew. Many development cooperation activities were halted or postponed as the workforce in their home country was also unable to return to the field. In early February 2020, the Korea International Cooperation Agency recommended canceling all overseas business trips of domestic personnel. Moreover, in March 2020, when the World Health Organization declared a pandemic, they prepared for the return of overseas dispatched personnel as 2,155 people, 76.7% of the 2,808 people directly or indirectly dispatched overseas and their accompanying family members, returned to Korea,<sup>2)</sup> while for those who remained in the field, face-to-face work as before was largely suspended. When business trips to the site were not possible, this added to the risks to the continuity of development cooperation project activities that required field investigations and personal exchanges. As developing countries’ economic and social vulnerability deepened, the importance of international cooperation increased. However, most developing countries’ vulnerability intensified amid nation-centrism, accelerated by the collapse of the public health sector in each country due to the increased number of confirmed cases of COVID-19. Some argue that the world has become equal in the face of infectious diseases due to COVID-19, pointing out that the center of the first global pandemic was the US and major European countries. However, developing countries have vulnerabilities that render their situations not comparable to those of developed countries in terms of their weak public health infrastructure and lower ability to respond to infectious diseases and overcome economic stagnation and crises. In particular, an economic structure highly dependent on product exports, tourism, and remittances from migrant workers would inevitably be hit hard by the COVID-19 outbreak, leading to direct economic difficulties.<sup>3)</sup>

According to a report of the World Bank,<sup>4)</sup> the number of people in absolute poverty, which had been struggling to decrease since the 1998 financial crisis, increased significantly in just one year after COVID-19, and the poverty rate and the disparity also increased.

Figure 1. Changes in the number of the world's population in absolute poverty (% increase from the previous year, 1991–2020)



Source: Larkner et al. 2020. Cited from the World Bank website.

The COVID-19 outbreak that started in China and spread worldwide has shown that the world is closely connected and that no country can be safe alone. In societies connected ever more closely through the development of transportation and communication, a failure of one country to respond would soon spread to neighboring countries.

The UN secretary-general appealed for the international community’s cooperation in responding to the COVID-19, saying, “No one is safe until we are all safe.”

Besides the crisis of rapid urbanization and climate change in developing countries, the challenges of the international community before COVID-19 and the risk of frequent spread of infectious diseases were added. In order to properly respond to this, the need for international cooperation to support the development of resilient and sustainable cities in developing countries, along with prompt humanitarian assistance for emergency response, has grown.

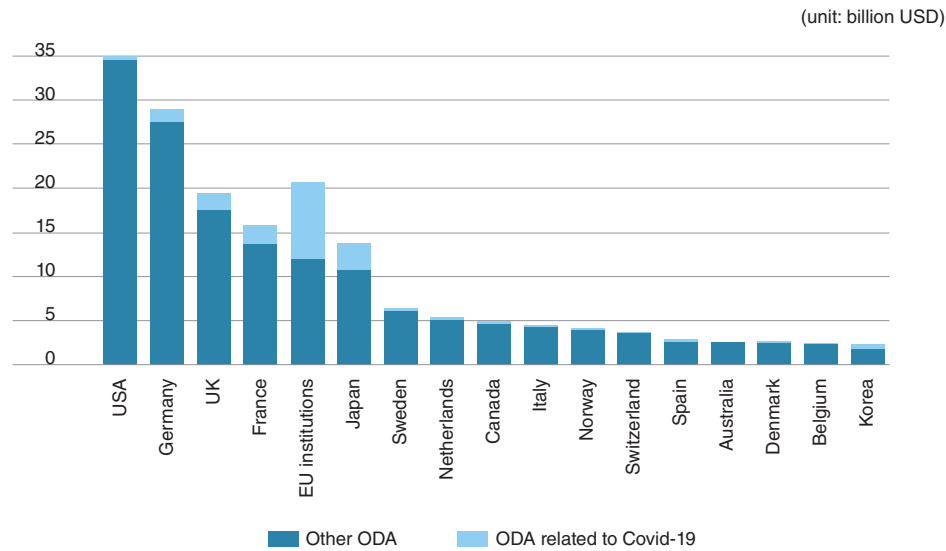


### 3. Strategies of major international organizations for responding to COVID-19

From the Joint Statement on Response to COVID-19 announced in April 2020,<sup>5)</sup> the OECD DAC, a forum of donor countries,<sup>6)</sup> emphasized that as the COVID-19 pandemic is a global crisis without borders, international cooperation and multilateralism are more important than ever and that strong, inclusive, and consistent international responses are required. In addition, it emphasized that ODA is a major means to support developing countries in their response to COVID-19, and in particular, within the framework of 5P of the Sustainable Development Goals,<sup>7)</sup> encouraged development cooperation partner countries to maintain the ODA budget level.

A year after that, according to the data released by the OECD in April 2021,<sup>8)</sup> the ODA budget from OECD DAC member countries in 2020 reached an all-time high of \$161.2 billion (USD) despite the pressures to public finances due to budgeting for COVID-19 response. This increase of 3.5% compared to 2019 marked an increase in additional aid for developing countries experiencing the COVID-19 crisis. However, the OECD Secretary-General, Angel Gurría, stated that while governments around the world spend \$16 trillion to boost their economies stricken by the COVID-19 crisis, only less than 1% of it was spent on responding to the crisis in the most vulnerable developing countries, and pointed out that the COVID-19 crisis is becoming a major test for the concept of multilateralism and official development assistance.

Figure 2. ODA expenditure related to COVID-19 by top OECD donors



**Source:** ODA statistics for 2020.  
Cited from the OECD website.

In order to examine the policy trends of the development cooperation sector in the international community since COVID-19, we reviewed documents related to the COVID-19 response strategy of major international organizations. Based on this, this study aimed to examine the international community's COVID-19 response policy trends and the characteristics of the urban sector's response strategies for recovery and reconstruction.

Table 1. Reviewed documents related to international organizations' response to COVID-19

International organizations	Title	Publication date
OECD	• Managing for Sustainable Results in Development Co-operation in Uncertain Times	2020.06
	• OECD Tackling Coronavirus (COVID-19): Contributing to a Global Effort – Cities Policy Responses	2020.07
	• COVID-19 spending helped to lift foreign aid to an all-time high in 2020. Detailed Note	2021.04
UN-Habitat	• UN-Habitat COVID 19 Policy and Programme Framework	2020.04
	• COVID-19 Response Plan	2020.04
World Bank	• Urban and Disaster Risk Management Responses to COVID-19	2020.04
Asian Development Bank	• Comprehensive Response to the COVID-19 Pandemic	2020.04
	• Livable Cities: Post-COVID-19 New Normal	2020.08
UNDP	• COVID 19 UNDP's Integrated Response	2020.04
	• Beyond Recovery: Towards 2030	2020.06

**Source:** Arranged by the author of this study.

In the early stages of the COVID-19 pandemic, major international organizations such as the OECD, World Bank, UN-Habitat, ADB, and UNDP focused on emergency support in developing countries' health and food sectors. However, as the COVID-19 situation was prolonged, sustainable development through digital transformation and green recovery was taken as a task in the mid-to-long term, and the movement to use the COVID-19 crisis as an opportunity for climate policy was strengthened. Major international organizations have emphasized the role of cities and local governments as major policy enforcement units in responding to infectious disease crises and strengthening resilience.

In the short term, OECD DAC donors have focused on health systems, humanitarian aid, and food security assistance in developing countries, and in the medium term they seem to have focused more on COVID-19 diagnosis, vaccines, and the social and economic impacts of COVID-19. The OECD implemented an action-oriented strategy to create future-oriented and resilient cities to respond to COVID-19 in the urban sector. To realize this, digital tools, increased investment to improve urban mobility and

infrastructure accessibility through compact city development, revitalized public and green spaces, mechanisms for cooperation between stakeholders, and civil participation were emphasized.

UN-HABITAT focused on recovery and long-term impact on informal habitation and slums regarding human settlements. Under the “COVID-19 Response Plan,” established as a guideline for city-level response to COVID-19, responses were emphasized of providing innovative community-based solutions for local government support and informal habitation, providing evidence-based city data, and visualizing information for informal policy-making, reducing and recovering from the impact of COVID-19 on the economy, and facilitating learning about policy tools and practices. The World Bank quickly undertook responses to COVID-19 in developing countries to expand monitoring of infectious diseases, improve public health policies, and increase employment in the private sector. The spread of COVID-19 was classified into three phases, based on which a step-by-step response plan was presented.

Table 2. The World Bank’s Step-by-Step Response to the Spread of Infectious Disease

Steps	Contents	Responses
1	Relief	• Immediate response to the economic, financial, and social impacts of the spread of COVID-19
2	Restructuring	• Strengthening the health system to prevent pandemics, recover human resources, reduce debts, recapitalize companies, etc.
3	Resilient Recovery	• Seizing new opportunities to build a more sustainable, inclusive, and resilient future in a world transformed by the pandemic

As of December 2020, the World Bank had carried out 158 projects in 108 countries in response to COVID-19 and invested 6.4 billion USD (World Bank 2020e). In addition, the financial and technical support strategies of each sector in response to the COVID-19 crisis were as follows. 1) Emergency support to the health sector to save lives from the spread of infectious diseases, 2) social responses to protect the poor and vulnerable from the social and economic impact of COVID-19, 3) economic responses for livelihood and job preservation, sustainable business growth, job creation, and corporate and financial survival, and 4) cross-sector support for strengthening the policies, systems, and investments necessary for flexible, comprehensive, and sustainable recovery.

The World Bank presented a city-level response strategy through the “Urban and Disaster Risk Management Response to COVID 19” report for the urban sector to respond to COVID-19. This report established goals such as preventing the spread of diseases in urban areas, protecting the urban poor and vulnerable, promoting local government

financial sustainability, and improving land use, and suggested financial modalities for the project responding to these issues.

ADB quickly prepared various financial packages in response to the rapid increase in confirmed COVID-19 cases and implemented technical assistance and financial support program for the private sector: the Trade Finance Program (TFP), Risk Participation and Guarantee Program (MFP), and Supply Chain Finance Program (SCFP) for support of private sectors. Moreover, the Technical Assistance Special Fund (TASF) and a grant fund, the Asian Development Fund (ADF), were operated.

ADB sought close cooperation among global partners, such as cooperative financing between bilateral and multilateral development partners, to respond to COVID-19 at the national level. ADB linked the existing “Livable Cities Plan” with the urban sector’s response to COVID-19, established an integrated city plan between ministries and administrative regions for city safety, provided social protection for the vulnerable and basic services and WASH (Water, Sanitation, and Hygiene), and emphasized the improvement of the urban environment such as waste management. A mid-to-long-term plan was suggested entailing: 1) improving city services and infrastructure using technology and digital solutions, 2) reflecting the lessons learned from COVID-19 in strategic city planning, 3) improving the financial sustainability of local governments and strengthening the capacity of city institutions, 4) constructing healthy and environmentally sustainable cities, and 5) constructing resilient cities against the spread of infectious diseases, disasters, and climate change.

Major international organizations have repeatedly emphasized the importance of support for healthy, safe, and sustainable urban development as a mid-to-long-term recovery strategy for sustainable development and emphasized the capacity building and digitalization of city governments. As a development cooperation strategy in urban sectors to enhance the city’s resilience and disaster management capabilities, urban data monitoring using digital technology has been highlighted as a major means of implementing the strategy, along with preferential response and investment concentrating on vulnerable groups and regions, and improved access to urban services and increased productivity through the use of information and communication technology and digital infrastructure.



#### 4. Response strategies of major developed donor countries

Some donor countries, including Korea, reduced their ODA budgets with the expansion of budgets for COVID-19 response, but others supported the international community by expanded ODA to response to COVID-19. Among these countries, we looked at the policy trends in the development cooperation after COVID-19, focusing on the US, Germany, and France, which were evaluated as having actively participated in the international community's response to COVID-19. In the early stages of the crisis, the above countries chose to restructure their existing projects and budgets rather than increase them, but in the end, they increased their budgets according to each country's strategy. The major donors, including Germany, the US, and France, in common, emphasized global partnerships based on humanitarianism and multilateralism, but according to the strategic priorities of each country, there was a tendency to focus on support for the poorest countries and key partners. As emergency support for COVID-19 was provided within the limited ODA budget, a strategy of choice and concentration was an inevitable choice, but the expansion of national centrism and intensifying competition among donor countries also seemed to have an impact. In addition, each country tended to use the COVID-19 crisis as an opportunity to enhance its climate policy.

Germany has the second-largest ODA expenditure among OECD DAC donors after the US, and its ODA volume has increased by 13.7% compared to the previous year after COVID-19. In Germany's major strategies for long-term recovery from COVID-19, sustainable development and responses to climate change were the main tasks of development cooperation. Moreover, climate change initiatives were promoted with various partners such as the World Bank, the United Nations, and the International Monetary Fund to promote Green Recovery. While responding to climate change by reducing carbon emissions and promoting investment in energy and green infrastructure, strategies to recover from the economic impact of COVID-19, such as economic revitalization and job creation, were promoted.

In the case of France, the scale of ODA was 14.1 billion USD in 2020, marking an increase of 10.9% compared to the previous year. The French Development Agency (AFD) planned to support 63 projects in 33 countries using a total of 2.2 billion euros during 2020–2021, mainly including countries from sub-Saharan regions such as Gabon, Mali, and Senegal. AFD also implemented the Health in Common Initiative as a support package for developing countries (AFD 2021b). The target of support for the initiative was central governments, civic groups, development banks, and private sectors of African countries that have suffered socio-economic damages due to COVID-19, and the financial envelope is EUR 150 million of grants and EUR 1 billion of concessional loans. France also actively participated in multilateral assistance to respond to the COVID-19 crisis at the international level and cooperated in material litigation, protection of European citizens,

and humanitarian aid for sub-Saharan countries. France established a Sustainable Cities Strategy to respond to COVID-19 in urban sectors and expanded the scale of urban development support, such as operating an urban innovation lab program to promote civic participation and improve the urban environment using digital technology.

The US was the largest donor among OECD DAC member countries, spending 35 billion USD on ODA in 2020, equivalent to 20% of the total donations of DAC member countries (OECD DAC 2021b). The US launched the COVID-19 Global Response and Recovery Framework in 2021 to end the pandemic, weaken threats to citizens and society, and strengthen global society's resilience and ability to respond to future pandemic threats. USAID, the US foreign aid agency, has invested in and supported 120 countries in responding to COVID-19, including emergency rescue, strengthened health systems, vaccine preparation and supply, improvement of public health education, and prevention of secondary damage from COVID-19.

In examining the responses of major international organizations and developed donors to COVID-19, the importance of the city unit and an emphasis on strengthening local government strategies and digitalization of city services may be noted, as well as preferential responses to the vulnerable and vulnerable spaces. In addition, although global partnership based on humanitarianism and multilateralism was commonly emphasized, there was a tendency to focus on support for the poorest countries and key partner countries according to strategic priorities for effective COVID-19 response within the limits of ODA funding. As of 2020, ODA to poor and middle-income countries had increased, while ODA to low-income countries had decreased slightly, apparently due to the expansion of nation-centrism and the intensifying competition between donor countries.

# International Development Cooperation Sector's COVID-19 Response Policy in Korea

Since joining the OECD DAC in 2010, Korea's average annual ODA growth rate for the past 10 years has been 11.9%, the highest among member countries and 15th in the world in scale. With the continuous expansion of the ODA scale, Korea has established itself as a middle-class donor that plays the role of a bridge between developed and developing countries. The government plans to continue expanding the total ODA until 2030, when the SDG agenda ends, and to double that of 2019. With the completion of the 2nd Basic Plan for International Development Cooperation in 2020, the 3rd Basic Plan for International Development Cooperation (2021–2025), which will start in 2021, was established. The third basic plan presents the vision of realizing global values and the national interest of coexistence through cooperation and solidarity. In addition, the plan deals with the changes in conditions caused by COVID-19 and the directions of response to them and presents the major strategies of strengthening support for responding to infectious diseases, expanding humanitarian aid to vulnerable countries and vulnerable populations, constructing the foundations for economic and social development in developing countries, and pursuing sustainable development around the world through shared prosperity with donor countries.

Table 3. Korea's ODA confirmation statistics

(unit: billion KRW)

International organizations	Year of 2018	Year of 2019	Year of 2020	Year of 2021
Total ODA	3,048.2	3,200.3	3,427.0	3,710.1
Bilateral aid (%)	2,387.7 (78.3)	2,493.8 (77.9)	2,775.0 (81.0)	2,881.9 (77.7)
Non-Grants (%)	1,058.1 (44.3)	1141.2 (45.8)	1,184.9 (42.7)	1,258.2 (43.7)
Grants (%)	1,329.6 (55.7)	1,352.6 (54.2)	1,590.1 (57.3)	1,623.7 (56.3)
Multilateral aid (%)	660.5 (21.7)	706.5 (22.1)	651.9 (19.0)	828.2 (22.3)

Source: Collaboration with relevant ministries. 2020b.

In the Comprehensive Implementation Plan for International Development Cooperation, which sets the direction for ODA implementation based on the Comprehensive Basic Plan for International Development Cooperation and presents projects to realize it, the ODA scale for 2021 was set at 3.71 trillion KRW, an increase of 8.3% compared to 2020. This plan also emphasizes the need for strategic ODA promotion to effectively respond to environmental changes caused by COVID-19 and strengthen global cooperation and solidarity. Moreover, this emphasizes the need to promote the realization of sustainable development and global cooperation through short-term and humanitarian aid to the international community and support for economic and social recovery in developing countries.

South Korea approved a total of \$570 million in aid for the response to COVID-19, including 87 million USD in humanitarian aid to 120 countries and 480 million USD in emergency loans for health and medical services for the international community respond to COVID-19,<sup>9)</sup> and provided a comprehensive emergency support program of 36 billion KRW to respond to COVID-19 in regional base countries and organizations. In addition, Korea is participating in responses to COVID-19 through international organizations such as international discussions and information sharing through multilateral diplomacy.

9) See Collaboration with relevant ministries (2020b).

Compared to the period before COVID-19, the ODA budget is also steadily increasing (5.0% in 2019, 7.1% in 2020, and 8.3% in 2021). Considering the ODA status (2019–2021) of five major ODA-related organizations, the Ministry of Strategy and Finance, the Ministry of Land, Infrastructure, and Transport, the Ministry of Foreign Affairs, the Korea International Cooperation Agency (KOICA) and the Export-Import Bank of Korea, the size of the ODA budget by each institution (2019–2021) has continued to increase even after the COVID-19 outbreak. Multilateral cooperation has greatly expanded since the pandemic began.

Table 4. ODA status by major government organizations (2019–2021)

(unit: billion KRW)

International organizations	2019				2020				2021			
	Bilateral Grants/ non-grants	Multi-lateral	Total	Number of projects	Bilateral Grants/ non-grants	Multi-lateral	Total	Number of projects	Bilateral Grants/ non-grants	Multi-lateral	Total	Number of projects
Ministry of Strategy and Finance*	11,982	1,332	13,314	263	12,633	1,590	14,223	283	13,374	2,560	15,934	309
Export-Import Bank of Korea**	11,412	-	11,412	156	1,1849	-	11,849	161	12,582	-	12,582	171
Ministry of Foreign Affairs	9,048	1,023	10,071	612	10,733	1,248	11,981	694	10,668	1,656	12,324	757
KOICA	7,196	-	7,196	559	8,454	-	8,454	637	8,537	-	8,537	699
Ministry of Land, Infrastructure, and Transport	155	2	157	12	257	1	258	22	226	1	227	28
Total	21,185	2,357	23,542	887	23,623	2,839	26,462	999	24,268	4,217	28,485	1,094

**Note:** \*The Ministry of Strategy and Finance implements bilateral grants and non-grants.  
\*\*Export-Import Bank of Korea only implements EDCF in the context of bilateral cooperation.  
**Source:** Collaboration with relevant ministries. 2019; 2020a; 2021.

The institutions’ major responses to international development cooperation after COVID-19 were commonly focused on responding to social and economic crises and sustainable recovery in the post-COVID-19 era, carrying out emergency services, relief supplies, and support for the vulnerable groups of Koreans living abroad. In particular, to cooperate with the international community, conferences and forums were held with various international organizations, international institutions, and multilateral development banks to discuss strategies for responding to global crises and strengthen partnerships. In particular, with “K-Quarantine” drawing the international community’s attention, a cooperative loan program with a multilateral development bank was promoted. EDCF support for overseas expansion of domestic companies was also promoted, and in particular, overseas projects and international development cooperation in the fields of K-New Deal and digital and smart cities has increased. As of 2020, KOICA, the agency in charge of ODA grant aids, had invested 858.7 billion KRW and carried out 699 projects. The COVID-19 recovery support programs “Agenda for Building resilience against COVID-19 through development cooperation” and “ODA Korea: Building TRUST” were operated, promoting relief supplies, consulting, medical equipment support, and public-private cooperation. The digital transformation has been in full swing in the post-COVID-19 era, such as conducting e-volunteering. In addition, “Creative Technology Solution” (CTS), a program to support prospective entrepreneurs and startups to solve

social problems in developing countries in connection with government policies such as responses to infectious diseases, the Green New Deal, and the Digital New Deal was operated, and a pilot project to realize ESG (Environment, Social, Governance) value through impact investment targeting social ventures in developing countries was promoted and supported financially as part of the 2021–2022 Inclusive Business Program (IBS).

Korea’s development cooperation project has made efforts to minimize the impact of the pandemic by concentrating its capabilities on the health and medical fields after COVID-19 and expanded the scale of humanitarian ODA project support to strengthen the economic and social resilience of developing countries. Under the trend of non-face-to-face interactions, ICT convergence digital and Green New Deal ODA were promoted, a universally applicable K-quarantine tailored to recipient countries was reconstructed, and projects that link government-civil society-business were solicited. In response to quarantine and movement restrictions, the role of overseas diplomatic offices and local offices was strengthened to expand local procurement. Efforts were made to establish inclusive, cooperative governance by strengthening partnerships among development partners and expanding private participation (Eximbank of Korea, 2021).

To ensure the vision of the 3rd Comprehensive Basic Plan for International Development Cooperation, which involves the realization of global values through cooperation and solidarity and of national interests of coexistence, the realization is needed of universal values upheld by the international community and a strategic approach based on sincerity in seeking coexistence with partner countries. Humanitarian aid in response to an urgent crisis is also important. However, to promote development cooperation that meets the values of the international community and our policy goals, it is best to pursue development cooperation in the direction of inducing long-term and sustainable development of partner countries. The importance of development cooperation in the urban and infrastructure sector cannot be overemphasized.

# Changes in Conditions at the Sites of Development Cooperation Projects

**10)** For more details on the survey and meeting, see Yunhee Jung et al. (2021). The direction of international development cooperation in the urban sector response to the changing conditions in the post-COVID-19 era. Sejong: Korea Research Institute for Human Settlements. See Chapter 4 and Appendix.

In order to analyze the current status of response to COVID-19 and changes in conditions at development cooperation sites, we conducted a meeting and a survey of experts working in overseas urban and infrastructure development cooperation sites.<sup>10)</sup>

Fourteen people in charge of development cooperation projects and from government departments participated in the in-depth interview, and 32 experts in development cooperation participated in the survey. The purpose was to understand the impact of changes in the circumstances of the COVID-19 era on the discovery, promotion, and implementation of development cooperation projects and to review strategies to respond to them.

Table 5. Survey Respondents of Development Cooperation Expert

Period	2021.7.19–2021.9.8
Survey subjects and number of respondents	Distributed to 80 experts from international development cooperation-related organizations and projects, of whom 32 answered.
Specialties of the respondents	General international development cooperation (18), transportation and infrastructure (3), land and regional planning (3), city (7), geospatial information (1)
Current residences of the respondents	Phnom Penh, Cambodia, Darussalam, Tanzania, Rabat, Morocco, Kigali, Rwanda, Dili, Timor-Leste (2), Nairobi, Kenya, Jakarta, Indonesia (3), and Korea
Respondent's Institution	Government ministries (4), public institutions (19), private companies (6), NGOs (2), specially authorized corporations (1)
Related field experiences	Less than 7 years (9), more than 7 to less than 10 years (6), 10 to 15 years (6), 15 to 20 years (4), and more than 20 years (7)
Work experience on overseas sites	Less than one year (8), more than one to less than five years (12), more than five years (5)

Source: Written by authors.

In the survey, those in charge of overseas development cooperation projects responded that the negative impact they experienced after the spread of COVID-19 had a complex effect on all stages of development cooperation projects, such as new project creation, project promotion, project management, and performance evaluation. 91% of the respondents said that the spread of COVID-19 had a significant impact on their ongoing work, 78% experienced difficulties due to project delays, and more than 50% had difficulties communicating with local organizations due to restrictions on overseas business trips and local movement. In addition, respondents adduced the deterioration of the financial situation and consequent reduction of resources for development cooperation, difficulties in field investigations and information acquisition, deterioration of project efficiency and difficulties in project management due to non-face-to-face project promotion, deepening of disparities due to gaps in digital infrastructure and competency. Although the method of cooperation has been changing relatively quickly to non-face-to-face, the gap in the digital infrastructure between project execution agencies and the recipient countries has increased the uncertainty of project implementation. Furthermore, difficulties in workforce and finance in projects were aggravated due to the suspension, cancellation, and long-term delay of tasks without financial support.

Figure 3. The impact of the spread of COVID-19 on work being carried out

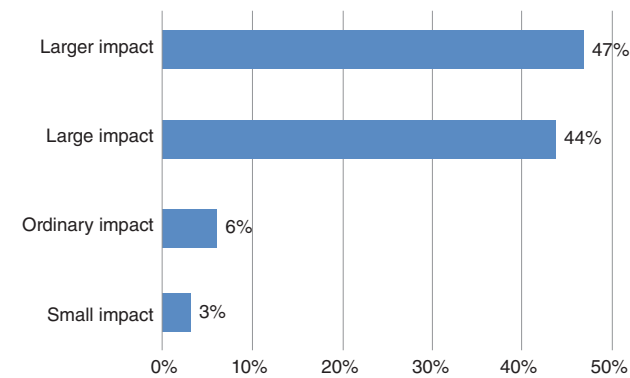
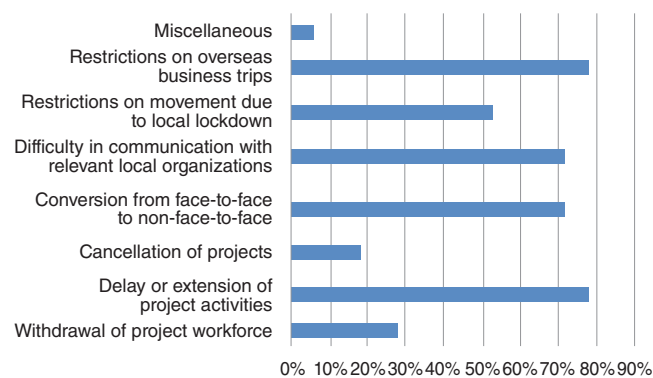


Figure 4. Negative impact of the spread of COVID-19 on development cooperation (multiple responses)



On the other hand, the ease of holding meetings due to the flexible working condition using the non-face-to-face method, increases in the number of discussions, reductions in project implementation costs, and the expansion of the use of local offices and workforce were evaluated as positive aspects of the changes since COVID-19. However, comments that the conversion to non-face-to-face discussions cannot guarantee quality should not be overlooked. In particular, there were many opinions that it was not easy to overcome the limitations of non-face-to-face cooperation since urban development cooperation projects go through a stage of discussions with numerous stakeholders, and building trust is essential in the projects. Specifically, there was great concern about the effectiveness of non-face-to-face hosting of capacity-building projects in which government officials and policymakers in developing countries participate. This is because it is difficult to replace the effects of field visits and case studies with online training.

A meeting was held for those working on international development cooperation projects through major development cooperation programs in the urban sector and those in charge of planning and operating the programs from related organizations. Among people from various organizations who were involved in development cooperation projects in countries where they were carried out before COVID-19, Indonesia, Paraguay, Vietnam, Myanmar, and the Philippines, we asked how COVID-19 affected the field at each stage, such as project selection, promotion, and implementation. It is difficult to say that the discussions mentioned at the meeting reflected the opinions of all stakeholders in the development cooperation project. However, during the COVID-19 pandemic, listening to the opinions of those directly working on development cooperation projects overseas could be meaningful, and parts of the opinions are presented here.

Table 6. Outline of meeting with those in charge of overseas development cooperation

Period	2021.4.22~7.22
Number of meetings and participants	14 experts and stakeholders participated in 10 meetings
Recipient countries	Vietnam, Paraguay, Indonesia, Myanmar, Philippines, etc.
Related organizations	Korea International Cooperation Agency, Happiness Centered City Construction Authority, Korea Land and Housing Corporation, Korea Water Resources Corporation, Korea Railroad Corporation, Ministry of Land, Infrastructure, and Transport, Export-Import Bank of Korea, Private Urban Research Institute, etc.
Development cooperation program	<ul style="list-style-type: none"><li>Ministry of Strategy and Finance, Economic Innovation Partnership Program (EIPP) project</li><li>Land Transport K-City Network Program</li><li>Overseas construction market development support fund (Indonesia New Capital Construction Master Plan Establishment Project, Paraguay Vanya Dosur New City Development Project, Vietnam Urban Development Project, etc.)</li></ul>

Although there might have been a variety of changes in the conditions in development cooperation projects after the COVID-19, this chapter concerns the direct changes in the perceptions of conditions in the fields. Overseas development cooperation project managers pointed out the aggravation of the financial situation due to the spread of COVID-19 and the reduction of resources for development cooperation, delays in project consultations and promotion due to lockdowns and social distancing, decreases in project efficiency and difficulties in project management due to non-face-to-face work, and the deepening of disparities due to gaps in digital infrastructure and competencies. Although the method of cooperation has been changing relatively quickly to a non-face-to-face method, it was a common opinion that it was not easy to overcome the limitations of non-face-to-face cooperation in promoting development cooperation projects where trust is essential.

I) Financial deterioration of recipient countries and the increasing importance of official development assistance

There was a crisis in the health sector due to the recipient country’s response to COVID-19 and a decrease in the budget for each sector. Moreover, as fiscal inflows to recipient countries decreased due to the financial deterioration of countries around the world, the financial situation deteriorated in most recipient countries. This reduced the size and priorities of the city and infrastructure budget and had a major impact on the speed of execution of the budget. In the case of Indonesia, due to the spread of COVID-19, most of the major infrastructure projects have been suspended or postponed, and the related budget has been used to respond to the COVID-19 crisis.



“Many government departments have returned their budgets because of a lack of finances due to COVID-19. In the case of the Ministry of Public Works, which is in charge of land and urban development projects in Indonesia, the annual budget is about 10 trillion KRW, of which 20% had to be returned. In addition, 80% of the total budget of 40 trillion KRW for the new water relocation project depends on private investment and public-private cooperation, and due to the contraction of private investment after the COVID-19 and the delay in the finalization of the plan, there were difficulties in raising financial resources.”

Although official development assistance is not large compared to private capital, the role of official development assistance is expected to increase further as the inflow of public and private sector funds from developing countries is greatly reduced due to COVID-19.

## 2) Disparity due to gaps in digital infrastructure and competency

The gaps in digital infrastructure and competency for each recipient country are causing disparities in the digital transformations and rapid recovery necessary to respond to the pandemic. In most countries, infection prevention policies such as city lockdowns and social distancing have been implemented, limiting offline activities, and many parts of daily life have been converted to online. The work method has also shifted to video conferencing and telecommuting. In places where digital capabilities and infrastructure are established, there was no major problem in changing into non-face-to-face work due to the spread of COVID-19, and the proportion of institutions or companies residing in the fields was not high. Officers dispatched from Korean government departments working in local government departments were in charge of supporting local exchanges and work coordination of private companies in charge of projects that could not enter the country after Corona 19. Local KOICA office personnel staying in the country are also playing a relay role between the returned personnel and the fields. On the other hand, in countries with insufficient or inexperienced video conferencing infrastructure, the transition to non-face-to-face work is considerably delaying development cooperation projects.

The disparities residents feel due to the IT and the digital gap may be much greater than those perceived by development cooperation experts in the public sector. This gap will not only affect immediate COVID-19 response and recovery, but also education and learning rights, affecting the long-term resilience of society.

## 3) Changes in site conditions due to lockdown and social distancing

Due to policies such as lockdown of borders and cities, bans on gatherings, and social distancing implemented by each country to prevent the spread of COVID-19, difficulties are occurring in the promotion of work at all stages of development cooperation projects, including project management.

### • Difficulty in field investigation and data acquisition

For most of the projects already being promoted in each country, the field studies necessary for feasibility studies and masterplan establishment were completed before the global spread of COVID-19, so the related impact was not great. However, it is expected that the impact of COVID-19 on new projects will be greater.

“The Korea International Cooperation Agency is discovering new projects in cooperation with public institutions through the operation of the International Development Cooperation Project Council. There is an annual cycle in discovering international development cooperation projects. As COVID-19 spread rapidly in 2020, the demand for projects related to emergency response to COVID-19 and emergency recovery for the vulnerable increased, which is a part of project formation to meet existing demands.”

In particular, in the case of development cooperation projects in the urban sector, there is a strict limit to understanding the situation of local cities in Korea. Through visiting the site and having conversations with stakeholders, new and unfamiliar customs and legal systems can be discovered. In this respect, even if projects are switched to non-face-to-face, it would not be easy to replicate the effect of obtaining information through field investigation.

“Especially in developing countries, the fragmentation between ministries is so severe that it is difficult to share data without direct contacts. After COVID-19, it became difficult to proceed with work, as it was impossible to obtain information obtained by jumping directly to the site.”

In some urban sector development cooperation projects, drones were used to view the site in real-time while holding a meeting. As with urban development cooperation projects, site visits and confirmations are essential, and when there are many subjects and stakeholders to discuss, it seems necessary to consider and apply a new investigation method that can respond to the prolonged COVID-19 crisis.

#### • Difficulties in project consultation and project management

As face-to-face meetings and business trips became impossible during the lockdown period, significant delays were inevitable in implementing development cooperation projects that require consultation with many related organizations. Related laws must be enacted in the Indonesian capital relocation project, but the project is presenting increased difficulties as the related decision-making process has been delayed due to COVID-19. With the rapid increase in the number of new cases since the lockdown has been eased, it may become more difficult to carry out work. Paraguay was one of the countries that responded successfully with a strong preemptive containment policy in the early days. However, since the export of agricultural products accounts for a large proportion of the national economy, the lockdown was lifted around July 20, and since then, the number of confirmed cases has increased significantly, causing Paraguay to rival Brazil for the top spot in the COVID-19 confirmed rates.

“There were many cases in which video conferences were planned, but their absence was suddenly notified. This is because government officials or their family members were diagnosed with COVID-19, died, or were self-quarantined due to contact. Currently, it is difficult to conduct even non-face-to-face video conferencing smoothly.”

As the COVID-19 situation continues for a long time, the trend of emphasizing on-site response, such as hiring local consultants for development cooperation, is expected to continue. Meanwhile, due to the prolonged COVID-19 outbreak, Korea’s private sector companies and personnel participating in development cooperation projects are also experiencing financial difficulties.

“Due to the prolonged COVID-19, there have been more problems this year than last year. Because of the project’s delay due to the local situation of COVID-19, manpower and budget are being exhausted, and many private companies with contracts are tied to them. Especially for small businesses, it is hard to raise money.”

As the local project was delayed, the contract period was inevitably extended, but the budget was limited, so the prolonged COVID-19 is a crisis for Korea’s private sector development partners and workforce.

#### • Difficulty in implementing capacity-building programs

The restrictions on border movement significantly impacted the capacity-building program, which is an important factor in developing cooperation projects. Most training programs for visiting Korea for public officials in recipient countries and seminars and workshops for information sharing and network building have been canceled or postponed. Due to the prolonged COVID-19 crisis, some were replaced by online training, but local officials were skeptical about their effectiveness. If the problem of budget execution is resolved, there were many opinions that the intended results of the training could be achieved only by holding the offline training, even if it was delayed. This is because online training cannot replace the effects of visiting major sites and case studies in Korea. However, as the COVID-19 situation prolongs, the need for planning and operating an online training program that can replace the effect of local capacity building will increase.

#### 4) Increased uncertainty due to the situation of the recipient countries

More than 15 months have passed since the World Health Organization declared the COVID-19 pandemic, but it is still unclear how long the global COVID-19 crisis will last or how long its impact will be. However, as long as urbanization continues, the importance of cities in responding to global crises such as COVID-19 and climate change will not change. Before and after COVID-19, the goal of urban policy in the Sustainable Development Goals system is healthy, safe, resilient, and sustainable urban development. While the COVID-19 crisis has made this goal even more urgent, it presents a major challenge.

In particular, cities in developing countries, which cannot respond to crises, are being hit hard. When asked about Korea’s response to COVID-19 on the promotion of development cooperation projects with the country concerned, most responded that the impact of Korea’s successful quarantine on the promotion of development cooperation projects in the field was not felt.

“Even if the number of confirmed cases in Korea decreases and the vaccination rate rises, development cooperation cannot be normalized immediately. This is because it is difficult to improve the conditions for development cooperation unless the situation in the recipient country improves. Vaccination rates in developing countries are incomparably lower than in developed countries. It will take another 1–2 years at the least for the local development cooperation work to be normalized.”

Thus, the vulnerability of recipient countries ultimately affects development cooperation conditions. In societies where global crises such as climate change and frequent outbreaks of infectious diseases spread rapidly, the sustainable recovery of the cities of the partner countries is ultimately a matter of common survival and prosperity. In this age of self-reliance or isolation, the importance of global solidarity and international cooperation has never been greater. Development cooperation in the post-COVID-19 era should be promoted based on this recognition.

Development cooperation experts responded that the demand for international development cooperation is steadily increasing despite the difficult situation after COVID-19. Therefore, as the first necessary support in the field of development cooperation, intergovernmental cooperation for entry and departure, support of the local workforce, and digital infrastructure support for remote consultation, advice, and education were listed. In addition, in preparation for the prolonged COVID-19 situation, it was emphasized that it is necessary to prepare alternative guidelines that reflect the changed circumstances. In a situation where non-face-to-face international cooperation is bound to increase, the demand for content planning and operation of non-face-to-face capacity-building programs that can replace the effect of capacity building in the field has also increased.

## CHAPTER V.

# Case Analysis Results and Tasks for Development Cooperation Projects in the Urban Sector

In order to understand the characteristics of development cooperation projects in the urban sector and the changes in conditions before and after the COVID-19 pandemic, we selected cases of urban development cooperation in key partner countries of Korea and analyzed all the stages of the projects in depth. In particular, by examining in depth the urban development support project in Hue, Vietnam, where follow-up projects have been continuously implemented over a long period, and the new capital development cooperation project in Indonesia, which has been greatly affected by the COVID-19 crisis, it was attempted to derive tasks according to the characteristics of development cooperation projects in the urban sector beyond the impact of COVID-19.

Vietnam is a strategic cooperation partner that established diplomatic ties with Korea in 1992, and as a key country in the recent New Southern Policy, it is an important partner country in our foreign economic policy. After the outbreak of COVID-19, Vietnam managed the number of new confirmed cases through strong lockdown and isolation in the early stages and continued to strengthen measures such as blocking the inflow of external infectious agents. This study analyzed an urban development support project case of Hue, located in the central region of Vietnam. From 2011 to recently, Hue City promoted various projects such as the Development Master Plan Improvement Project in Hue, Vietnam (2011), the Vietnam Hyanggang Comprehensive Development Support Project (2014), and the Cultural Tourism Smart City Development Support Project in Hue City, Vietnam (2021). However, due to delays in bidding for international

cooperation projects in Vietnam after the outbreak of COVID-19 and difficulties in dispatching foreign experts and importing machinery and equipment, the ODA funds were not executed at all or else only at a marginal level. In addition, it was not easy to promote and carry out international cooperation projects, which had been changed to field dispatch because the employees could not attend the training program to which they would have been invited in Korea.

Table 7. Overview of Urban Development Support Project in Hue City, Vietnam

Source: Written by authors using KOICA's internal data.

Project name (period/cost)	Project contents	Major Achievements
[1st project] Vietnam Hue City Master Plan Improvement Project ('11~'13/3.5 million USD)	<ul style="list-style-type: none"><li>Considering the promotion of Thuatien Hue as a central city, predict urban function, population, and land size by 2030 for Hue, the core city of Thuatien Hue, and present a city vision and future vision by 2050</li></ul>	<ul style="list-style-type: none"><li>In May 2014, the Vietnamese statutory urban plan by the Office of the Prime Minister of Vietnam (Decision No. 649-QD/TTg) was approved</li></ul>
[2nd project] Detailed design of Vietnam's Hyanggang Coastal development plan and pilot project ('14~'17/6 million USD)	<ul style="list-style-type: none"><li>Establishment of a detailed plan necessary for the realization of the Modification of Hue City's Master Plan 2030 vision 2050 according to the decision of the Prime Minister's Office</li><li>Promotion of pilot projects to materialize plan/design details</li></ul>	<ul style="list-style-type: none"><li>Establishment of the evidence for planned management of the Hyanggang coast, which is preparing to be registered as a UNESCO cultural heritage (licensing and permission completed)</li><li>(Pilot project) Establishing a riverside pedestrian space that can be freely accessed by all people, including children, adolescents, and the disabled, by collecting citizens' opinions</li></ul>
[3rd project] Vietnam Hue City Cultural Tourism Smart City Creation Support Project ('21~'25/ 13 million USD)	<ul style="list-style-type: none"><li>Support for the creation of a smart city for cultural tourism based on prior plans such as the tourism and culture plan for the central region of Vietnam, the Hue City Master Plan 2030 Vision 2050, and the Hue City Hyanggang Coastal Detailed Plan</li><li>Creating a complex cultural facility including a digital museum and observatory by utilizing the facilities that have not been used</li></ul>	<p>(Expected outcomes)</p> <ul style="list-style-type: none"><li>Propose a blueprint for revitalizing local tourism with a focus on smart cultural tourism</li><li>Provide exhibition, experience, leisure, and rest spaces for Hue citizens and tourists and form a new landmark in the city center of Hue</li></ul>

Indonesia recently started a new water supply project as part of Korea's international development cooperation project; moreover, this project is one of Indonesia's national infrastructure projects. After the outbreak of COVID-19, the social and economic situation rapidly deteriorated from 2021, and the medical system even faced collapse, with the cumulative number of confirmed cases reaching about 2.1 million. Due to the rapid spread of COVID-19, Indonesia recorded its first negative growth (−2.07%) in more than 20 years, and most major infrastructure projects were suspended or postponed. Nationally, projects are being pursued focusing on national economic recoveries, such as health care, social security, and human resource development. In the case of infrastructure projects, there was a focus on three main area: providing basic services (housing, dam construction, new irrigation facilities, etc.), improving connectivity,

and economic recovery. The Indonesia New Capital Project (2020) is a project to relocate the capital from Jakarta to the Penajam Paser Utara area in eastern Kalimantan. It includes contents such as the establishment of a legal system, establishment of macroscopic spatial plan and master plan, execution of a feasibility study, analysis of infrastructure demand and socio-economic impact, and measures to provide incentives according to the relocation of the capital. In the first development phase (−2024), the government's core functions will be transferred. In the second phase (−2030), a satellite city near the capital will be created, and in the third phase (−2045), the metropolitan area development will be completed. In the aftermath of the prolonged COVID-19, public opinion regarding the capital relocation project worsened due to the economic downturn, the enactment of the New Capital Act was delayed, and the establishment of related sub-plans was delayed overall. In addition, as it became difficult to collect information necessary for the promotion of development cooperation projects, some project contents were adjusted and project promotion was delayed. Communication was limited under conditions of non-face-to-face video conferencing, and the training program for the capacity building of related government officials was also placed online and had limitations such as participants not being able to visit the site. In addition, large-scale investment related to the construction of the new capital was scheduled, but investment discussions did not materialize after the outbreak of COVID-19. Due to the financial deterioration of the Indonesian government, the dependence on cooperative projects has increased as multilateral development banks such as ADB and World Bank urgently inject financial resources into the national economic recovery program.

As a result of the case analysis of the development cooperation project in the urban development sector, issues and tasks for each stage of the development cooperation project were derived. First, in the project planning and preliminary preparation stage, the necessity of avoiding overlapping support and enhancing the effectiveness of support was raised by reviewing the needs and conditions of the recipient country. In the project promotion stage, it is important to select a project execution institution with a high level of understanding of the local conditions of the recipient country. In the case of the urban development cooperation project, the relationships with related organizations and stakeholders were complicated, so a high level of understanding of the local situation was very important for the successful implementation of the project. In addition, it was found that establishing local and international networks to facilitate cooperation and information exchange from recipient countries is especially necessary in the case of the COVID-19 pandemic crisis. In the stage of project completion and post-monitoring, securing a continuity of development cooperation and linking follow-up projects were the greatest challenges. For this, it was found that multilateral cooperation efforts between the public and private sectors were required from the discovery stage of the project. In addition, it was found that it is necessary to introduce a performance management and evaluation system that reflects changes in circumstances due to the pandemic.

# Tasks for International Development Cooperation in the Urban Sector for Sustainable Development

Based on various analyzes, this study found the strengths, weaknesses, opportunities, and threat factors of Korea’s urban development cooperation sector. The main suggestions for areas of improvement were a lack of systemic governance at the government level that can efficiently respond to the increasing demand for international development cooperation, the absence of a higher-level vision and strategy for development cooperation in the urban sector decreased effectiveness of development cooperation due to fragmentation of development cooperation project planning and operation process, difficulty in responding to the localization trend due to the lack of local networks and local experts in the urban sector and insufficient capacity for participation and leadership in the international community’s agenda formation. In addition, crises include the deterioration of domestic public opinion on development cooperation after COVID-19 and a decrease in ODA resources due to a decrease in public finances.

On the other hand, Korea’s unique experience of urban development, which is different from Western donor countries, is our strength in international competitiveness in

development cooperation. Another strength is with the nation’s high level of smart city technology and infrastructure for data-based city development and management to respond to infectious diseases and climate crises.

Figure 5. SWOT analysis of international cooperation in the urban sector in the COVID-19 era

Strength advantage	Weakness
<p><b>Comparative advantage in ICT technology</b></p> <ul style="list-style-type: none"><li>• Possible to respond to the adoption of digital technologies in the urban sector, such as smart cities</li><li>• Evidence-based urban development cooperation and technical infrastructure for management</li></ul> <p><b>Experience of national urban development that can contribute to sustainable urbanization</b></p> <ul style="list-style-type: none"><li>• Characteristics of development experience different from Western donor countries</li></ul>	<p><b>Economic deterioration due to COVID-19 and reduction of available public finances</b></p> <ul style="list-style-type: none"><li>• Reduced available public finances due to the implementation of domestic COVID-19 response policies and economic stimulus measures</li></ul> <p><b>High-level vision and strategy for urban sector development cooperation to respond to COVID-19</b></p> <ul style="list-style-type: none"><li>• Lack of a vision and support strategy for development cooperation in the urban sector such as mid-to-long-term vision, financing methods, and partnerships with partner countries and institutions</li></ul> <p><b>Narrow international development cooperation workforce pool</b></p> <ul style="list-style-type: none"><li>• Difficulties in securing experts by sectors due to the prolonged COVID-19 and lack of networks to secure local experts</li></ul>
<div>S</div>	<div>W</div>
<p><b>Successful initial response to COVID-19</b></p> <ul style="list-style-type: none"><li>• Raising the international community's interest in the early quarantine model</li><li>• Increase in the soft power of effective governance and leadership</li></ul> <p><b>Increasing demand for international development cooperation to respond to global crises</b></p> <ul style="list-style-type: none"><li>• Increase in the international community's demand for a joint response to transboundary crises</li></ul> <p><b>Expansion of non-face-to-face cooperation</b></p> <ul style="list-style-type: none"><li>• As the non-face-to-face cooperation expands, reduced cost and time due to cooperation activities</li></ul>	<p><b>Short term: Difficulty in communication with local organizations due to border closures and movement restrictions</b></p> <ul style="list-style-type: none"><li>• Reduced work efficiency and delayed work due to shifting to non-face-to-face</li></ul> <p><b>Long term: Increased socio-economic uncertainty in partner countries</b></p> <ul style="list-style-type: none"><li>• Increased socio-economic uncertainty in partner countries due to the widespread of COVID-19 and the economic stagnation and health crisis</li></ul>
<div>O</div>	<div>T</div>
Opportunity	Threaten

For development cooperation in the land and city sector to ensure sustainable development after COVID-19, it is necessary to supplement these weaknesses and strategically utilize these strengths. First, it is necessary to rely on the urban sector as strengths in the national high-level strategic plan when prioritizing strategy. Through this, support and implementation strategies should be suggested to contribute to the mid-to-long-term goal of leading the international community’s agenda, and the capacity and competitiveness of Korea’s urban development cooperation should be strengthened



through the establishment of a comprehensive long-term policy vision.

In addition, it is necessary to reduce the uncertainty arising from the recipient country's situation and enhance its support effectiveness through a customized approach that considers the recipient countries' status and conditions. Development cooperation in the urban sector requires cooperation between institutions and information sharing between sectors because many departments and stakeholders are in charge, even within the recipient countries. A strategy is needed to enhance the effectiveness of development cooperation projects through systematization and management efficiency. Close cooperation with international organizations and a system of close collaboration that can actively utilize the local workforce and project implementation agencies and local offices of recipient countries are required. Through this, efforts should be made to strengthen local networks and diversify financial resources. In addition, reviews are needed of the plans to strengthen the supporting roles of public sectors, such as establishing a linkage system for sharing information and data between sectors for key partner countries, guaranteeing information accessibility of related organizations and companies through information support for partner countries, and supporting quarantine and digital infrastructure. In addition, to create an environment in which experts with sector expertise in the urban field can continuously demonstrate their competence in the development cooperation sector, the improvement of task performance conditions such as labor cost improvements should be supported. While maintaining the evidence-based principle of project management and performance evaluation, it is also important to prepare an improved plan for the performance evaluation system that reflects the changed conditions and the characteristics of the urban sector in the "With-Corona" era.

### **I) Tasks of International Development Cooperation in the Urban Sector for Sustainable Development**

An important goal of the international community in the field of land and cities is to strive for the realization of an inclusive, safe, resilient, and sustainable city that meets the aims of Sustainable Development Goal (SDG) 11. The crisis of the global COVID-19 pandemic that has spread across national borders, centering on cities, may be an opportunity to once again impress upon the international community the importance of solidarity and cooperation to achieve the Sustainable Development Goals. In response to climate change and the COVID-19 crisis, efforts are needed for win-win development cooperation that contributes to the realization of sustainable development in cities in developing countries. Above all, Korea's experience in urban development is our strength in international competitiveness in development cooperation. Therefore, it is necessary to prepare a strategy for promoting and managing development cooperation in the urban sector to utilize our strengths and contribute to the mid-to-long-term goal

of leading the international community's agenda. Efforts should be made to share our policy experience and cooperation in capacity-building sectors, as well as advancing policies that can provide solutions tailored to the situations of recipient countries based on an understanding of the partner countries, rather than the unilateral transfer of successful experiences. In order to be able to apply our experiences to partner countries with social, economic, and cultural environments that are completely different from ours, it is necessary to carefully examine what conditions should be implemented based on an accurate understanding and reflection on the achievements and failures of Korea's development experience. Development cooperation in the urban sector requires cooperation between institutions and information sharing between sectors because many departments and stakeholders are in charge, even within the recipient countries. A strategy is needed to enhance the effectiveness of development cooperation projects through systematization and management efficiency. In addition, a strategy is needed to overcome the limitations of the dualized development cooperation system to enhance aid effectiveness by linking grants and non-grants.

When an accurate recognition of our strengths and tasks becomes the basis of policy, we will be able to advance toward development cooperation that can contribute to the sustainable urban development of developing countries and lead the international community's agenda.

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# International Development Cooperation after COVID-19: Impacts, Challenges, and Ways Forward in the Urban Sector

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