



The Republic of Korea and IFAD: working for food security and rural development



Investing in rural people

The Republic of Korea and the International Fund for Agricultural Development (IFAD)

A food crisis sparks global action

The International Fund for Agricultural Development (IFAD) emerged from the food crisis of the early 1970s and the World Food Conference of 1974. With financial support from Korea and other development partners, IFAD was created as both a specialized agency of the United Nations and an international financial institution.

IFAD supports measures that help people in rural areas to overcome poverty and build better lives. Since its creation, IFAD has helped about 464 million people to grow more

food, better manage their land and other natural resources, learn new skills, start businesses, build strong organizations, and gain a voice in decisions that affect their lives.

Food insecurity has become even more prevalent, especially in rural areas. Floods, droughts, population growth, and the impact of climate change all continue to challenge efforts to build sustainable agricultural systems that can provide access to safe and nutritious food for all. Today, about 700 million people live on less than US\$1.90 per day; roughly 793 million are undernourished globally.

The partnership between IFAD and the Republic of Korea is growing stronger. Our shared commitment to improving global food security and developing rural areas has made a tangible difference in the lives of poor people in developing countries.

Korea's strong commitment to development

In the 1960s, the Republic of Korea was a poor country that depended on foreign aid. Today it has transformed itself into a prosperous nation and an important foreign aid donor. It is also emerging as a key player in the quest for global food security and development effectiveness.

Korea's rapid advancement is a testament to the country's strong commitment to development.

Korea joined the Organisation for Economic Co-operation and Development (OECD) in 1996. It went on to become a member of the OECD Development Assistance Committee in 2010.

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Korea's official development assistance (ODA) increased rapidly from US\$816 million in 2009 to US\$1.55 billion in 2012, almost doubling in just three years and further increased to US\$1.9 billion in 2015.

Korea's leadership in the global development arena has continued to expand since 1996. It showed the world how far it had come in just half a century when it hosted the 2010 G20 Seoul Summit. Korea played a leading role in putting development issues on the agenda and endorsed the Seoul Development Consensus on Shared Growth, a multi-year action plan for development. The country also played an important role in hosting and facilitating the Fourth High Level Forum on Aid Effectiveness in Busan in 2011.

Korea is now widely considered to be a source of knowledge and innovative ideas from which other developing countries in the world can learn. It has achieved significant milestones in land reform, sustainable agricultural technologies and practices, resilient development and participatory rural development. It has also gained recognition for its work on value chains, agricultural cooperatives, the green revolution (for increased crop production), and the white revolution (for increased production of high-value horticultural products).

Korea and IFAD: successful partnership

Korea is one of the founding members of IFAD. Its contribution to IFAD's core resources has grown steadily. As of 2017, it has contributed a total of approximately US\$34 million.

Korea and IFAD remain connected by a shared commitment to eradicate poverty and hunger. They take similar approaches

to achieve global food security – from providing support to smallholder farmers so they can access knowledge, technology, credit and markets, to helping rural communities mitigate and adapt to the effects of climate change. They also work together to enhance the effectiveness of development aid.

Highlights of this successful partnership include:

Core resources

Korea has consistently increased its contributions to IFAD's core resources. It doubled its commitment from US\$3 million in IFAD7 (2007-2009) to US\$6 million in IFAD8 (2010-2012), and increased to US\$6.9 million in IFAD9 (2013-2015) and US\$8 million in IFAD10 (2016-2018).

Supplementary funds

The Government of Korea provided supplementary funds since 2012 to help smallholders raise agricultural productivity and connect with markets through the use of mobile phones.

Knowledge-sharing

IFAD and Korea have jointly organized several international conferences and workshops to

promote knowledge-sharing and lessons on sustainable intensification of agriculture:

- International seminar on the Role of Farmers' Organizations in Agriculture and Rural Development: Experiences in Asia organized jointly by IFAD and the Korean National Agricultural Cooperatives Federation (NACF), 1997
- Symposium on Pro-Poor Agricultural Technology Choices, organized jointly by IFAD, NACF and the Korean Rural Development Administration, 2007
- International Symposium on Sustainable Food Security through Small-Scale Farming, organized jointly by the Korean Ministry of Agriculture, Food and Rural Affairs (MAFRA) and the Korean Rural Economic Institute and co-sponsored by IFAD, 2010 and 2014.

Staff exchange

The Korean Ministry of Agriculture sends a senior ministry official to work as a special programme officer in IFAD for two to three years at a time. This arrangement benefits both organizations as a way to share knowledge and experience. A memorandum of understanding between IFAD and Korea's Ministry of Foreign Affairs on IFAD's Associate Professional Officer (APO) programme was signed in 2012. One Korean national was assigned to IFAD in 2013 and subsequently became IFAD fixed-term staff.

High-level visits

A number of high-level visits between officials from the Government of Korea and IFAD have helped expand collaboration. These include the Korean Minister of Agriculture's visit to IFAD in November 2012, the President of IFAD's visits to Korea in 2013 and 2011, and the Vice-President of IFAD's visit to Korea in 2010.

Mobile phones help farmers stay on top of prices and technologies

Since 2012, Korea and IFAD signed three supplementary funds agreements under which Korea would provide approximately US\$5.4 million to support poor smallholder farmers in Asia and the Pacific. Under one of the agreements, IFAD, in close consultation with Korea, developed the umbrella programme, Technology as a Development Solution – Use of ICT (Mobile +) to improve Livelihoods of the Poorest in Rural Areas.

Several communities will participate, the majority of which are poor smallholder farmers in Bangladesh, Cambodia, India and Papua New Guinea.

- In Bangladesh, the project will offer training to the poorest rural households that do not benefit from mobile telephony service, and will support the development of an online market information exchange. It will be implemented together with an upcoming large IFAD loan project: Promoting Agricultural Commercialization and Enterprises.
- In Cambodia, the project will provide custom-tailored farm extension services using modern information and communication technologies, mainly on soil, weather and pest control measures, to improve farm productivity. Implementation in connection with another IFAD loan project in the same area should maximize the impact on the ground as a result of the synergies between the two projects.

- In India, the project will target pastoralists in Gujarat. A platform linked with mobile phones will provide market information, meteorological services and advisory services.
- In Papua New Guinea, the project will help small-scale farmers living in remote islands use mobile services to benefit from fair trade programmes.

IFAD's capacity and knowledge, based on long experience on the ground, together with Korea's supplementary funds programme, provide a model that could be used to scale up these pilot projects to other developing countries.

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Potential areas of expanded collaboration

The short- to medium-term objectives of expanded collaboration between Korea and IFAD are to:

- Support Korea's efforts to increase its ODA to agriculture with high quality and impact, achievable through IFAD-financed agricultural projects in developing countries
- Enhance Korea's visibility in the donor community to ensure a greater role of Korean ODA in agriculture
- Provide innovative financing mechanisms to diversify Korea's funding to developing countries within its strategic interest or elsewhere in the world.

- Facilitate sharing of Korea's knowledge and experience for capacity-building

Some of the potential areas for expanded collaboration include:

- Climate-smart agriculture: Building on Korea's contribution of US\$3 million to IFAD's Adaptation for Smallholder Agriculture Programme, there is a promising potential for collaboration between Korea and IFAD to transfer technology from Korea to other developing countries. Korea hosts the Green Climate Fund and has a rich experience of



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developing environmentally sustainable technologies.

- Technology as a development solution: Following successful outcomes from phase I of Korea's supplementary fund-supported programme: Technology as a Development Solution – Use of ICT (Mobile +) to improve Livelihoods of the Poorest in Rural Areas, there is potential to expand collaboration to implement projects focused on technology as a development solution, such as climate-smart agriculture or agricultural mechanization.
- Cofinancing: IFAD has designed an investment project for agricultural development in Myanmar. The Government of Korea could potentially cofinance this project to modernize Myanmar agriculture and scale it up for greater impact.

- Policy reform and knowledge-sharing: The Government of Korea is interested to promote policy reforms in agriculture and to share knowledge with developing countries. IFAD can work with Korea to jointly design and implement projects on policy reform and knowledge-sharing in developing countries.

What is IFAD?

IFAD is an international financial institution and a specialized UN agency based in Rome – the United Nations' food and agriculture hub. It is a unique partnership of 176 members from the Organization of the Petroleum Exporting Countries (OPEC), other developing countries, and the Organisation for Economic Co-operation and Development (OECD). Helping farmers increase agricultural production and productivity is a priority of many IFAD-supported projects. Long-term improvements in these areas can only be achieved by managing land, water and natural resources sustainably. IFAD also works to develop markets for environmental goods and services. IFAD brokers partnerships among the diverse parties working in development – particularly governments, farmers' organizations and private-sector players – and for South-South cooperation. Women are major participants in agriculture and rural economies, and rural women make up about half of all IFAD project participants.

At the end of 2016, IFAD was financing 212 ongoing programmes and projects with IFAD investment of US\$6.1 billion in partnership with 97 recipient governments. External cofinancing and funds from domestic sources for the ongoing portfolio amounted to US\$7.3 billion, bringing the total value of ongoing programmes and projects in 2016 to US\$13.4 billion.





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