

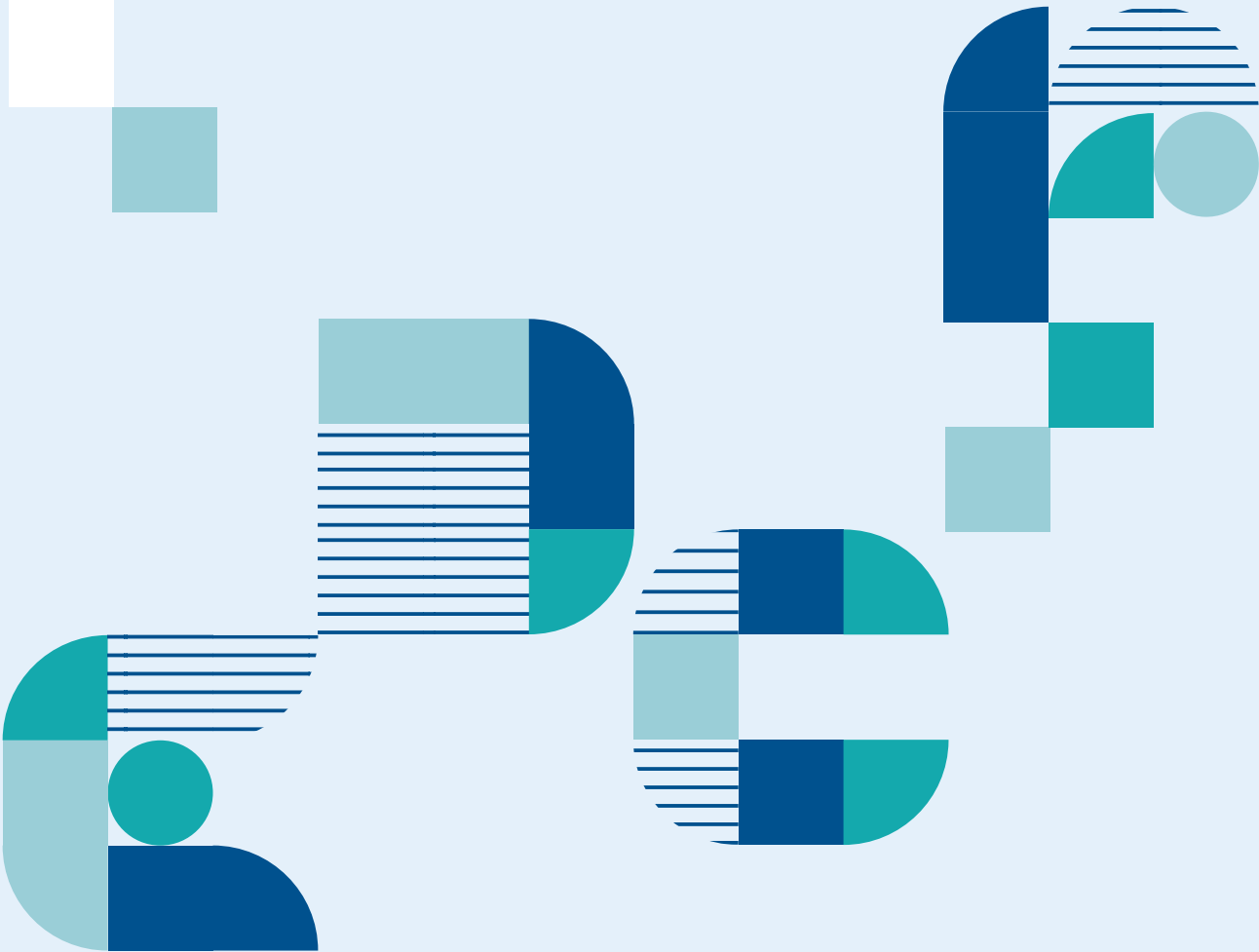


ECONOMIC DEVELOPMENT COOPERATION FUND

EDCF ANNUAL REPORT 2021

SHAPING THE FUTURE WITH EDCF

CONTENTS



SHAPING THE FUTURE WITH EDCF

The Economic Development Cooperation Fund (EDCF) is a government fund established in 1987 in order to support industrial development and economic stabilization of developing countries and promote economic cooperation between Korea and developing countries. EDCF provides support for socio-economic infrastructure development in partner countries through its concessional loan programs. The Ministry of Economy and Finance of Korea entrusts the Export-Import Bank of Korea with the operation and management of EDCF and supervises the entrusted businesses.



Cover Story

EDCF is taking the lead for a brighter future where a recipient country is growing into becoming a donor country. EDCF's achievements in the green, digital and health sectors were symbolically captured in the cover design.



Scan the QR code to watch the video summary of EDCF Annual Report 2021.

Key Acronyms

ACGF	ASEAN Catalytic Green Finance Facility
ADB	Asian Development Bank
AfDB	African Development Bank
AFD	Agence Française de Développement
AIIB	Asia Infrastructure Investment Bank
ASEAN	Association of South-East Asian Nations
CABEI	Central American Bank for Economic Integration
CNG	Compressed Natural Gas
COP-26	The 26 th UN Climate Change Conference of the Parties
DAC	Development Assistance Committee
EDCF	Economic Development Cooperation Fund
EDPF	Economic Development Promotion Facility
EIB	European Investment Bank
ESG	Environmental, Social and Governance

F/A	Framework Arrangement
FAO	Food and Agriculture Organization of the United Nations
F/S	Feasibility Study
GCF	Green Climate Fund
GGGI	Global Green Growth Institute
GNI	Gross National Income
IATI	International Aid Transparency Initiative
IBRD	International Bank for Reconstruction and Development
ICT	Information and Communications Technology
IDA	International Development Association
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
I/P	Implementation Plan

ITS	Intelligent Transport System
JCPPR	Joint Country Portfolio Performance Review
JBIC	Japan Bank for International Cooperation
JICA	Japan International Cooperation Agency
KAEIF	Korea-Africa Energy Investment Framework
KDI	Korea Development Institute
KEXIM	The Export-Import Bank of Korea
KfW	Kreditanstalt für Wiederaufbau
KGTF	Korea Green Growth Trust Fund
KIPP	Korea-IFC Partnership Program
KOAFEC	Korea Africa Economic Cooperation Conference
KOFIH	Korea Foundation for International Healthcare
KOICA	Korea International Cooperation Agency
KSP	Knowledge Sharing Program

KWPF	Korea-World Bank Group Partnership Facility
L/A	Loan Agreement
MDB	Multilateral Development Bank
MIGA	Multilateral Investment Guarantee Agency
MOD	Minutes of Discussion
MOU	Memorandum of Understanding
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PCR	Project Completion Report
PPF	Project Preparation Facility
PPP	Public Private Partnership
SDGs	Sustainable Development Goals
UN	United Nations
WB	World Bank

EDCF Timeline

1987-1995



- 1987. 07 EDCF established
- 1987. 12 First EDCF loan approved
- 1989. 05 First loan agreement signed with Nigeria
- 1989. 11 First procurement contract and disbursement made to Nigeria
- 1991. 06 First two-step loan committed to Pakistan
- 1992. 02 First project completed in the Philippines
- 1992. 10 Co-financing arrangement signed with the WB
- 1993. 06 Co-financing arrangement signed with ADB

- 1994. 07 First co-financing project with ADB committed to the Philippines
- 1995. 07 First edition of EDCF annual report published
- 1995. 10 First project committed to Vietnam based on a feasibility study by KOICA
- 1995. 10 First EDCF annual workshop for government officials from 9 partner countries



1996-2009



- 1996. 12 Cumulative commitments reaching KRW 1 trillion
- 1997. 07 Memorandum of understanding signed with KOICA
- 1998. 02 First mixed credit committed to the Philippines
- 1998. 12 Annual disbursements reaching KRW 100 billion
- 2000. 07 First co-financing project with the IDB committed to Bolivia
- 2003. 02 Working-level co-financing arrangement signed with the IDB
- 2003. 12 Government contribution to EDCF resumed
- 2004. 06 Cumulative commitments reaching KRW 2 trillion

- 2006. 01 ODA statistic reporting system launched
- 2006. 03 Committee for International Development Cooperation established
- 2006. 10 Memorandum of understanding signed with JBIC
- 2007. 02 Compact loans introduced
- 2007. 12 Public Private Partnership Loan introduced
- 2008. 12 Annual commitments reaching KRW 1 trillion



2010-2017



- 2010. 01 Korea's accession to the OECD DAC
- 2011. 09 First joint evaluation with partner countries
- 2011. 12 ODA monitoring system launched
- 2012. 11 First program loan committed to Vietnam
- 2012. 12 First OECD DAC peer review of EDCF
- 2013. 12 Cumulative commitments reaching KRW 10 trillion
- 2014. 09 New loan products introduced: private sector loans, sector development loans, and loans to international development financial institutions
- 2015. 03 EDCF-IDB co-financing facility established
- 2015. 05 First PPP project committed to Laos

- 2015. 11 KEXIM assigned as Korea's IATI reporting agency
- 2016. 01 EDCF Act revised to introduce development finance
- 2016. 02 EDCF safeguard policy introduced
- 2016. 08 First disclosure of project information to IATI
- 2016. 12 Cumulative commitments reaching KRW 15 trillion
- 2017. 09 EDCF 30th Anniversary History Book published
- 2017. 09 EDCF Vision 2030 announced
- 2017. 12 Second OECD DAC Peer Review of EDCF



2018-2021



- 2018. 11 First Project Preparation Facility committed to the Philippines
- 2018. 12 OECD DAC Gender Equality and Rio Marker institutionalized
- 2019. 09 First sector development loan committed to Sri Lanka
- 2019. 12 Cumulative commitments reaching KRW 20 trillion
- 2020. 05 First program loan for COVID-19 Emergency Response committed to Paraguay
- 2020. 06 Guidelines on Emergency Equipment Loans for Responding to COVID-19 established
- 2020. 10 First bilateral program loan committed to Cambodia and the Philippines

- 2020. 12 First loan to international development financial institutions committed to CABEL
- 2021. 08 Sector Development Loan for Emergency Response introduced
- 2021. 09 First EDCF-EDPF mixed finance project committed to Egypt
- 2021. 10 Memorandum of Understanding signed with GGGI
- 2021. 11 Proclamation of EDCF's Vision for Green



Message from the Deputy Prime Minister



Marking 2022 as the beginning of the post-pandemic era, Korea is preparing to take another leap forward. A host of challenges may lie ahead in the international development landscape going forward, but EDCF will try to navigate such challenges flexibly with agility and will contribute to promoting economic ties between Korea and the recipients, and spurring socio-economic development in the recipient countries.



One word defining 2021 is no doubt "COVID-19". The coronavirus that emerged in 2019 undermined the quarantine and response systems of countries worldwide as it mutated into new variants. As it continuously dealt a heavy blow on all fields, including the economic and social sectors, it rendered the international environment more complex with greater uncertainty.

These days, the battle for global hegemony is intensifying in a wide range of sectors, including development cooperation. Moreover, the coronavirus-induced lockdowns and supply and demand mismatch of raw and subsidiary materials have led to global supply chain disruptions. Coupled with economic and security issues, regionalization is now gaining steam, weakening the virtuous cycle of globalization that has supported developing countries' economic advancement.

Such changes in the international environment are leaving deep scars on developing countries that are weak in crisis response, and this crisis is spreading all the more with the Russia-Ukraine War. Zambia and Sri Lanka have announced national default, and many developing countries are suffering from deteriorating fiscal soundness and high inflation. Against this backdrop, the international community is nudging donor countries to engage in the move to increase support for developing countries with a sense of solidarity.

Yet, while advanced countries are indeed participating in such moves, they are also supporting developing countries strategically. Put another way, they are taking more interest and investing more in cooperation with key recipient countries that have high growth potential and strategic importance.

In 2021, EDCF carried out many endeavors in a systematic way to actively respond to such a changing world. EDCF had a greater focus on supporting the health sector to respond to the recipient countries' pressing needs to overcome the pandemic, while at the same time, assisting in infrastructure development to strengthen their resilience. In addition, EDCF placed emphasis on devising a new EDCF strategy in line with the changing global landscape and bringing about tangible outcomes in fund management by revamping the system.

As a result, in 2021, EDCF approved a total of 28 projects worth KRW 2.66 trillion, more than twice the value of approved projects year on year, and disbursed KRW 1.23 trillion, reaching a record high disbursement rate – 97.5% of the initial goal (KRW 1.26 trillion). Examining it up close, EDCF met all of the project approval targets in the 3 key support sectors – green, digital and health sectors. We especially witnessed a brilliant performance in the green sector, more than quadrupling the target of USD 300 million, and in the digital sector, more than doubling the target of USD 500 million.

In addition, EDCF revised the framework arrangement, increasing the ceiling on aid among others; this arrangement that is signed with each of the recipients stipulates the ceiling, the period of support, conditions that need to be met, etc. Also, EDCF raised the concessionality and diversified the conditions for support, thereby enhancing its competitiveness in identifying projects. Moreover, EDCF actively took part in the international community's call for climate action with the green EDCF Promotion Strategy, aiming for 40% of approved green projects in all the sectors by 2025 from a mere 22% in 2020.

Also, EDCF launched "Sector Development Loan for Emergency Response", which would streamline the approval and disbursement process in the case of emergencies in the developing country. We believe it will cushion the impact from the devastation, contributing to inclusive growth in the recipient country, and increase EDCF's visibility.

Lastly, EDCF sought to further promote the mixed finance strategy to effectively respond to the lack of infrastructure in developing countries. EDCF carried out various endeavors from co-financing with multilateral development banks (MDBs) to mixed finance, utilizing EDCF, Economic Development Promotion Facility

(EDPF) and export finance, to gain an edge in winning contracts for public private partnership projects. As a result, the "Egypt Luxor-High Dam Railway Modernization Project" co-financed by EDCF and EDPF was approved for the first time last year.

As such, EDCF has strived to end poverty and support sustainable growth in developing countries by responding swiftly and flexibly to the rapidly changing development landscape and to the demands of the international community. In order to continuously render such successful outcomes of EDCF, the Korean government drew up the following 3 priority tasks.

The first is boosting development impact. To do so, EDCF will closely analyze the recipients' development demand and strengthen partnerships from all angles by collaborating with other development institutions from the U.S., the U.K., France, etc., and thus promote private sector participation. EDCF will also continue revising the framework arrangement and pursuing the mixed finance policy to identify large-scale infrastructure projects. In addition, Korea will actively make use of sector development loans to bring about fundamental changes in the related fields and effectively support developing countries.

Second, pre-emptively responding to the international community's demands, such as incorporating climate response elements into EDCF projects and expanding untied support. To that end, EDCF will create a climate risk management system at the preparation, execution and post evaluation stage of the projects to come up with a feedback system for the entire life cycle. In addition, Korea will revamp the internal rules on untied aid to meet the target of 60% untied aid by 2025.

Last, enhancing the quality competitiveness of EDCF. To do so, Korea will establish a model combining loans and grants to support high quality infrastructure projects, thereby boosting the brand value of EDCF. Moreover, in order to enhance the development impact of sovereign lending projects, Korea will consult with MDBs and the recipient countries on deepening EDCF engagement in the projects, starting from the project design stage.

Marking 2022 as the beginning of the post-pandemic era, Korea is preparing to take another leap forward. A host of challenges may lie ahead in the international development landscape going forward, but EDCF will try to navigate such challenges flexibly with agility and will contribute to promoting economic ties between Korea and the recipients, and spurring socio-economic development in the recipient countries.

Please take much interest in EDCF's active performance on the global stage.

Choo Kyung-ho
Deputy Prime Minister and
Minister of Economy and Finance

추 경 호

Message from the Chairman and President of KEXIM



The impact of COVID-19 appears to be here to stay for a while. Despite the challenges posed by the pandemic, however, EDCF will strengthen its foundation for international cooperation to implement Sustainable Development Goals in the post-COVID-19 era, and take the lead more than ever in helping developing countries overcome their economic and social crises.



In 2021, the COVID-19 pandemic affected donor countries, bringing about constraints on their management of ODA budget and rapid implementation of ODA projects. It also put brakes on global development cooperation in supporting developing countries to tackle economic and social crises such as deepening poverty, industry-wide challenges, value chain collapse and widening inequalities in education, income and digital infrastructures.

Against this backdrop, although EDCF's assistance volume stagnated for a while in 2020, EDCF funneled efforts into prompt and systematic response to the demands of its partner countries. As a result, both commitments and disbursements in 2021 reached record highs of KRW 2.7 trillion and KRW 1.2 trillion, respectively.

In particular, we established the "EDCF Operational Strategies for the post-COVID-19 Era" last year to operate EDCF under mid to long-term strategies in preparation for the prolonged COVID-19 crisis. Under these strategies, EDCF delivered a meaningful performance in the green, digital and health sectors, which we designated as key support sectors.

First of all, for the green sector spanning the establishment of green infrastructure and policies, EDCF committed USD 1.3 billion, quadrupling the original target. In addition, as the first year of implementing the Paris Agreement, EDCF launched the "EDCF Climate Change Impact Response System" to mainstream climate change responses throughout its operations, and proclaimed "EDCF's Vision for Green" to publicly announce its commitment to expand support for the green sector.

In the digital sector, EDCF provided USD 1.1 billion, creating new development demands for ICT convergence with other fields such as transportation and public administration. One example of EDCF's strong performance in the digital sector is the "ITS Establishment of Nagpur-Mumbai Super Communication Expressway Project" in India.

In the health sector, EDCF focused on building medical infrastructure and providing budget support for developing countries to bolster their health care system and ensure their systematic and comprehensive responses to the pandemic. EDCF also expanded its ODA programs to swiftly and flexibly address emergency demands of developing countries dealing with various disasters, by launching "Sector Development Loan for Emergency Response". As a result, EDCF's commitment in the health sector amounted to USD 585 million last year.

Recently, the international community has been emphasizing the need for diversifying development finance resources as a way to supplement insufficient ODA funds to meet the increasing demand of developing countries.

Last year, EDCF approved the "Egypt Luxor-High Dam Railway Modernization Project", with mixed finance that leveraged the Economic Development Promotion Facility (EDPF) for the first time for development projects in EDCF history, successfully addressing a large-scale development demand from its partner country.

In 2022, EDCF aims to achieve a quantitative growth to contribute to the Korean government's policy to double the ODA scale by 2030 compared to that of 2019. At the same time, EDCF will also pursue qualitative development in order to effectively support developing countries' resilience and sustainable growth amid the pandemic by providing assistance in economic and social infrastructure construction, climate change response, and projects in the digital and health sectors.

Above all, EDCF will fulfill its responsibility as an ODA agency by constantly pushing the boundaries of its support. EDCF plans to increase both the number and volume of Framework Arrangements with key partner countries to focus more efforts on identifying large-scale landmark projects with high development effectiveness.

EDCF will upgrade its climate change response system by running "Climate Risk Analysis" and "Performance Management for Climate Projects" in full operation. Through this effort, EDCF will contribute to accelerating global Green Transition while laying the foundation to be a leading ODA institution in the new paradigm of climate change response.

Moreover, in line with the growing trend of non-face-to-face economy and culture, EDCF will strive to pave the way for a digital society in developing countries by incorporating Korea's ICT technology into projects in the digital sector, such as intelligent transportation systems, smart cities, and e-government modernization. In the health sector, EDCF will scale up its assistance to build medical systems and capacity in developing countries so that they can better respond to unexpected health crises and disasters.

Besides, we aim to actively explore projects that can be jointly promoted with grant financing from the initial stage of EDCF support procedure. In parallel, we will work on improving the effectiveness and sustainability of the projects we finance as we highlight the approach of Result-Based Management by systematizing monitoring and evaluation processes.

EDCF will also continue to make every effort to upgrade its non-face-to-face work platform. 2022 is the first year for EDCF to establish and pilot an online management platform for loan disbursement application and repayment. After this, EDCF plans to expand its online project management platform for all project stages, effectively adapting to the changes in work environment triggered by the pandemic while further enhancing its operational efficiency.

The impact of COVID-19 appears to be here to stay for a while. Despite the challenges posed by the pandemic, however, EDCF will strengthen its foundation for international cooperation to implement Sustainable Development Goals in the post-COVID-19 era, and take the lead more than ever in helping developing countries overcome their economic and social crises.

Bang Moon-kyu

Chairman and President
The Export-Import Bank of Korea

Message from the EDCF Goodwill Ambassador



Even in these difficult times, as a Korean citizen and the Goodwill Ambassador of EDCF, I feel very proud to hear that EDCF is playing a leading role in the global community, achieving a record high annual performance in its commitments and disbursements.



In 2021, due to the prolongation of the global pandemic, demand for the development of economic and social infrastructures in developing countries, including the health sector, became increasingly urgent.

Even in these difficult times, as a Korean citizen and the Goodwill Ambassador of EDCF, I feel very proud to hear that EDCF is playing a leading role in the global community, achieving a record high annual performance in its commitments and disbursements.

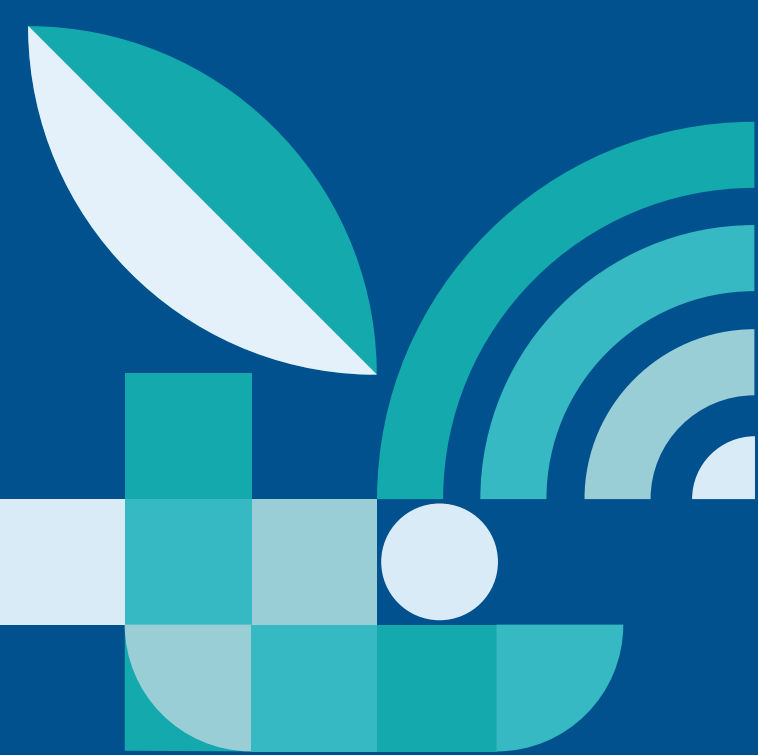
While the difficult conditions seem set to continue, I have no doubt that EDCF will play a pivotal role in overcoming these difficulties through its partnerships with international organizations and its advanced support programs.

As an ambassador, I will also do my very best to help Korea and EDCF meet the expectations of the international community.

Park Chan-ho
EDCF Goodwill Ambassador



2021 at a Glance



ECONOMIC
DEVELOPMENT
COOPERATION
FUND

Since its foundation in 1987, EDCF has approved USD 20,720 million for 485 projects in 58 countries, and has disbursed USD 9,466 million on a cumulative basis as of the end of 2021.

The transportation sector, which is closely related to the economic growth of developing countries, has recorded the largest cumulative amount of commitments (USD 6,976 million, 33.8%) and disbursements (USD 3,056 million, 32.3%). As well as transportation, EDCF has supported the health, water supply and sanitation, energy, communications, education, and government and civil society sectors.

In 2021, EDCF committed USD 2,221 million to 28 projects in 17 countries. The annual commitment reached a record high, greatly surpassing that made in 2020, which saw a period of stagnation in the aftermath of the COVID-19 crisis.

Cumulative contributions as of the end of 2021

Countries



58

Projects



485

Commitments



USD 20,720 million



KRW 23,965.6 billion

Commitments, 2021



17 countries



28 projects



USD 2,221 million

Disbursements



USD 9,466 million



KRW 11,334.3 billion

Commitments in Key Support Sectors, 2021



Green

18 Projects

USD 1,325 million



Digital

9 Projects

USD 1,056 million



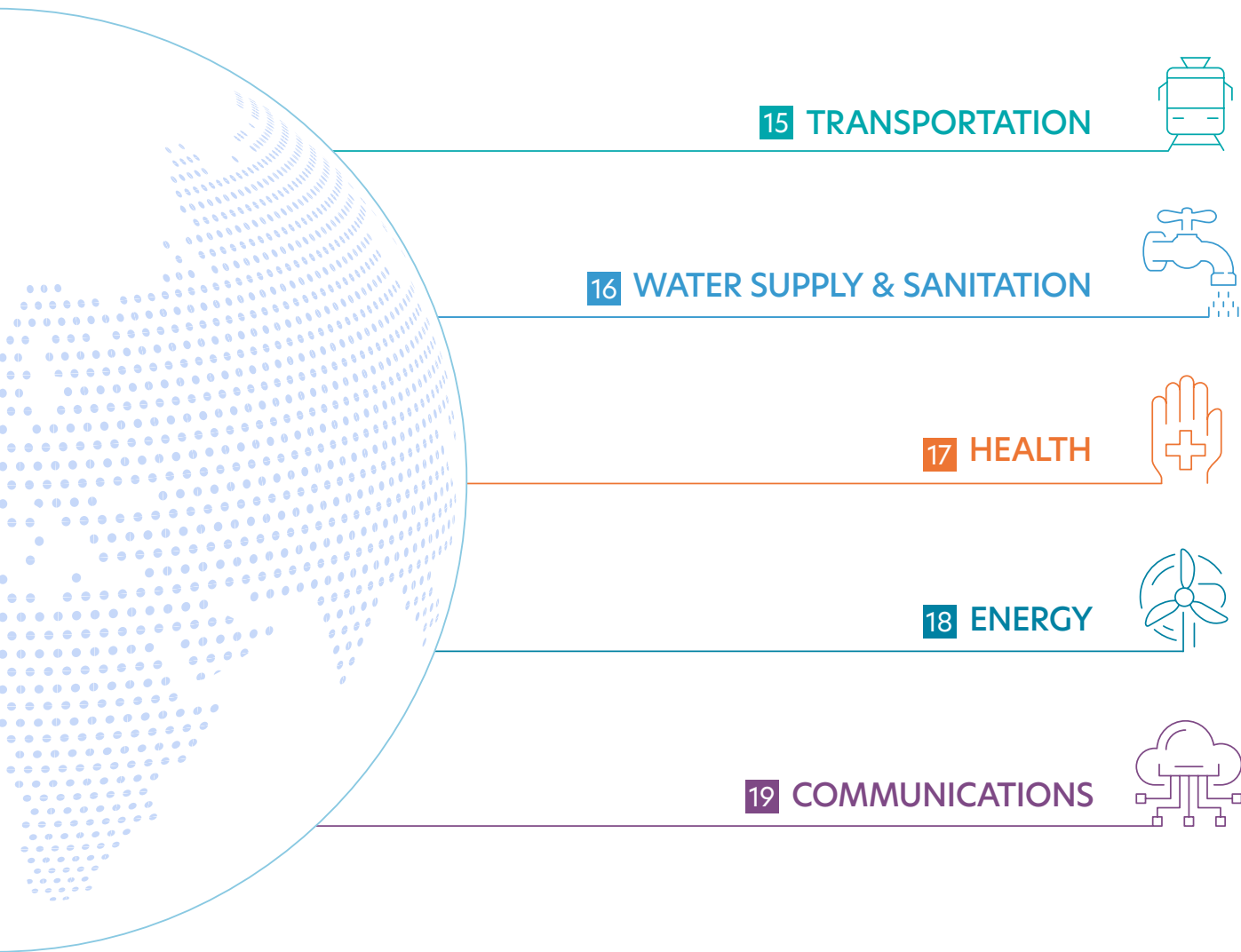
Health

10 Projects

USD 585 million

* Exchange rate as of the end of 2021 applied

Commitments by Sector



TRANSPORTATION

Cumulative total as of the end of 2021

Commitments	Disbursements
USD 6,976 million	USD 3,056 million
🌐 26 countries 📄 129 projects	🌐 24 countries 📄 105 projects



The transportation sector, which supports the construction of roads and bridges and the improvement of urban transportation systems, is the backbone of economic development. With the rapid growth of developing countries, demand in the transportation sector has remained strong. In 2021, EDCF committed and disbursed the largest portions in the transportation sector, accounting for 28.0% and 25.1%, respectively. Commitment was USD 623 million for 6 projects and disbursement was USD 257 million for 25 projects.



The water supply and sanitation sector, which supports renewing and expanding the irrigation infrastructure and water and sewage systems, is closely connected to the health and wellbeing of people and communities. In 2021, the demand for water supply and sanitation increased after a temporary decline in the aftermath of the COVID-19 pandemic. Accordingly, EDCF approved USD 275 million (12.4% of total commitments) for 7 projects and disbursed USD 148 million (14.4% of total disbursements) for 24 projects.

WATER SUPPLY & SANITATION

Cumulative total as of the end of 2021

Commitments
USD **2,776** million
🌐 20 countries 📋 73 projects

Disbursements
USD **1,557** million
🌐 20 countries 📋 68 projects



Cumulative total as of the end of 2021

Commitments
USD **2,919** million
🌐 27 countries 📋 71 projects

Disbursements
USD **1,366** million
🌐 24 countries 📋 55 projects

For the health sector, EDCF supports the construction of hospitals and the provision of medical equipment, with the purpose of delivering greater access to medical services, improving quality of medical service and training medical staff. In 2021, EDCF continued to respond to its partner countries' demands for support in the health sector by committing USD 228 million (10.2% of total commitments) for 2 projects and disbursing USD 239 million (23.4% of total disbursements) for 13 projects.



The energy sector concentrates on the expansion of power grids and substations, and the improvement of access to electricity. Developments in the energy sector contribute to enhancing industrial productivity and further the overall economic growth. They also greatly influences the quality of life of the people. In 2021, EDCF approved USD 106 million (4.8% of total commitments) for 2 projects and disbursed USD 31 million (3.1% of total disbursements) for 9 projects.

ENERGY

Cumulative total as of the end of 2021

Commitments

USD **2,166** million

🌐 22 countries 📄 50 projects

Disbursements

USD **1,102** million

🌐 17 countries 📄 40 projects

COMMUNICATIONS

Cumulative total as of the end of 2021

Commitments

USD **1,468** million

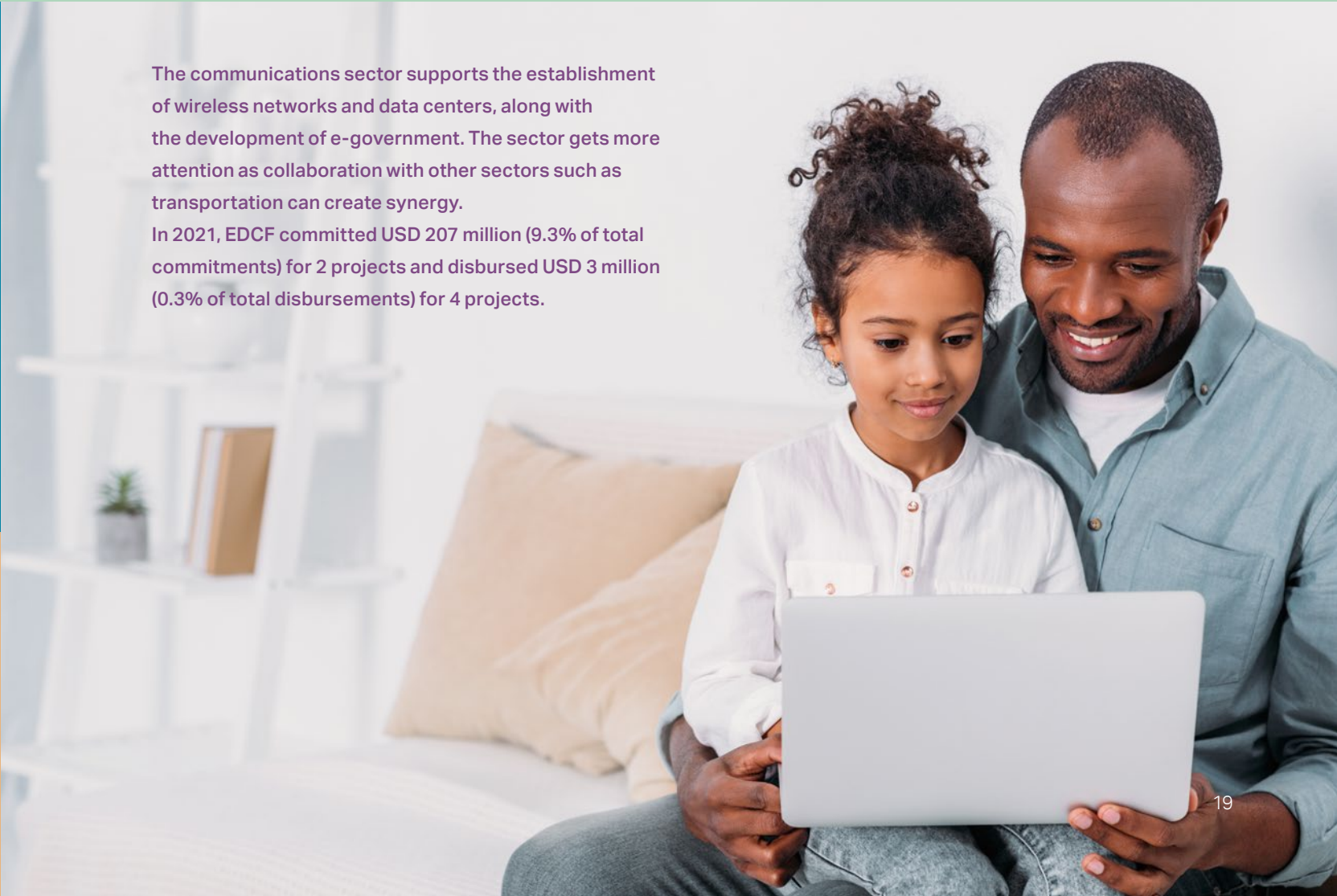
🌐 29 countries 📄 43 projects

Disbursements

USD **621** million

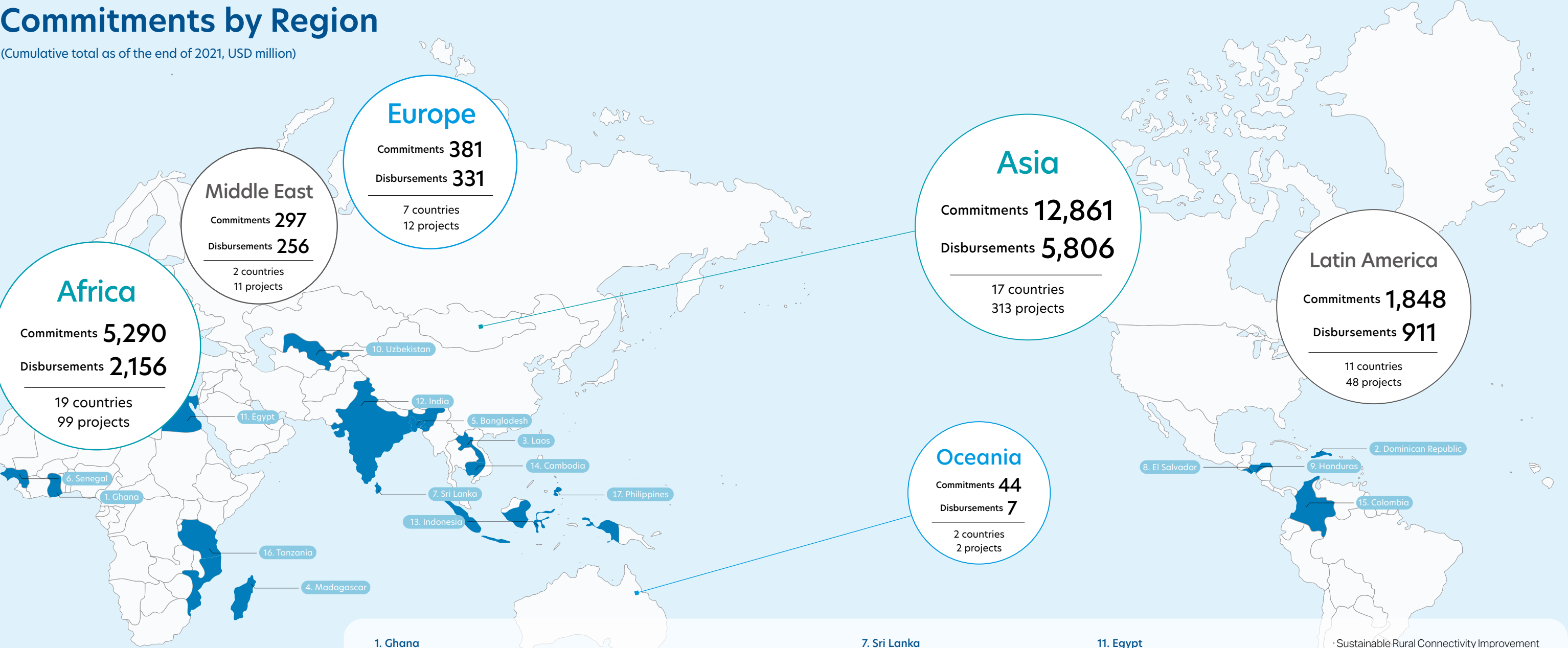
🌐 22 countries 📄 36 projects

The communications sector supports the establishment of wireless networks and data centers, along with the development of e-government. The sector gets more attention as collaboration with other sectors such as transportation can create synergy. In 2021, EDCF committed USD 207 million (9.3% of total commitments) for 2 projects and disbursed USD 3 million (0.3% of total disbursements) for 4 projects.



Commitments by Region

(Cumulative total as of the end of 2021, USD million)



Commitments, 2021



- 1. Ghana**
 - Improvement of Volta Lake Transport System Project
- 2. Dominican Republic**
 - Program for the Economic Reactivation, Energy Sector and Climate Change
 - Program for the Sustainability and Efficiency of the Electricity Sector III
- 3. Laos**
 - Mekong River Integrated Management Project in Champasack Province
 - Supplementary Loan
- 4. Madagascar**
 - Construction of Substations for Tana Nord II-Ambohibary Project
- 5. Bangladesh**
 - Bhandal Jhuri Water Supply Project - Supplementary Loan
 - Program Loan for Sustainable Economic Recovery Program (Subprogram 1)
- 6. Senegal**
 - Improved Connectivity between Dakar and Goree Island Project

- 7. Sri Lanka**
 - Establishment of Land Data Infrastructure and Land Information Service System Project
 - Deduru Oya Water Supply Project
 - Supplementary Loan
- 8. El Salvador**
 - Program for Social Digital Connectivity
- 9. Honduras**
 - Expansion of the Drinking Water Supply System in the City of Gracias
- 10. Uzbekistan**
 - Creation of Research and Educational Components of the Innovative Research and Production Pharmaceutical Cluster "Tashkent Pharma Park" (1 Stage)
 - Establishment of the National Oncology Center

- 11. Egypt**
 - Luxor-High Dam Railway Modernization Project
- 12. India**
 - ITS Establishment of Nagpur-Mumbai Super Communication Expressway
- 13. Indonesia**
 - Strengthening of e-Government Infrastructure Project
 - Additional Loan Karian Dam Project
 - Competitiveness, Industrial Modernization and Trade Acceleration Program: CITA
- 14. Cambodia**
 - Green Siem Reap Urban Bypass Road Project
 - Green Siem Reap Sewerage and Storm Drainage System Project
 - Dauntri Dam Development Project
 - Supplementary Loan

- Sustainable Rural Connectivity Improvement Project
- 15. Colombia**
 - Sustainable and Resilient Growth Program
- 16. Tanzania**
 - Improvement of National Land Data Infrastructure Project
 - National ID System Expansion (Phase II) Project
- 17. Philippines**
 - Engineering Service for the PGN Island Bridges Project
 - COVID-19 Emergency Response Program II - Vaccination Program

2021 Major Activities



Record High Annual Performance

In 2021, EDCF achieved record highs of both commitments and disbursements of KRW 2.7 trillion and KRW 1.2 trillion, respectively, despite many constraints resulting from the prolonged COVID-19 crisis. In particular, EDCF contributed to enhancing the resilience of developing countries against COVID-19 and to consolidating the foundation for economic cooperation in the post-COVID-19 era by significantly expanding its support in the green, digital and health sectors.



Proclamation of EDCF's Vision for Green

In November 2021, EDCF proclaimed the "EDCF's Vision for Green" while celebrating the Development Cooperation Week. At the proclamation ceremony held both online and offline, EDCF introduced the "EDCF Climate Change Impact Response System" to mainstream the climate change response throughout all its operations, and pledged to leap forward as a leading ODA institution to support the response to climate change in developing countries. EDCF will expand its assistance for climate change response by advancing the system and cooperating with other ODA agencies.



Introduction of Sector Development Loan for Emergency Response

EDCF introduced "Sector Development Loan for Emergency Response" to support developing countries with emergency relief and recovery, infrastructure reconstruction, and the prevention of disasters caused by infectious diseases and natural disasters among others. By introducing the loan, EDCF has made it possible to disburse immediately within the loan limit set in advance for emergencies and therefore to respond quickly and flexibly to the urgent financial needs of developing countries faced with disasters.



Commitment of the First EDCF Loan to India

EDCF approved its first loan commitment to India for the "ITS Establishment of Nagpur-Mumbai Super Communication Expressway". Promoted as a follow-up measure to the financial package support agreed at the Korea-India summit meeting held in 2015, the project was approved after 9 policy dialogues between the two countries over a period of 6 years. Taking this opportunity, EDCF will expand its support to India, a key partner country in the Korean government's New Southern Policy, creating synergy by focusing on digital and transportation infrastructure.



Mobilization of Private Finance

Due to the prolonged COVID-19 crisis, investment in development cooperation is shrinking, while demand among developing countries is increasing, making the participation of private finance more important. Therefore, in 2021, EDCF approved the "Luxor-High Dam Railway Modernization Project" in Egypt, which deployed EDPF for the first time, and the "Additional Loan Karian Dam Project" in Indonesia, which will mobilize EDPF as well as export credit. These projects served as successful examples of the diversification of development finance resources.



Expansion of the Scale of the Framework Arrangement (F/A)

In order to address growing development demands, expanding F/As stating the multi-year scale of support for each partner country has to be preceded. In 2021, EDCF significantly expanded the volume of its F/As with Uzbekistan (2021~2023, USD 1 billion), Bangladesh (2021~2025, USD 700 million), and Sri Lanka (2020~2022, USD 500 million). Considering the characteristics of each partner country, EDCF will continue to increase the number and size of F/As.



Policies and Status

EDCF supports developing countries' sustainable growth and resilience from the COVID-19 pandemic in accordance with the "EDCF Operational Strategy for the post-COVID-19 Era", while striving to achieve the Sustainable Development Goals.



Policies and Strategies

Recent Trends in Global Development Cooperation

In 2021, discussions about global development cooperation primarily addressed climate change and broader mobilization of development resources, while continuous assistance regarding health crisis from the pandemic in developing countries was made.

As climate change poses an existential threat to the whole world, immediate and effective action against climate change has become one of the most important agendas for sustainable development. Accordingly, the OECD Development Assistance Committee (DAC) released the Declaration for COP-26 in advance of the 26th UN Climate Change Conference of the Parties (COP-26).

The declaration presented new approaches to aligning development cooperation with the goals of the Paris Agreement on Climate Change, and included the following commitments: ① the members of the DAC will end all international public financing for unabated coal power generation by the end of 2021, ② climate and environmental impacts must be considered in all international public financing regardless of sectors, and ③ the DAC members will support their partner developing countries' low-carbon development pathways and transition towards Net Zero economies. As a member of the DAC, the Korean government also agreed with the declaration and will expand its ODA in response to climate change accordingly.

Meanwhile, due to the increasing demand to aid the recovery from the COVID-19 crisis in developing countries as well as to tackle climate change, the need for a broader mobilization of financial resources has been escalated. In this context, global discussions on ways to engage with the private sector for development have progressed, and the DAC has also led discussions to promote blended finance with the private sector.

EDCF has actively participated in these global discussions and plans to support developing countries' response to climate change while promoting the mobilization of private finance in its assistance.

Sustainable Development Goals

The Sustainable Development Goals, which were adopted by the UN member states in 2015 as the successor to the Millennium Development Goals, include 17 goals and 169 targets reflecting new global challenges identified from the lessons learned over the past 15 years.



Policy Directions in 2021

Amid the continued pandemic, EDCF deployed its full capabilities in supporting developing countries' efforts to recover from their economic and health crises. In addition, EDCF actively participated in the global effort to tackle climate change and contributed to the attainment of the Sustainable Development Goals by reinforcing its assistance for the green and digital sectors.

- First** By establishing the "EDCF Operational Strategy for the post-COVID-19 Era", EDCF not only expanded its commitment but also promoted qualitative development by improving its operation processes and diversifying the scope of its support and aid modalities.
- Second** EDCF's annual commitment reached a record high of KRW 2.6 trillion, focusing on the green, digital and health sectors designated as key support sectors. Moreover, EDCF enlarged the scale of Framework Arrangement for key partner countries such as Uzbekistan and Bangladesh in order to address growing development demands.
- Third** EDCF enhanced the quality of its projects by establishing the "EDCF Advancement Strategy", through which it adjusted the interest rates and repayment terms of the loans, launched Sector Development Loan for Emergency Response, and simplified the post-completion support procedures.
- Fourth** EDCF reflected factors for addressing climate change in all projects by introducing the "Green EDCF Promotion Strategy" and declared the "EDCF's Vision for Green" to leap forward as a leading ODA institution to support developing countries' response to climate change.
- Fifth** EDCF expanded its domain by identifying new partner countries or agencies and diversifying its financing resources. For example, EDCF committed its first loan to India, a key partner country under the New Southern Policy. EDCF also approved its first co-financing project with the Asian Infrastructure Investment Bank and a project in mixed finance that leveraged the Economic Development Promotion Facility for the first time.

Policy Directions in 2022

EDCF has devised the "Mid-term EDCF Operational Strategy for 2022-2024" to support developing countries' sustainable growth and resilience from the COVID-19 pandemic. With this strategy, EDCF aims to meet the partner countries' needs for large infrastructure, while improving the effectiveness of the projects and responding proactively to the rapidly changing environment for development.

- First** EDCF will continue to enlarge its support for the green, digital and health sectors by identifying large landmark projects in developing countries and strengthening its partnerships with MDBs and other donor countries.
- Second** EDCF will respond proactively to national and global demands of fortifying the climate change response by introducing a system for climate risk analysis and performance management for climate projects.
- Third** While expanding untied aid, EDCF will devise plans to promote Korean companies' participation in EDCF projects.
- Fourth** EDCF will strengthen the quality competitiveness of its assistance by fortifying a partnership with grant agencies for all project phases and by elaborating the terms and modalities of its program loans.
- Fifth** EDCF will further adjust the interest rates and repayment terms of the loans and streamline the appraisal and procurement procedures for equipment loans. Also, by establishing an online project management platform, EDCF plans to upgrade its non-face-to-face work system.

Major Achievements
in 2021

Commitments in Key Support
Sectors, 2021



Scaling Up Assistance in Key Support Sectors

In 2021, EDCF expanded its assistance for the green, digital and health sectors, committing more than USD 2.9 billion under the “EDCF Operational Strategy for the post-COVID-19 Era”. Furthermore, EDCF made continuous efforts to diversify its aid modalities instead of adhering to conventional types of loans, such as development project loans and equipment loans.

First, EDCF committed USD 1.3 billion for 18 projects in the green sector spanning the establishment of green infrastructure and policies for climate change response in developing countries. In addition, EDCF established a plan to internalize the climate change response system at all stages of its projects. By implementing this plan, EDCF will expand its mid to long-term green project portfolio while reorganizing all projects into projects responding to climate change.

Second, in the digital sector, EDCF extended USD 1.1 billion to 9 projects, including the e-government project modeled after the Korean e-government system. EDCF also established ICT project identification networks with major grant ODA agencies, with the aim of sharing information on candidate projects linking both loans and grants, and jointly developing and distributing catalogs about the e-government data center construction project.

Third, EDCF committed USD 585 million to 10 projects in the health sector, including the “COVID-19 Emergency Response Program II - Vaccination Program” in the Philippines and the “Establishment of the National Oncology Center” in Uzbekistan. Also, by institutionalizing emergency equipment loans that were operated based on temporary guidelines and launching “Sector Development Loan for Emergency Response”, EDCF made it possible to swiftly and flexibly address the emergency demands of developing countries coping with disasters.

Meanwhile, EDCF created successful financial packages with diversified financial resources, addressing large-scale development demands from developing countries. For example, EDCF approved the “Luxor-High Dam Railway Modernization Project” in Egypt, which leveraged EDPF for the first time, and the “Additional Loan Karian Dam Project” in Indonesia, which will mobilize EDPF as well as export credit.

Strengthening Project Management

EDCF established a project management plan that encompasses all stages of its projects and project portfolio. Through this, EDCF aims to actively address the increasingly diverse and enlarged development demands while implementing the “EDCF Operational Strategy for the post-COVID-19 Era” with greater efficiency.

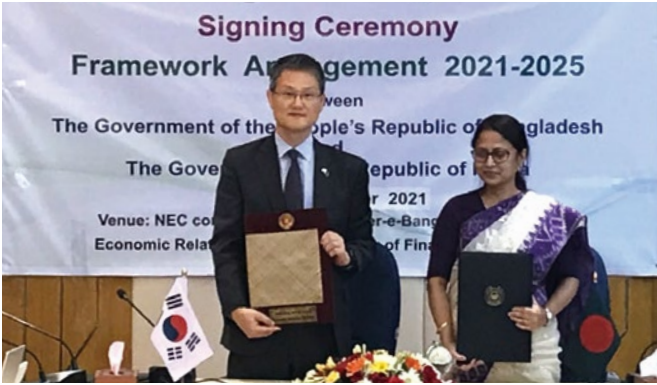
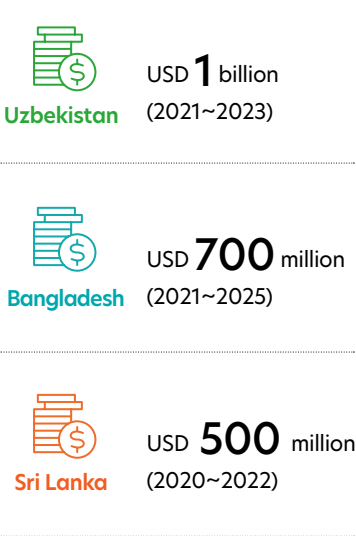
First, EDCF sought to expand the period and volume of the Framework Arrangement (F/A) stating the multi-year scale of support for each partner country to address the growing development demands. In 2021, EDCF concluded F/As with the government of Uzbekistan (2021-2023, USD 1 billion), Bangladesh (2021-2025, USD 700 million), and Sri Lanka (2020-2022, USD 500 million). EDCF will also continue to expand the scale of F/As by taking into consideration the characteristics of its partner countries and key partner countries under the New Southern/Northern Policy.

Second, EDCF established partnerships with 16 Korean grant agencies and discussed with them for combining loans and grants from the early stage of EDCF projects, to enhance aid effectiveness at every stage. Based on these efforts, EDCF will generate good examples of collaboration with grant agencies, such as technical assistance during project implementation and operation stages, and joint evaluation, etc., going beyond the simple connection of individual projects approved by each institution.

Third, EDCF enlarged the amount limit and scope of the post-completion support that can be used for providing goods and technical assistance for the maintenance of completed projects, while streamlining its procedures. With this, EDCF laid the foundation to bolster developing countries' operation and maintenance capabilities and to raise sustainability of its projects.

Finally, in order to increase the amount of untied aid by up to 60% of its annual commitment by 2025, EDCF forged the project management system for untied aid, which mainly deals with prioritized sectors for untied aid, target partner countries. It is expected that EDCF will enhance aid effectiveness and consolidate Korea's status as a donor country through these efforts.

F/A Conclusions, 2021



Signing Ceremony of the F/A between Korea and Bangladesh



Signing Ceremony of the F/A between Korea and Sri Lanka

Commitments and Disbursements

Commitments

In 2021, EDCF committed KRW 2,659.1 billion (USD 2,221 million) for 28 projects in 17 countries. The cumulative amount of EDCF commitments, as of the end of 2021, totaled KRW 23,965.6 billion (USD 20,720 million), financing 485 projects in 58 countries.

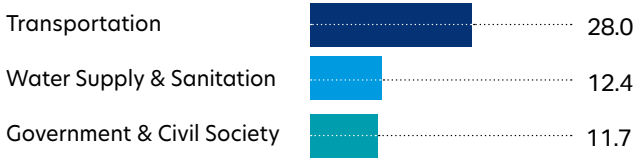
Commitments by Sector

Demand for transportation infrastructure in developing countries had remained high along with their economic growth. Against such a backdrop, loan commitments for the transportation sector accounted for the largest portion of new commitments in 2021, at 28.0% (KRW 745.5 billion or USD 623 million), followed by the water supply and sanitation sector, which is deeply related to residents' quality of life, at 12.4% (KRW 328.8 billion or USD 275 million).

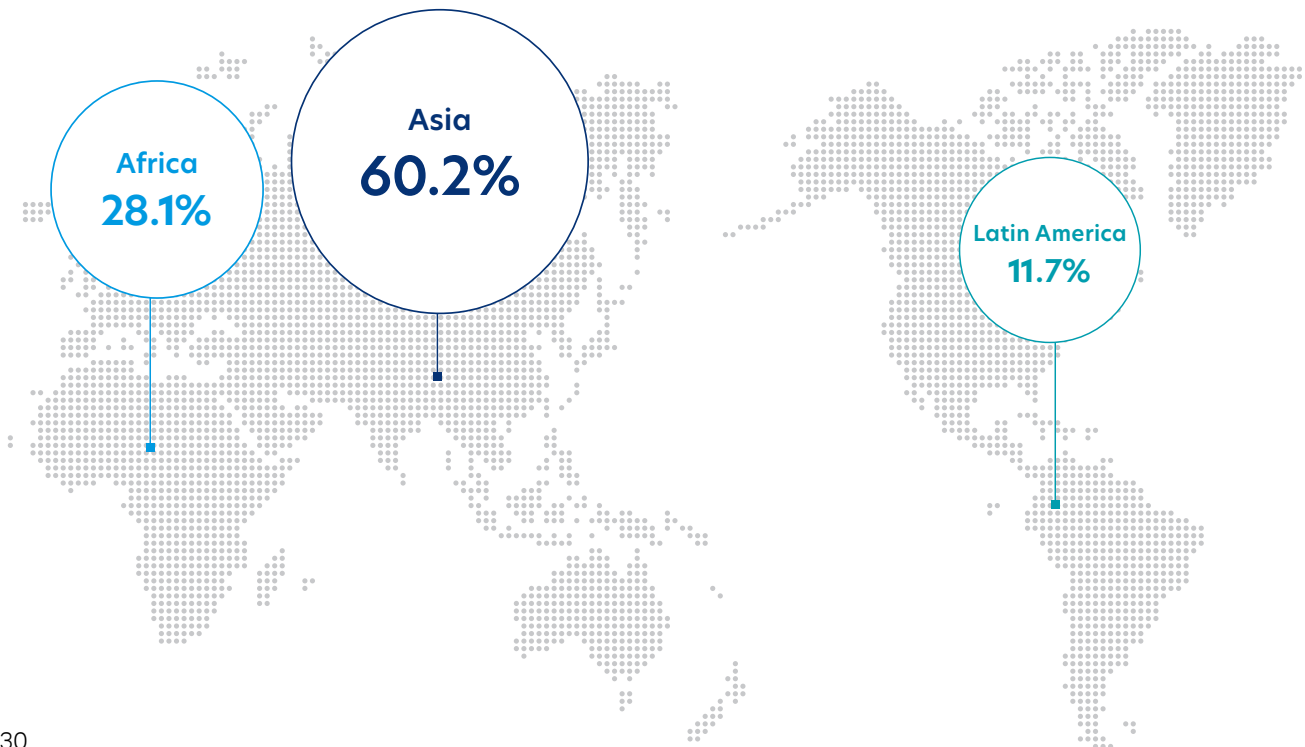
Commitments by Region

Asia and Africa accounted for 60.2% and 28.1% of total loan commitments in 2021, respectively, while Latin America accounted for 11.7%. Indonesia was the largest recipient country, with total commitments of KRW 359.6 billion (USD 300 million), followed by Cambodia with KRW 304.5 billion (USD 254 million) and Egypt with KRW 301.3 billion (USD 252 million).

Commitments by Sector, 2021 (%)



Commitments by Region, 2021



Disbursements

In 2021, EDCF made disbursements of KRW 1,226.7 billion (USD 1,024 million) for 102 projects across 35 countries. As of the end of 2021, total disbursements on a cumulative basis amounted to KRW 11,334.3 billion (USD 9,466 million), while the outstanding balance of loans stood at KRW 9,759.7 billion (USD 8,151 million).

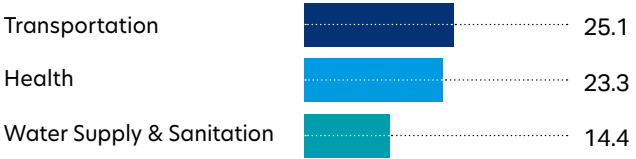
Disbursements by Sector

The largest amount of disbursements was made in the transportation sector, which accounted for 25.1% (KRW 307.7 billion), followed by the health sector at 23.3% (KRW 286.0 billion), the water supply & sanitation sector at 14.4% (KRW 176.8 billion), and the government & civil society at 10.5% (KRW 129.1 billion).

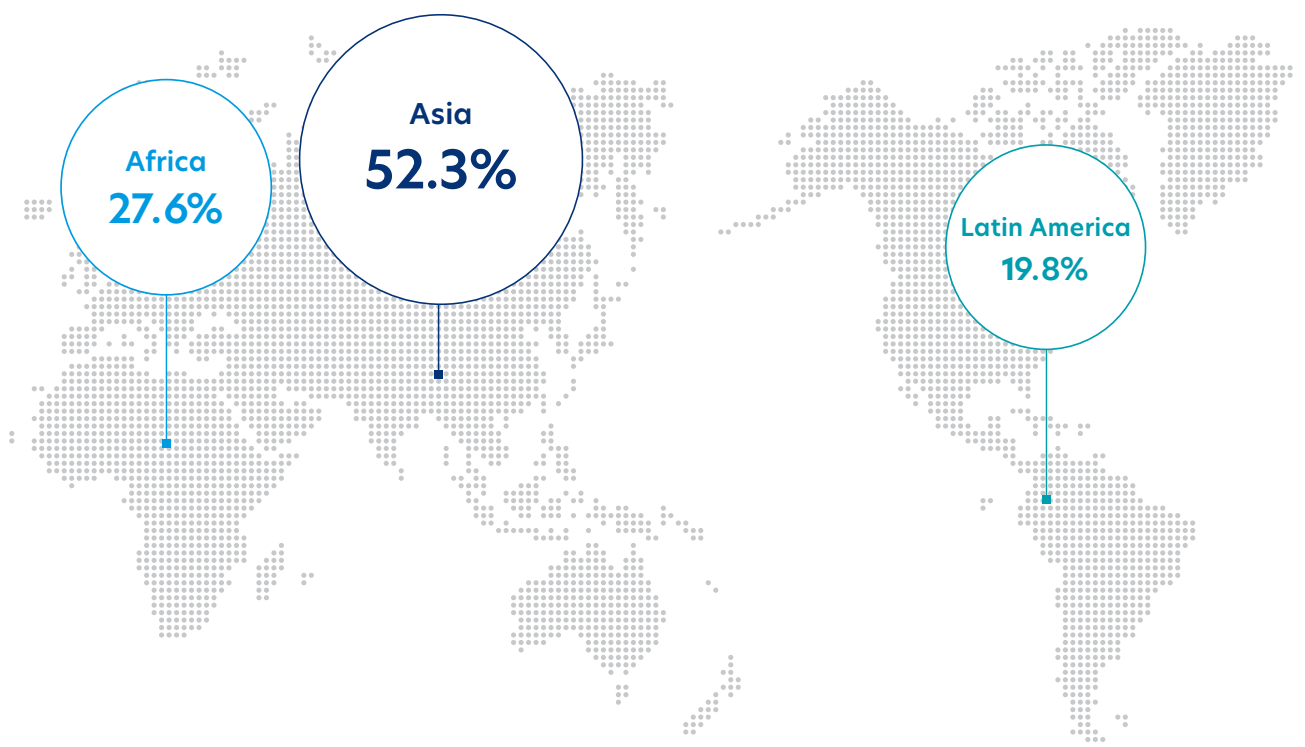
Disbursements by Region

By region, Asia (KRW 640.9 billion, 52.3%) was the largest recipient in 2021, followed by Africa (KRW 339.0 billion, 27.6%) and Latin America (KRW 242.7 billion, 19.8%). By country, Bangladesh was the largest recipient with total disbursements of KRW 248.3 billion, followed by the Philippines (KRW 156.9 billion) and Colombia (KRW 119.1 billion).

Disbursements by Sector, 2021 (%)



Disbursements by Region, 2021



Activities and Achievements

In 2021, EDCF expanded its assistance for the green, digital and health sectors which are key support sectors under the “EDCF Operational Strategy for the post-COVID-19 Era”, and diversified its aid modalities reflecting development demands from partner countries. Furthermore, to magnify aid effectiveness, EDCF continued its efforts to improve its policies and capabilities and strengthen development partnerships.



New Projects in 2021

Green Sector

EDCF is an essential instrument for implementing “Climate Change Response”, which is one of the major policies of the Korean government. In 2021, EDCF approved USD 1.3 billion for the green sector and established a climate change response system designed to mainstream the climate change response in its projects.

Green Infrastructure for Sustainable Development Green Siem Reap Sewerage and Storm Drainage System Project in Cambodia

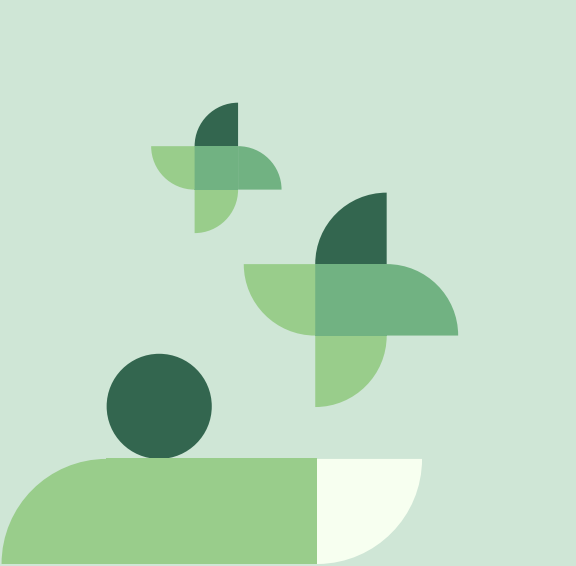
The city of Siem Reap in Cambodia is the center of the Cambodian tourism industry where Angkor Wat, the world-famous cultural heritage, is located. However, the majority of wastewater has long been discharged into the Siem Reap River without any treatment, causing contamination in soils and groundwater as well as a devastated living environment and damaged scenery of the city.

Against this backdrop, the Cambodian government has prioritized the establishment and improvement of the Siem Reap sewerage system under the “National Strategic Development Plan” and “Siem Reap City Land Use Master Plan Vision 2035”, and requested EDCF support from the Korean government.

The project supports the expansion of a sewerage treatment plant, establishment of a sanitary sewerage network and storm drainage system, test-runs of the facilities and systems, and training programs. EDCF expects that this project will improve the local inhabitants’ sanitation and living environment, and help in the development of the tourism industry in Siem Reap in the long run.



Lower and Urban Part of the Siem Reap River in Cambodia



Green Siem Reap Urban Bypass Road Project in Cambodia

The Cambodian government has been actively expanding the road infrastructure in major cities as part of a drive to promote economic growth. However, National Road No. 6 crossing Siem Reap city, which is a major logistics route that connects Thailand, Cambodia and Vietnam, has suffered from air pollution and severe traffic congestion due to its insufficient capacity.

Therefore, the Cambodian government requested EDCF to construct new roads so as to disperse the traffic volume in Siem Reap, and EDCF approved the project to build a bypass road traversing the southern region of Siem Reap.

EDCF expects that the project will divert the traffic on National Road No. 6, and consequently reduce air pollution and contribute to the development of the tourism industry of Siem Reap. Furthermore, the support will induce active trade among Thailand, Cambodia and Vietnam, and ultimately boost the economic growth of Cambodia.

Particularly, this project was designated as the top priority under the Cambodian government’s “Green Urban Transportation and Road Master Plan in Siem Reap”, which was formulated in 2018 with the aid of grants from the Ministry of Land, Infrastructure and Transport of Korea. In this regard, the project serves as a good example for a close cooperation between EDCF and a grant agency.

Policy-based Programs for Climate Change Response and Energy Efficiency

Sustainable and Resilient Growth Program in Colombia

The Republic of Colombia, a country of great biodiversity and vast natural resources, has pursued sustainable economic growth through eco-friendly policies. Especially, the Colombian government has established numerous policies to mitigate the effects of climate change and promote energy efficiency, but the aftermath of COVID-19 has created financial difficulties, hindering their implementation.

To support the Colombian government in establishing and implementing its eco-friendly policies, six MDBs, including the Inter-American Development Bank (IDB), have pledged to finance USD 1.2 billion an initiative in which EDCF has participated by committing USD 100 million in loans under the EDCF-IDB Co-Financing Facility.

This program aims to support the Colombian government’s planning and implementation of policies related to climate change and economic reactivation. Major components of the program include ① Colombia’s climate change response plans and climate financing, ② sustainable utilization of forest resources, ③ energy transition to renewable energy sources, and ④ the spread of low-carbon vehicle technology.

With this program, EDCF participated in international efforts in responding to climate change and the sustainable growth, establishing a new foundation for a stronger partnership between Korea and Colombia. Furthermore, EDCF expects that the program will, in the long term, contribute to reducing greenhouse gas emissions, improving air quality, diversifying the energy matrix, and spreading the climate-smart agribusiness in Colombia.



Representatives Gathered for the Signing of the Protocol Act of Sustainable and Resilient Growth Program in Colombia

Program for the Economic Reactivation, Energy Sector and Climate Change in the Dominican Republic

Under the terms of the Paris Agreement, the Dominican government plans to reduce the country's greenhouse gas emissions by 27% by 2030. However, the country heavily relies on coal- and oil-fired power plants, which generate most of its greenhouse gas emissions. Therefore, there have been urgent demands to make the energy transition to renewable energy sources like wind, solar and biomass.

In this regard, EDCF approved the "Program for the Economic Reactivation, Energy Sector and Climate Change" in September 2021 in order to support the Dominican government's policy tasks in various sectors, including public administration, energy and climate change response.

Co-financing with the Central American Bank for Economic Integration, EDCF committed USD 50 million in loans out of a total program cost of USD 350 million. The program aims to provide financial support for vulnerable groups of society in the economic downturn, while reforming the governance of the energy sector to address operational inefficiencies.

With the program, the Dominican government plans to activate the switch to low-carbon energy sources and to promote the use of electric cars, which is essential to reduce greenhouse gas emissions, while improving governance of the electricity supply brought about through energy sector reform.

Program for the Sustainability and Efficiency of the Electricity Sector III in the Dominican Republic

Surrounded by the Caribbean Sea, the Dominican Republic faced financial difficulties and electric losses due to its obsolete energy infrastructure and the operational inefficiencies of state-owned electricity distribution companies. As a result, the Dominican government initiated comprehensive reforms of the electricity sector to tackle these problems.

To assist the Dominican government in implementing the reforms, the IDB deployed budget support in 2011 (the first phase) and 2018 (the second phase). In 2021, the IDB planned the third and final budget support and requested EDCF to co-finance it. Accordingly, EDCF committed USD 50 million out of the total project cost of USD 250 million under the EDCF-IDB Co-Financing Facility.

The program aims to establish and implement policies for bolstering the regulatory and supervisory capabilities of the Dominican Republic's electricity authorities, such as the Ministry of Energy and Mines and the Superintendence of Electricity, as well as improving the operational and financial efficiency of the electricity distribution companies. Under this program, the Dominican government will also mitigate the heavy financial burden due to electricity inefficiency and improve the quality of the country's electricity supply. Furthermore, the program will contribute to the sustainable and inclusive economic growth of the Dominican Republic.



Dominican Republic's Ministry of Energy and Mines



Dominican Republic's Superintendence of Electricity

Digital Sector

The digital sector is an industry where Korean companies have strong competitive advantages and development demands from developing countries are high. As a result of actively identifying projects that corresponded to the digital ODA roadmap, EDCF committed USD 1.1 billion in the digital sector in 2021.

Dissemination of e-Government System Strengthening of e-Government Infrastructure Project in Indonesia

The overall level of Indonesia's information infrastructure is relatively low compared to neighboring countries such as Malaysia and Thailand. In particular, the public administrative process is inefficient and data management is unsystematic, mainly due to the absence of an integrated e-government data center.

Against this backdrop, the Indonesian government declared a plan to provide e-government services to the whole country by establishing an e-government data center, and requested EDCF to support its establishment.

Through this project, an e-government data center and its annex will be newly constructed and a cloud system, ICT equipment, solutions and training programs will be provided as well.

It is expected that the project will enhance the efficiency of the public administrative process and improve the quality of public service in Indonesia. Besides, the project will contribute to the development of ICT and e-government industry in Indonesia by transferring Korea's advanced technology.

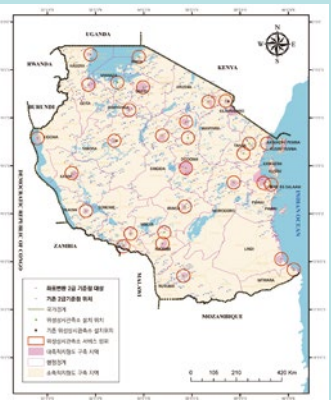
Improvement of National Land Data Infrastructure Project in Tanzania

At the request of the Tanzanian government to establish a land data administration system, as well as to design and implement the plan for land use and urban development, EDCF committed USD 65 million in loans for the "Improvement of National Land Data Infrastructure Project" in September 2021.

The project includes the installation of the Continuously Operating Reference Stations and the Ground Control Points, the establishment of the National Base Map and a Spatial Data Infrastructure, the supply of ICT equipment, and related training programs for project executing agencies. EDCF expects that the project will contribute greatly to the development of accurate land data and the improvement of administrative efficiency.

In addition, this project is a follow-up project to the "Policymaking Project to Modernize the National Land Data Infrastructure**" supported by grants from the Korea Land and Geospatial InformatiX Corporation (LX) in 2017. In this respect, the project is a good example of improving the effectiveness and sustainability of ODA projects through a cooperation with a grant agency.

* Land management status analysis, baseline survey, and acquisition of unmanned aerial vehicle (drone) images were supported by LX.



Location Map of Ground Control Points for the Improvement of National Land Data Infrastructure Project in Tanzania

Establishment of Digital Infrastructure

Program for Social Digital Connectivity in El Salvador

Amidst the COVID-19 crisis, El Salvador has struggled to provide education and public health services due to its weak digital infrastructure. Moreover, limited access to the internet has induced a lack of public ICT capacity and deepened the digital divide.

In July 2021, EDCF approved the “Program for Social Digital Connectivity” at the request of the El Salvador’s government and the Inter-American Development Bank (IDB). The program’s primary goals are to improve broadband connectivity for public services, promote digital economic development, and strengthen El Salvador’s national competitiveness.

As the first co-financed package of assistance with the IDB for the El Salvador’s government, this program also aims to promote the digital transition of El Salvador by establishing broadband networks and digital networks in schools and public health facilities, and by providing IT-related education for both government officials and the general public.

The COVID-19 pandemic has made prompt public services and replenishment of IT infrastructure, which are crucial for mitigating digital inequalities, more urgent than ever before. In this context, EDCF expects that the program will be of great help to the sustainable development of El Salvador.

ICT-based Innovation of Transport Infrastructure

Improvement of Volta Lake Transport System Project in Ghana

The Ghanaian government has provided passenger transportation services at Lake Volta, the largest artificial lake in the world, through the Volta Lake Transport Company. However, the obsolete ferries and dock facilities, along with the lack of a management system, resulted in frequent suspensions of service and a heightened risk of accidents, constantly raising the need for renovation and expansion of the related facilities.

Consequently, the Ghanaian government established the “Master Plan for Transportation on the Volta Lake” and the “Framework of an Integrated National Transportation Strategy”, through which it plans to establish the regional transportation hub primarily by improving the transportation infrastructure, expanding the passenger ports and supplying new ferries.

In response to Ghana’s development plans, EDCF approved the “Improvement of Volta Lake Transport System Project” in December 2021. The project entails the construction of a landing stage, an access road and a slipway shipyard, the supply of bi-directional drive-on/off car ferries* with a loading capacity of up to 700 tons, and the development of an integrated management system for shipping operations.

* A two-deck vessel that transports passengers, vehicles and cargoes, and allows two-way boarding. As it is designed to be convenient in the aspect of the passenger movement flow, the time required for vessel entry and clearance can be shortened.

Under this project, EDCF expects that the sustainability of public transportation will be improved in Ghana, boosted by the safe operation of vessels and reinforced maintenance capabilities. Notably, the launch of an integrated management system for shipping operations will play a pivotal role in preventing safety accidents.



Dock Facility of Lake Volta in Ghana



ITS Establishment of Nagpur-Mumbai Super Communication Expressway in India

The Indian government has been building a 701km-long highway that will connect Mumbai, India's most prominent economic powerhouse, and Nagpur, the central city of administration. However, certain problems were expected, including a lack of traffic management strategies and accident response measures, inefficiency in hand-written fare management, fare omission, and congestion near tollgates.

Accordingly, with the purpose of establishing an efficient highway operation management, the Indian government has planned to launch an Intelligent Transportation System (ITS) model for real-time traffic information collection, traffic accident risk reduction, and automatic fare collection. Furthermore, the Indian government requested EDCF support in consideration of Korean companies' outstanding technology and wealth of experience.

The “ITS Establishment of Nagpur-Mumbai Super Communication Expressway”, which was approved by EDCF in November 2021, focuses primarily on establishing the Intelligent Transportation Management System, Toll Collection System and Optical Fiber Network and constructing traffic management centre. Therefore, the successful implementation of this project is expected to revitalize transportation and logistics in the project area.

This is the first EDCF project to India to be promoted as a follow-up measure of the financial package support agreed at the Korea-India summit meeting held in 2015. With this opportunity, EDCF will deepen its cooperation with India, a key partner country in the Korean government’s New Southern Policy, especially in the field of digital and transportation development.



Construction Site of the ITS Establishment of Nagpur-Mumbai Super Communication Expressway Project

Health Sector

In 2021, EDCF committed USD 585 million for the health sector to bolster developing countries' infrastructure and capabilities to address the medical and health crises brought about by the COVID-19 pandemic. Moreover, EDCF improved its internal policies and procedures in an effort to establish an agile and flexible support system.

Budget Support for COVID-19 Vaccination Program
COVID-19 Emergency Response Program II - Vaccination Program in the Philippines

In October 2021, EDCF approved the "COVID-19 Emergency Response Program II - Vaccination Program" in support of the COVID-19 vaccination policy established by the Philippine government.

Upon the outbreak of COVID-19, EDCF launched the "COVID-19 Emergency Response Program" in 2020 to support developing countries' COVID-19 responses. In the first year of its introduction, EDCF extended loans under the program to assist the Philippine government in setting up and implementing policies in the health sector. In 2021, EDCF supported this second program to address the urgent budgetary demands of the Philippine government in its implementation of the vaccination policy.

The two rounds of support under the COVID-19 Emergency Response Program provided to the Philippines will further consolidate the cooperative channel between Korea and the Philippines, as well as presenting an opportunity for more follow-up projects in the health sector.



Medical Infrastructure to Improve Public Health
Creation of Research and Educational Components of the Innovative Research and Production Pharmaceutical Cluster "Tashkent Pharma Park" (First Stage) in Uzbekistan



View of the Uzbekistan National Pharmaceutical University

In Uzbekistan, there has been a growing demand for decent medical-pharmaceutical products, but the country's pharmaceutical industry has been left behind due to the low domestic production rate and a lack of well-educated research staff. Therefore, the Uzbekistan government declared the development of the pharmaceutical industry as a primary policy agenda in order to improve the medical-healthcare sector and promote economic growth, and also planned to construct a pharmaceutical cluster comprising the educational, administration production and R&D facilities.

To implement this project successfully, the Uzbekistan government requested EDCF's assistance, and in response EDCF approved the first stage project of "Tashkent Pharma Park" in October 2021, committing USD 84 million. The project entails the construction of a national pharmaceutical university and other affiliated facilities, procurement of equipment for education and research, and establishment of the ICT-based operation system, in order to cultivate human resources for the pharmaceutical industry. Following the first stage project, EDCF plans to promote the second stage project in 2022, which consists of the construction of a clinical research center and supply of related equipment and an ICT system.

This project will contribute to fostering medical infrastructure and human resources, which will lead to the development of the pharmaceutical industry of Uzbekistan. Furthermore, the project is expected to play a significant role in deepening a cooperative relationship between Korea and Uzbekistan.

Establishment of the National Oncology Center in Uzbekistan



View of the Uzbekistan National Oncology Center

Cancer is the second leading cause of death in Uzbekistan as of the end of 2019, and the incidence rate has been steadily increasing since 2016. Accordingly, the Uzbekistan government has set the reduction of cancer mortality as the primary goal of its health policy, and planned to achieve this by improving access to cancer diagnosis and treatment services. With this background, the establishment of the national oncology center became the top priority project in the country's health sector.

In response to the Uzbekistan government's demand for development assistance, EDCF approved the "Establishment of the National Oncology Center" in December 2021, committing USD 128 million. The project will consist of building a 285-bed oncology center, supplying medical equipment, establishing a hospital information system, and providing a training program for the staff.

EDCF expects that this project will greatly help enhance the level of medical services in Uzbekistan with the transfer of Korea's medical systems and hospital operation know-how.



Diversifying Aid Modalities Responding to the Demands of Partner Countries

Diversifying Aid Modalities for Strategic Support Engineering Service for the Panay-Guimaras-Negros (PGN) Island Bridges Project in the Philippines

The government of the Philippines has been implementing “Philippine Development Plan (2017-2022)” to increase national income growth and reduce poverty. Under this development plan, the government has been placing strong emphasis on fostering economic development through the construction of transportation infrastructure.

The PGN bridge construction project is one of the emblematic flagship infrastructure projects presented under “Build, Build, Build!”, which is a large-scale infrastructure development strategy promoted by the Philippine government. The bridge connects three major islands of Panay, Guimaras and Negros in the Visayas region, which are situated at the center of the Philippines.

A feasibility study for the project has been conducted with the support of another donor country, but the Philippine government requested EDCF to assist a loan for the detailed design, independent design check and other necessary consulting services for the project. In response, in October 2021 EDCF committed USD 57 million in a Project Preparation Loan.

EDCF expects that this loan will make a significant contribution to the swift and efficient implementation of the PGN Island Bridges Project, and consequently to the overall improvement of regional connectivity in the Philippines.



Signing of the MOD for the Engineering Service for the PGN Island Bridges Project



Screen Capture from the Webpage of the Department of Finance in the Philippines



Sustainable Economic Recovery Program (Subprogram 1) in Bangladesh

In the wake of the COVID-19 pandemic, Bangladesh has considerably increased its public expenditure on the health sector and economic stimulation. However, the budget deficit has grown significantly due to the country’s weak financial soundness and inadequate tax system. In addition, the recovery of women’s enterprises and small and medium-sized businesses suffering from disruptions in production and employment has been delayed, mainly due to a contraction of credit from financial institutions.

To tackle this problem, EDCF participated in the “Sustainable Economic Recovery Program (SERP)” jointly with three MDBs, including the Asian Infrastructure Investment Bank (AIIB), and committed USD 100 million out of the total co-financing loan of USD 700 million to the government of Bangladesh.

The program comprises two major policy tasks: first, the program will advance the public finance management system to increase tax revenue; and second, it will improve financial accessibility for small-to-medium enterprises by expanding low-interest loans. EDCF expects that the program will reduce the Bangladeshi government’s fiscal deficit and help it to achieve a rapid economic rebound.

The SERP in Bangladesh is EDCF’s first co-financed development project with the AIIB. It is expected that the project will further promote EDCF’s collaborative partnership with the AIIB in financing large-scale development projects in Asia.

First Project Co-financed with the Economic Development Promotion Facility

Luxor-High Dam Railway Modernization Project in Egypt

In September 2021, EDCF approved the “Luxor-High Dam Railway Modernization Project”, which is its first co-financing project with the Economic Development Promotion Facility (EDPF) and the largest-ever railway project in its history.

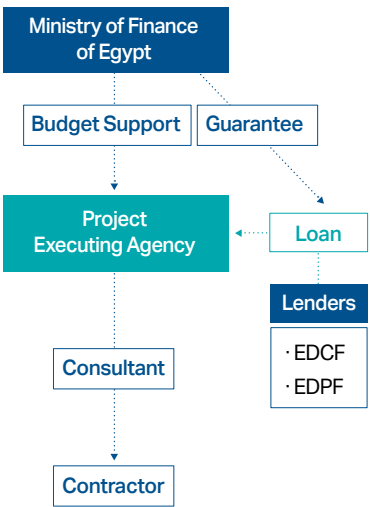
The railway line that runs along the Nile River from Alexandria-Cairo to the High Dam (5,153km) is the backbone track connecting Egypt’s main tourism hubs and major cities such as Cairo, Luxor and Aswan. Against this backdrop, the railway has contributed significantly to the long-distance transportation of passengers and freight. Despite the line’s importance, however, the obsolescence of railway facilities due to a lack of investment and maintenance by the Egyptian government led to safety problems and unpunctuality of trains. To tackle these problems, the Egyptian government established the “Egypt National Railway Restructuring Project” with the World Bank in 2008 and planned to modernize the country’s ageing railway systems.

As a part of its railway modernization plan, the Egyptian government requested the support of EDCF and EDPF for the Luxor-High Dam section, which forms the last 224km of the railway at its southernmost point in the “Egypt National Railway Restructuring Project”.

In response to the Egyptian government’s request, out of the total project cost of USD 310 million, EDCF committed USD 250 million to establish the railway system, while EDPF committed USD 60 million to construct the railway infrastructure. The project scope for EDCF includes the establishment of an electronic interlocking system, an automatic train protection system, and a central control system. As for EDPF, the loan will be used to provide infrastructural facilities compatible with the railway system, including platforms, wiring station, railway and subsidiary facilities.

EDCF expects that this project will render Egypt’s railway operations more efficient and safer, based on the improvement of train speeds and a reduction of safety accidents. In addition, the project will contribute to developing the country’s tourism and infrastructure industry, with the increased transportation of passengers and freights. Furthermore, it is expected that the creation of employment opportunities will lead to more integrated and balanced rural-urban development, while the Egyptian government’s ability to address climate change will be enhanced by the gains in energy efficiency resulting from the modernization of the railway system and the replacement of ageing equipment.

Structure of Luxor-High Dam Railway Modernization Project



Meeting with the Egyptian National Railways



Construction Site of the Karian Dam in Indonesia

Additional Loan Karian Dam Project in Indonesia

EDCF's "Karian Dam Project" approved in 2010 assists the construction of a multi-purpose dam in the upstream area of the Cijung River in Banten Province, situated in the western region of Java Island. The project aims to improve the life quality of the local inhabitants, primarily by securing a stable residential and industrial water supply for Jakarta and its adjoining regions.

The loan committed for the construction of Karian multi-purpose dam amounted to USD 100 million. However, due to the increase in project costs incurred by the expansion of the project's scope and the flood damages after the start of construction in 2015, the Indonesian government requested a supplementary loan from EDCF. Accordingly, EDCF approved a supplementary loan of USD 40 million in October 2021.

The supplementary loan provided by EDCF will not only contribute to achieving the goal of the "Karian Dam Project", which is to secure a stable water supply but will also be used to help prevent flood damage by controlling the outflow and revitalize the economy by stimulating employment and the tourism industry in the project site.

Furthermore, upon completion of the project, EDCF will mobilize both EDPF and export credit resources in order to support the construction of a water conveyance pipeline connecting the Karian Dam to the Serpong region in western Jakarta, and of a water treatment plant. In this respect, the "Karian Dam Project" and "Additional Loan Karian Dam Project" serve as successful example of effectively mobilizing commercial finance for achieving development goals.

Co-financing with MDBs

Expansion of the Drinking Water Supply System in the City of Gracias in Honduras

The city of Gracias, the Republic of Honduras, has experienced numerous difficulties in meeting the growing demand for drinking water due to continuous population growth. Moreover, the city has a climatic environment characterized by high precipitation volatility between the dry and wet seasons, while the absence of a raw water reservoir* has made it difficult for the city to meet the demand for drinking water in all seasons.

* A storage facility for preserving raw water

The "Expansion of the Drinking Water Supply System in the City of Gracias" has been promoted as one of the Honduran government's priorities to tackle these difficulties. The Central American Bank for Economic Integration (CABEI), which has provided financial assistance from the feasibility study stage, requested EDCF to co-finance the project in January 2021. Accordingly, EDCF committed USD 25 million out of the total project cost of USD 36 million under the Co-Financing Facility Agreement with CABEI.

The project focuses on improving the supply chain of drinking water and expanding the relevant infrastructure including a raw water reservoir. EDCF expects that this project will strengthen the city's capability to satisfy growing demand for drinking water while enhancing the inhabitants' quality of life and public health.



Signing of Credit Facility Agreement of the COVID-19 Emergency Response Support in 5 Central American Countries through the Credit Line for CABEI

Supporting Medical Supplies to El Salvador under the "COVID-19 Emergency Response Support in 5 Central American Countries through the Credit Line for CABEI"

In November 2020, EDCF committed a USD 50 million facility to CABEI in a form of Loan to International Development Finance Institutions. The primary goal of this credit facility is to support 5 Central American countries (Honduras, El Salvador, Guatemala, Costa Rica and the Dominican Republic) to bolster their COVID-19 response capabilities. Through this credit facility, EDCF supports its funds to CABEI, which in turn CABEI on-lends loans to the 5 Central American countries.

In November 2021, EDCF approved its first individual loan to the government of El Salvador, amounting to USD 15 million under the credit facility. By utilizing the pre-established credit facility, EDCF was able to provide an agile and flexible assistance for El Salvador's response to the pandemic.

This credit facility has the advantage of enabling EDCF to provide prompt financial relief to more than one partner country only by approving individual loans, once the facility is established. EDCF will make an effort to continue its agile and flexible response to partner countries' health and medical crises, making the most of its credit facility to International Development Finance Institutions.

Construction of Substations for Tana Nord II–Ambohibary Project with the AfDB in Madagascar



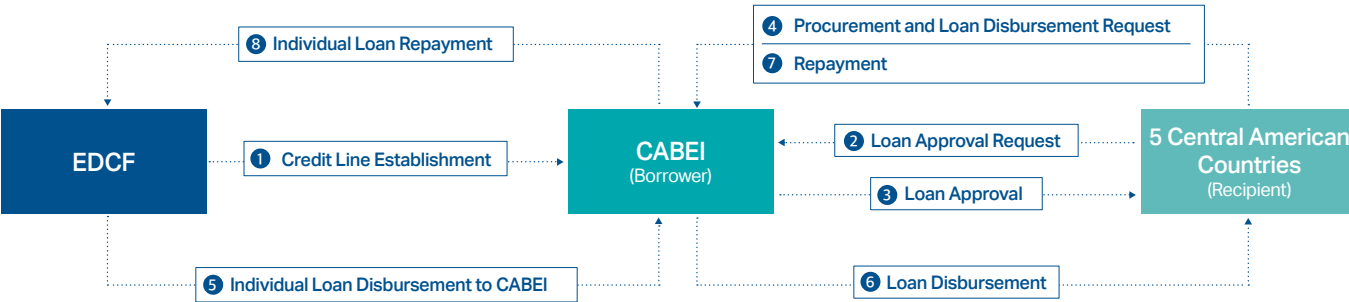
Project Site of the Construction of Substations for Tana Nord II–Ambohibary

The electricity supply in Madagascar is very poor, with the access to electricity rate reaching only 15%. Also, the transmission line connectivity between the country's main power-consuming regions, such as Antananarivo and Toamasina, was faulty.

To support the government of Madagascar to provide a stable power supply, in November 2021 EDCF approved the "Construction of Substations for Tana Nord II–Ambohibary Project", co-financing it with three MDBs including the African Development Bank (AfDB). For this project, which is the first co-financed project with the AfDB since the conclusion of the Korea-Africa Energy Investment Framework (KAEIF), EDCF committed USD 56 million out of the total project cost of USD 220 million.

EDCF expects this project to improve access to electricity in the capital city of Madagascar and its eastern areas, and ultimately to enhance economic development in rural areas.

Structure of Credit Facility for CABEI



Feasibility Study
Focusing on Key
Support Sectors

Supporting Feasibility Studies

EDCF provides grants for technical assistance in conducting a feasibility study (F/S) for a proposed project. In particular, EDCF has prioritized support for its key support sectors namely green, digital and health in consideration of the needs of partner countries and the competitiveness of Korean companies.

In 2021, despite the challenges posed by COVID-19, EDCF supported 20 F/Ss to identify and develop new projects.

Country	Project	Description
Bangladesh	Construction of Railway cum Road Bridge across the River Karnaphuli at Kalurghat, Chittagong Project	Construction of a combined rail/road bridge and connecting roads crossing the Karnapuli River, and improvement of Janalihat Station and signal systems
	Establishment of DWASA International Training and Research Institute Project	Establishment of a modern international education and research center, provision of educational and research equipment, and development of the educational curriculum
	Procurement of CNG Single Decker AC Buses for BRTC	Purchase of about 320 new CNG buses, establishment of a basic plan for introducing electric buses, and provision of CNG bus operation and maintenance education and training
Cambodia	Barvel Flood Mitigation and Irrigation Development Project in Barvel District of Battambang Province	Replacement of the Mongcolboray River water intake weir, renovation and repair of irrigation channels, and construction of buildings for facility operation and management
	The North-East Rural Network Development Project	Renovation of local roads (305.3km) located in 4 provinces and replacement of 37 bridges, culverts and drainage pipes
Ecuador	Sewerage System Expansion Project (Phase II) in Santo Domingo	Construction of sewage treatment plants and sewage pipelines, and provision of consulting service
Ghana	Establishment of the University of Environment and Sustainable Development Project (Phase II)	Construction of subsidiary facilities, provision of research equipment, and operational support for curriculum management
Indonesia	Navigation Third Class Vessel Ship Building	Supply of 23 buoy maintenance ships to repair navigational aid facilities, and provision of ship maintenance education and training
Laos	The Mekong River Integrated Management Project in Khammouane Province	Shore protection maintenance in the Takkek Free Economic Zone and the Namdon River basin (8.9km), and development of a riverside park (2.5ha)
Papua New Guinea	Vanimo & Wewak Wharf in Papua New Guinea Construction Project	Construction of Vanimo & Wewak port shore protection and auxiliary facilities, development of the port site, and construction of ancillary buildings
Philippines	Enhancement of Tax Administration System and Establishment of Integrated e-Tax System	Establishment of a tax administration digitization plan, development of a cloud service-based tax administration system, and provision of the related hardware and network equipment
	Expansion of the National Broadb and Infrastructure Project	Establishment of a communication network via fiber optic cable connection in 4 regions (2,642 sites), installation of communication equipment, and provision of on-site education and training
Rwanda	Refurbishment of Muhororo Hospital and Renovation / Construction of Kabgayi District Hospital Project	Construction of hospital buildings, medical staff residences and access roads, provision and inspection of medical equipment, and installation of network equipment
	Rehabilitation and upgrading of Kigali-Muhanga road project	Renovation of main roads and bridges connected to the city center, restoration of city crossings, and replacement of existing concrete drainage channels
Tanzania	Establishment of Iringa Water Supply and Sewerage Infrastructure Project	Construction of water intake/purification plants, improvement of transmission and drainage pipes, establishment of sewage treatment plants and sewage pipes, and provision of trial run and operational education and training
	Modernized Railway Training Center Project	Construction of educational buildings, provision of educational equipment, and invitational training and technical advice for curriculum development
Uzbekistan	Creation of Research and Educational Components of an Innovative Scientific and Industrial Pharmaceutical Cluster "Tashkent Pharma Park" (Phase II)	Construction of a clinical research center, establishment of utility facilities at the secondary project site, and provision of education and training
	Establishment of Uzbekistan Medical University	Establishment of medical schools and affiliated research institutes, provision of educational and research equipment, and development of the educational curriculum and capacity building programs
Vietnam	Rehabilitation and Improvement of Bridges on National Highways Project (Phase II)	Renovation of 13 old bridges on major national roads in Vietnam
	Rehabilitation Project of Section Hoa Duet-Thanh Luyen	Improvement of the Hoa Duet-Thanh Luyen Section (11.6km, including 2 tunnels and 2 bridges), and renovation of the Taying Luen Station

Operation Process Improvement and
Capacity Building

Increasing
Aid Effectiveness

Advancing the Operational Strategy
EDCF Advancement Strategy

In May 2021, EDCF established the “EDCF Advancement Strategy” with the aim of proactively responding to the rapidly changing global development environment while effectively implementing the “EDCF Operational Strategy for the post-COVID-19 Era” devised in January 2021.

The “EDCF Advancement Strategy” systematically presented a detailed improvement plan for each project stage of identification, implementation and completion. Under the strategy, EDCF emphasized stronger cooperation with other domestic and overseas development partners in all stages of its projects.

First, for the project identification stage, EDCF revised the criteria for the classification of partner countries, aligning them with the OECD DAC standard. Meanwhile, EDCF also established its system to enable more customized support by launching untied options, lowering interest rate for the middle-income countries, and establishing and revising the terms for each type of loan.

Second, for the project implementation stage, EDCF established work system utilizing its overseas offices, local subcontractors and project executing agencies. Also, EDCF improved the quality of its F/Ss by strengthening the financial feasibility and environmental and social impact review, and putting more time and budget in conducting F/Ss.

Finally, for the project completion stage, EDCF revised the post-completion support policy in order to streamline the support process for proactive identification of candidate projects. Moreover, EDCF sought to employ consultants for the post management of some projects to enhance project effectiveness and sustainability.

Furthermore, while developing the existing front-to-back project connections with grants, EDCF established an integrated cooperation system with various grant agencies throughout the entire project cycle, through which it will ultimately expand the scope of its assistance and improve aid effectiveness.

Advancement Strategy by Project Stage



Promoting Green ODA for Climate Change Response

Green EDCF Promotion Strategy

Climate change is one of the significant challenges to achieve sustainable development in the post-COVID-19 era. In this regard, Green Recovery has been globally discussed as the most effective way to overcome the pandemic.

Aligning itself with this global trend, EDCF established the “Green EDCF Promotion Strategy”, and proposed the medium-term goal of expanding its assistance for climate change response and other green projects by 40% of its total commitments by 2025.

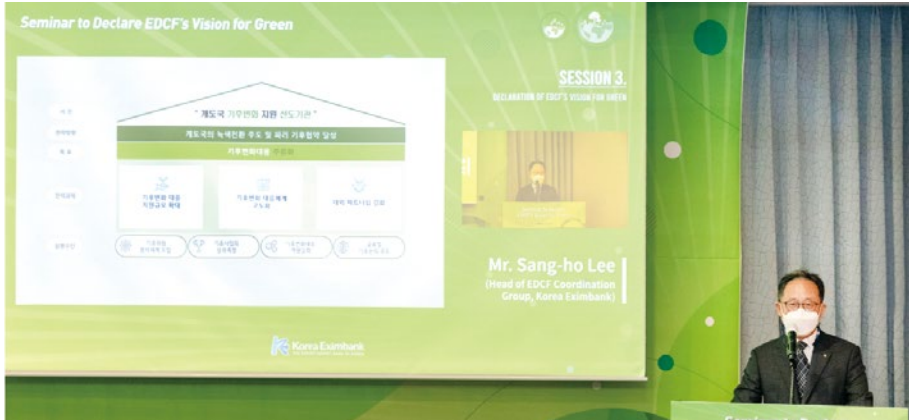
To achieve this goal, EDCF devised the following three strategies: ① establishment of a system for responding to the impacts of climate change, ② diversification of the areas of the climate change projects, and ③ strengthening international cooperation. In this vein, EDCF established a system for responding to the impacts of climate change in 2021, with the result that “Climate Risk Analysis” and “Performance Management for Climate Projects” will be introduced to all future EDCF projects, reflecting the factors for addressing climate change throughout the entire process of projects.

EDCF will maintain its efforts to provide systematic support to the green sector, thereby making Korea a leading country in supporting developing countries' climate change responses.

Proclamation Ceremony of EDCF's Vision for Green

In November 2021, EDCF held a proclamation ceremony of EDCF's Vision for Green, celebrating the Development Cooperation Week. EDCF hosted the ceremony to share its system for responding to the impact of climate change with major development organizations in Korea and abroad, and to present EDCF's Vision for Green.

At the ceremony, EDCF announced its willingness to expand its support to green projects in developing countries and to align itself with the Paris Agreement, as well as declaring its commitment to become the leading institution in supporting climate change responses in developing countries. Overseas development agencies, including the OECD DAC, highly rated EDCF for its efforts to mainstream climate change responses made in a timely manner, in line with the global trend in international development cooperation.



Proclamation Ceremony of EDCF's Vision for Green

Establishment of the Safeguard Team

In 2021, EDCF established the Safeguard team with the purpose of strengthening its measures to prevent adverse impacts on the environment and local residents in the vicinity of project areas, and to actively address to the demands for climate change response in developing countries. With this, EDCF is able to proactively manage environmental and social risks that may occur during project implementation from the early stage, rendering its projects more sustainable.

Signing of an MOU with GGGI

In October 2021, the Export-Import Bank of Korea (KEXIM) signed a Memorandum of Understanding (MOU) with Global Green Growth Institute (GGGI) to build strategic partnership to support implementation of the “2030 Agenda for Sustainable Development” and the “Paris Agreement”.

Headquartered in Seoul, GGGI is an international organization specializing in climate change and the environmental field. GGGI is dedicated to support inclusive and sustainable economic growth in developing countries, by helping them to make green growth policies and mobilize green finance and offering them investment advice. Having established close networks with various bilateral and multilateral development institutions worldwide, GGGI extended its hand to KEXIM, which had been promoting green EDCF.

The MOU includes collaboration in the joint analysis of green projects in developing countries, supporting green project preparation of mutual interests, promoting F/Ss for green infrastructure projects to induce private investment with public-private financing strategies, and expanding mixed financing for green projects. The MOU between the two institutions is expected to promote identification of the green projects in line with the global effort to respond to climate change.



Signing of an MOU with GGGI

Signing of the Master Agreement for Technical Support with the Korea Environment Institute

In September 2021, EDCF signed a master agreement with the Korea Environment Institution, which specializes in environmental and social advisory, to strengthen its environmental and social risk management. Through the agreement, EDCF will obtain technical support from external specialists in reviewing the adequacy of environmental and social management plans and their implementation. Based on this support, EDCF expects to strengthen the environmental and social risk management of its projects and implement them more promptly and efficiently.

Launch of the EDCF Environmental and Social Advisory Council

EDCF launched the “EDCF Environmental and Social Advisory Council” to solicit broad views and opinions from external experts on potential environmental and social issues in its projects. The council is composed of environmental field specialists from academia, research institutes, civil society organizations and environmental associations. At the first advisory council meeting held in November 2021, the council examined EDCF Safeguard Policy* and discussed the environmental and social risks and their mitigation measures for new projects in India and El Salvador in great detail.

* The policy aims to enhance developing countries' capability for sustainable development and promote adequate management of various environmental and social risks that may occur during project implementation.

The issues to be discussed by the council will cover domestic and foreign environmental and social policies, EDCF Safeguard Policy and projects. In this way, EDCF will enhance its expertise in the environmental area while preventing environmental and social risks in its projects.



EDCF Environmental and Social Advisory Council

Improving Operation Process

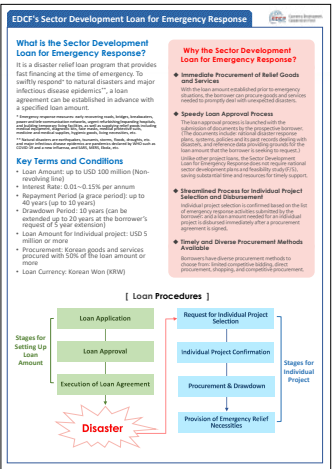
Introduction of Sector Development Loan for Emergency Response

In August 2021, EDCF introduced “Sector Development Loan for Emergency Response” in order to provide prompt and flexible support for developing countries’ response to emergencies such as infectious diseases and damages caused by climate change.

This loan was designed utilizing the format of Sector Development Loan*. With a line of credit committed and a loan agreement concluded in advance, EDCF can promptly provide necessary support to a partner country facing a disaster through simplified loan approval and procurement procedures.

* Under Sector Development Loan, multiple projects for a specific sector are approved at once.

By utilizing the loan, EDCF expects to support emergency relief, restoration and reconstruction of damaged infrastructure in a timely and effective manner by flexibly responding to emergencies in developing countries in the future.



Brochure to Promote Sector Development Loan for Emergency Response

Increasing Untied Aid

In January 2021, EDCF established the “EDCF Untied Aid Expansion Plans” in response to requests for untied aid* from other DAC members and increasing demand among its partner countries, with the aim of increasing the ratio of untied aid to more than 60% of the total commitments by 2025.

* Unlike tied aid which limits procurement to companies in the donor country or in a small group of countries, untied aid does not have restrictions on aid funded procurement, thus increases aid effectiveness by reducing transaction costs and improving the ability of partner countries to set their own course.

Accordingly, EDCF has prepared a review and management system to promote untied aid, focusing its efforts on increasing the proportion of projects conducted through international open competitive bidding and diversifying untied aid modalities. As follow-up measures, EDCF has been working on revising the relevant guidelines, regulations and standard document forms.

The 25th EDCF Workshop for Government Officials from Partner Countries

EDCF holds its annual workshop to encourage government officials from partner countries to deepen their understanding of EDCF and facilitate the smooth implementation of projects.

The 25th workshop, held online in 2021 due to the COVID-19 pandemic, was attended by 59 officials in charge of ODA projects from 18 countries including Cambodia and Kenya. EDCF shared Korea's economic development experience and provided lectures on working-level topics in consideration of the participants' needs, including EDCF procurement procedures, documents required for each project phase, and how to prepare the Project Completion Report. In particular, EDCF offered webinars for partner countries in Asia and Africa, with live Q&A sessions and networking opportunities for the attendees.

Lecture topics reflecting the needs of participants and real-time interactive webinars had elicited positive responses from the participants. EDCF will continue to provide customized lectures for a stronger partnership and cooperation with its partner countries.



The 25th EDCF Online Workshop and Webinar

EDCF-Korean Embassies Online Workshop for Forging Project Management Capacity

In February and March 2021, EDCF held online workshops with Korean embassies in African countries where its projects had been in progress but it did not have representative offices.

Counselors and secretaries from Korean embassies in 10 African countries, including Egypt, Uganda, Rwanda, Kenya, Mozambique, Madagascar and Tunisia, attended the workshops, at which EDCF introduced its support system and operation process while sharing the major issues associated with each ongoing project. Moreover, through a live Q&A session, EDCF answered the attendees' inquiries related to project identification process and current status of projects.

EDCF will continue to cooperate closely with overseas Korean embassies to share project issues on time and facilitate the smooth implementation of its projects.

Reinforcing Evaluation Capacity for Systematic Performance Analysis

Guidelines on Preparation of the Logical Framework for EDCF's Feasibility Study Consultants

EDCF's logical framework is a document containing the purpose, expected results and required activities of its projects. This logical framework is drafted through numerous phases at the project preparation stage. In this process, the capacity of the feasibility study (F/S) consultants conducting the field survey significantly affects the quality of a draft of the logical framework. Despite this importance, there had been no official guidelines on the preparation of a logical framework tailored to the needs of external consultants for F/Ss, making it difficult for them to draft the logical framework.

"Guidelines on Preparation of the Logical Framework for EDCF's Feasibility Study Consultants" published in 2021 walk the consultants through the concept for drafting the framework, the dos and don'ts for each drafting step, and various examples of sector-specific frameworks. Therefore, these guidelines are expected to deepen external consultants understanding of EDCF projects while instructing them on how to produce logical frameworks of a higher quality.

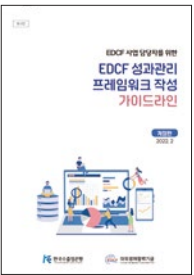


Guidelines on Preparation of the Logical Framework for EDCF's Feasibility Study Consultants

Guidelines on Preparation of the Logical Framework for EDCF staff

The appraisal and approval of an EDCF project are prepared based on the feasibility study. In this context, EDCF also published a revised version of the "Guidelines on Preparation of the Logical Framework for EDCF Staff" in 2021 in order to enhance EDCF officers' understanding of the logical framework and to facilitate smooth project management.

Along with general instructions, these guidelines for EDCF officers include information addressing the specific needs of EDCF personnel, such as guidance on preparing the logical framework for policy-based program loans, and ex-ante analysis before requesting F/S to external consultants.



Guidelines on Preparation of the Logical Framework for EDCF staff

Guidelines on Preparation of the Ex-post Evaluation Report and the Project Completion Evaluation Report

EDCF revised the Guidelines on Preparation of the Ex-post Evaluation Report issued in 2011, introducing a quality review by external advisory group to all ex-post evaluations. Also, EDCF further advanced the quality management process by making it official for each executing party to submit opinions on the feedback derived from the ex-post evaluation.

Meanwhile, by establishing the "Guidelines on Preparation of the Project Completion Evaluation Report", EDCF introduced a grading system based on the OECD DAC evaluation criteria to the project completion evaluation in order to assure an objective and comparative review. In addition, these guidelines stipulate the employment of field specialist so that in-depth technical analysis could be performed at the stage of project completion evaluation, while providing various cases of evaluation and standard forms to strengthen internal evaluation capability.



Guidelines on Preparation of the Ex-post Evaluation Report and the Project Completion Evaluation Report

Enhancing Business Capacity of Companies Participating in EDCF Projects



The 14th Online Workshop on International Procurement Market for SMEs

Co-hosting the Korea-CABEI Trust Fund Briefing Session

In March 2021, EDCF co-hosted the “Korea-CABEI Trust Fund Briefing Session” with the Central American Bank for Economic Integration (CABEI). Around 50 institutions including government departments, public institutions, local governments and associations attended the session, during which EDCF explained the methods and procedures for participating in trust fund projects, along with candidate co-financing projects with CABEI.

This session was meaningful in that EDCF provided a place for communication among numerous government departments, public institutions and related associations amid the COVID-19 pandemic. The session enabled the attendees to enhance their understanding of EDCF projects in Latin America, and EDCF to bolster its partnership with the related entities. In addition, it was also a good opportunity to reassure the cooperative channel between Korea and CABEI.

Online Workshop on International Procurement Market for SMEs

In November 2021, EDCF held its 14th annual workshop via YouTube in association with 12 organizations to facilitate the entry of small and medium enterprises (SMEs) into the international procurement market.

The workshop, which provided various lectures at two different levels (beginner and intermediate levels), was arranged to be accessed online anytime reflecting the feedback from participants in the previous year. Around 100 SMEs in the civil engineering, construction and environmental fields interested in the global procurement market attended the online lectures.

The Korea Engineering and Consulting Association, the Korea Ports and Harbours Association, and the Korea Environmental Industry and Technology Institute also participated in the workshop and provided lectures on their support programs and procurement procedures for ODA projects and international procurement. Through this workshop, the attendees were able to attain knowledge and information needed to establish strategies for improving their competitiveness in the global procurement market.



Online Workshop for Companies Participating in EDCF Projects in Africa

In March 2021, EDCF held an online workshop for 50 people from 26 Korean companies participating as suppliers and consultants in EDCF projects in 10 African countries, where EDCF representative offices were not located.

The workshop comprises 2 sessions, one for presenting EDCF's operation processes and the other for listening to suggestions from the attendees and sharing pending issues associated with its projects.

In the first session, EDCF explained the characteristics of its projects in Africa, focusing on examples and lessons, shared its plans to expand support in the African region, and introduced the expected role of participant companies according to the characteristics of government departments in each partner country.

In the second session, pending issues by country and project, such as bidding for consultants and suppliers, contingency reallocation, delay in disbursement, and tax exemption, were discussed in more detail.

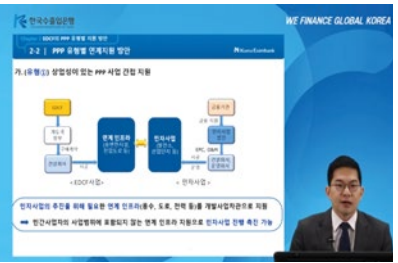
EDCF will continue its efforts to promote the efficient project implementation and lay a foundation for successful development projects in Africa, by enhancing Korean participant companies' understanding of EDCF.

Guidebook and Lectures on PPP Projects

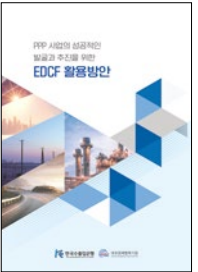
The importance of public private partnership (PPP), which can utilize the private sector's financial resources and technical expertise for infrastructure development in developing countries, has recently been highlighted in the international community. Accordingly, the Korean government is diversifying the financing methods of PPP projects in developing countries, and inducing Korean companies to actively participate in the overseas PPP market.

In line with this trend, EDCF published the “EDCF Utilization Plan for Successful Identification and Promotion of PPP Projects” in March 2021 to deepen Korean companies' understanding of PPP and to introduce various ways to utilize EDCF for each type of PPP project.

EDCF also took the lead in fostering PPP experts. In the first half of 2021, EDCF provided a lecture on EDCF-linked PPP, as part of the “Overseas Construction Investment Development Project Professionals Training Course” organized by the Ministry of Land, Infrastructure and Transport. Moreover, EDCF opened a new lecture on EDCF under the “Online Private Investment Project Training Course” program in collaboration with the KDI Public and Private Infrastructure Investment Management Center in the second half of 2021.



Online Lecture on PPP



EDCF Utilization Plan for Successful Identification and Promotion of PPP Projects

Fostering Development Cooperation

Partnering with Korean Grant Agencies

New Cooperative Channels with Grant Agencies Signing of an MOU with the KHIDI

In May 2021, EDCF signed an MOU with the Korea Health Industry Development Institute (KHIDI) to strengthen cooperation in the health sector of international development cooperation and support the expansion of the Korean medical industry overseas. The MOU focused on strengthening partnership throughout all stages of EDCF project, such as establishing strategies to support the health sector in key partner countries, developing project models, and jointly identifying projects.

EDCF promoted the MOU for the purpose of enhancing the effectiveness of its health projects by learning about know-hows and systems of the KHIDI, a specialized organization in the health sector. Based on this, EDCF aims to effectively meet developing countries' growing demand for healthcare by developing customized healthcare support strategies for new key partner countries and the infectious diseases response model tailored for developing countries, which covers the phases of diagnosis, epidemiological investigation and treatment, based on the K-quarantine model.



Signing of an MOU with the KHIDI

Cross-Ministry EDCF Project Deliberation Committee

EDCF has been assisting the Ministry of Economy and Finance to host a meeting of the Cross-Ministry EDCF Project Deliberation Committee, which was organized to identify linked projects of grants and loans. During the committee meeting held in 2021, EDCF discussed ways to align its loans to supports of grant institutions with regard to 39 projects proposed by 7 ministries, which are classified into the following 3 types: ① EDCF loan after grant, ② grant after EDCF loan, and ③ EDCF loan for overseas infrastructure projects such as PPP.

EDCF also discussed cooperation in key support sectors of transportation/PPP, health, green and digital, through the respective sub-committees with related ministries and agencies. As such, EDCF will continue its efforts to identify projects with high aid effectiveness by strengthening cross-ministerial partnerships.



Deepening Partnership with KOICA and KOFIH

Through 9 regular consultations (3 high-level and 6 working-level consultations) with KOICA in 2021, EDCF discussed various cooperative models, including ways to mutually utilize overseas branches and to jointly plan and investigate at the stage of preparing a feasibility study. In addition, the two institutions hosted a joint workshop to share project progress status of mutual interests and deepen the project appraisal capability of their personnel.

EDCF also continued its partnership with KOFIH by undertaking 3 regular consultations (1 high-level and 2 working-level consultations) to explore the possibility of aligning its projects to KOFIH's. In particular, the two institutions co-hosted a forum in November and deepened their mutual understanding on each other's projects.

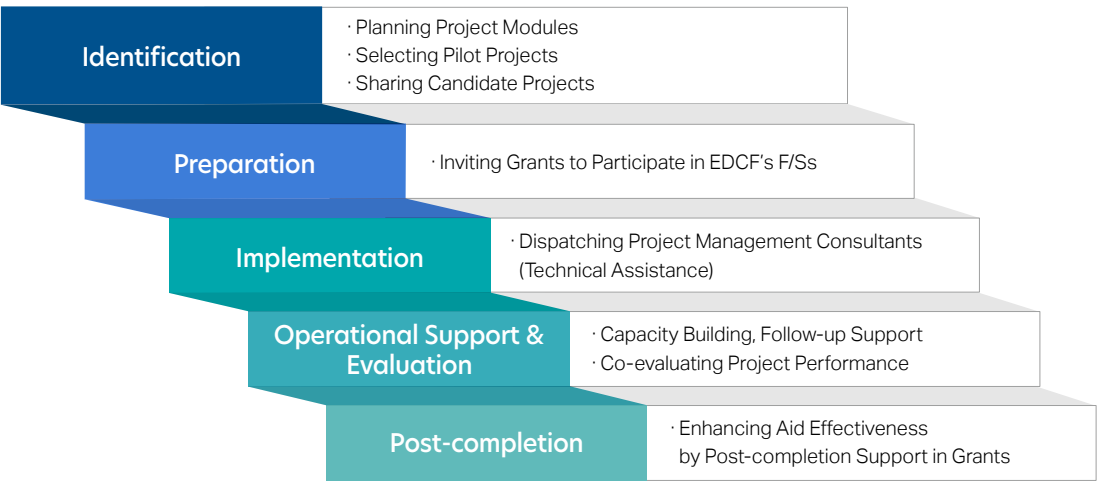
Joint Planning with Grant Agencies at Every Phase of EDCF Projects

In 2021, EDCF discussed aligning its projects by stage with supports by major grant agencies* by deepening its understanding of key support sectors and project schemes of grant agencies in 16 industry sectors, including the green, digital, infrastructure and agriculture.

* (Green) Green Technology Center, Korea Environmental Industry and Technology Institute, (Health) Korea Health Industry Development Institute, (Digital) National Information Society Agency, National IT Industry Promotion Agency, (Agriculture) Korea Rural Economic Institute, Korea Rural Community Corporation, (Infrastructure) International Construction Information Service, Korea Transport Institute

In particular, for a stronger connection with grants from the early stage of its projects, EDCF discussed cooperation in obtaining technical advices for a feasibility study from grant agencies specializing in a certain sector. It is expected that EDCF will enhance aid effectiveness through partnerships with grant agencies in every stage of projects, encompassing identification, preparation, implementation, operational support and evaluation, and post-completion.

EDCF's Alignment Plan with Grant Agencies by Project Stage



Strengthening the Overseas Cooperation Network



WB-EDCF Co-Financing Guide 2021

Participation in Korea-WB Annual Video Consultation

In May and June 2021, EDCF participated in 2 annual consultations between the Korean government and the World Bank (WB), which were held in a video conference.

During the first annual consultation held in May 2021, the attendees examined the status of major trust funds' projects, including the Korea-World Bank Group Partnership Facility (KWPF), the Korea Green Growth Trust Fund (KGGTF) and the Korea-IFC Partnership Program (KIPP). The consultation also included an introduction to best practices and discussion on the future operational direction. Most notably, in the special session held to allow the WB to share its response to the COVID-19 crisis and its collaboration with COVAX*, EDCF deepened its understanding on the WB's activities to tackle complex development issues.

* COVID-19 Vaccines Global Access: Established in April 2020 to promote equal global access to COVID-19 vaccines, this project is run mainly by such institutions as the World Health Organization and the United Nations Children's Fund.

In the second consultation held in June 2021, EDCF discussed its strategies for facilitating co-financing and reviewed 4 candidate projects. As a corollary to this consultation, EDCF and the WB published the "WB-EDCF Co-Financing Guide 2021" and the "EDCF-WB Co-Financing Facility Brochure", and distributed them to the personnel of both institutions to deepen their mutual understanding.

EDCF intends to consolidate its partnership channel with the WB by undertaking annual consultations, while continuously identifying co-financing projects linked with trust funds.

Participation in Korea-IDB Partnership Week

In December 2021, EDCF attended the Korea-IDB Partnership Week, an annual consultation between Korea and the Inter-American Development Bank (IDB) held in a video conference. During the week, both entities shared their performances after the EDCF-IDB co-financing facility's credit increase in August 2021. Moreover, EDCF discussed its pipeline projects in the energy, health, environment and public administration sectors, along with its strategies for facilitating Korean companies' entry into Latin America.

Celebrating the end of 2021 with the record high co-financing amount of USD 190 million for 3 projects, EDCF and the IDB consolidated their partnership despite the economic and health crises brought about by the COVID-19 pandemic. EDCF will maintain its close collaboration with the IDB, particularly in the fields of climate change response and digital transformation, which will require further and closer global cooperation in the post-COVID-19 era.

MOU with ADB for More Opportunities in the Asia and Pacific Region

At the 54th ADB Annual Meeting held in May 2021, EDCF and ADB signed an MOU for co-financing facility and agreed to consolidate cooperative channel. The MOU aims to bolster developing countries' capacity in the health sector for the recovery from the COVID-19 pandemic and promote their transition towards a digital and green economy.

In addition, the two organizations increased the amount of co-financing facility from USD 650 million to USD 700 million and agreed to support green infrastructure projects in

the ASEAN region within the limit of USD 350 million through the ASEAN Catalytic Green Finance Facility (ACGF).

Through this MOU, EDCF is expected to identify more co-financing opportunities while expanding its assistance in the Asia and Pacific region, where developing countries' demand for infrastructure development is very high.

Korea-Africa Energy Investment Framework with the AfDB

In June 2021, the Ministry of Economy and Finance, the African Development Bank (AfDB), and the Export-Import Bank of Korea (KEXIM) signed the Korea-Africa Energy Investment Framework (KAEIF) agreement, under which Korea committed to providing USD 600 million over a period of 5 years from 2021. Launched for the purpose of jointly identifying and supporting energy infrastructure projects in Africa, the KAEIF is a co-financing framework that mobilizes funding resources from EDCF, EDPF and the AfDB.

The African continent has grappled with the difficulties of improving the quality of life and industrialization due to poor electricity distribution. In line with this, AfDB is focusing its support on energy infrastructures with the prioritized goal of improving energy access. Through the KAEIF, EDCF will identify and support energy infrastructure projects by utilizing the extensive regional network of AfDB, consequently contributing to ending poverty and promoting sustainable development in Africa.

Amid this context, EDCF has made every effort to facilitate economic cooperation between Korea and Africa, and strengthen its partnership with AfDB. In light of this, EDCF held the Korea Africa Economic Cooperation Conference (KOAPEC) in November 2021 in a video conference and established the "2022 Action Plan" comprising 12 KOAPEC trust fund projects.

Sharing Knowledge in the Urban Development Sector with ADB

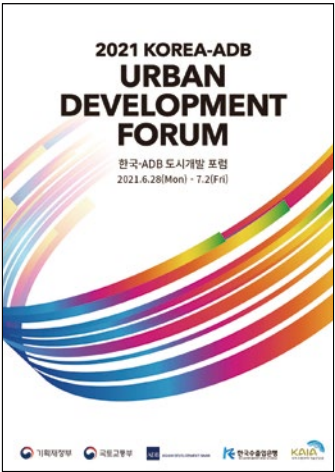
In June 2021, EDCF co-hosted the "KOREA-ADB Urban Development Forum" for 5 days in association with ADB, the Ministry of Economy and Finance, the Ministry of Land, Infrastructure and Transport, and the Korea Agency for Infrastructure Technology Advancement.

During the forum, which was held in a video conference to prevent the spread of COVID-19, Korean specialists provided ADB with their knowledge and know-how in the urban development field including the transportation and smart city sectors. At the same time, ADB shared its knowledge and information with Korean companies regarding ADB's key support for the urban development and procurement procedures.

EDCF will continue to provide opportunities for sharing information and networking among ADB and Korean companies interested in the global procurement market.



AfDB's Headquarter Located in Abidjan, Côte d'Ivoire



KOREA-ADB Urban Development Forum Poster



Participation in Global Seminar on the Green New Deal and International Climate Cooperation

In November 2021, EDCF participated in the “Global Seminar on the Green New Deal and International Climate Cooperation” hosted by the Ministry of Economy and Finance. The seminar was held during the period of the 26th UN Climate Change Conference of the Parties (COP-26) at the Korea Pavilion in Glasgow, UK. The seminar consisted of an introduction to the Korean government’s Green New Deal policy, EDCF’s support for the green sector and a series of discussions.

At the seminar, EDCF gave a presentation on the green EDCF and role of financial institutions in facilitating climate finance, followed by a discussion on the role of financing and international cooperation in climate change response, with green and climate specialists from the AfDB, IFC and GCF.

EDCF’s participation in the seminar was highly meaningful in that it globally introduced its goals and strategies for the green sector, while expanding its domain by discussing cooperation in battling climate change with international agencies.

Co-hosting the EDCF-WB Knowledge Exchange Series

In November 2021, EDCF and the WB held online the “EDCF-WB Knowledge Exchange Series on Co-Financing and WB Instruments” to facilitate co-financing and consolidate their partnership.

On this occasion, the WB introduced the procedures and best practices for co-financing, and provided lectures on trends and appraising approaches for its Development Policy Financing. Through the following live Q&A session, EDCF staff deepened their knowledge of the WB’s co-financing policy and policy-based program loans, and reinforced the network with the WB’s working-level staff.

To mobilize specialist knowledge on MDB’s activities during the pandemic, EDCF will also arrange additional knowledge-sharing series in 2022 with the agenda of the WB’s Investment Project Financing.



EDCF-WB Knowledge Exchange Series on Co-Financing and WB Instruments Poster



Sharing Performances of the Knowledge Sharing Program

The Knowledge Sharing Program (KSP) is a demand-driven policy consultation program specifically designed to share Korea’s development experience and know-how with partner countries.

In 2021, the Export-Import Bank of Korea (KEXIM) supported a total of 18 KSP projects (7 bilateral policy consultations and 11 joint consultations with the MDBs) on behalf of the Korean government, promoting the sustainable development of partner countries by supporting the establishment of master plans and national strategies in the health (K-quarantine), digital, construction and infrastructure sectors, and by enhancing capacities of government officers.

In addition, KEXIM participated in the “2021 KSP Dissemination Conference” hosted by the Ministry of Economy and Finance in September 2021. Under the theme of “Navigating Green and Digital Transformation through Knowledge Sharing”, KEXIM shared its KSP performances in the green and digital sectors and its plans for linking follow-up projects.



2021 KSP Dissemination Conference Poster



Consultation with the Six-Bank Group in Vietnam

Six-Bank Group in Vietnam and JCPR in Cambodia

The Six-Bank Group is an official network composed of six major ODA providers, which are the WB, ADB, AFD, JICA, KfW and KEXIM. It has been jointly responding to Vietnamese ODA-related affairs through consultations on establishing ODA policies and enacting and revising laws and regulations by the Vietnamese government.

In 2021, the Six-Bank Group attended the national ODA Steering Committee meeting hosted by the Deputy Prime Minister of Vietnam, and made joint suggestions on the areas where improvement is needed in the overall Vietnamese ODA implementation system. It led to the Vietnamese government to reflect some of these suggestions in revising its ODA enforcement decree.

On the other hand, in Cambodia, 6 major ODA providers, including the WB, ADB, AFD, IFAD, JICA and KEXIM, has been conducting the biennial Joint Country Portfolio Performance Review (JCPR) with the Cambodian government.

In 2021, JCPR summarized the status of ODA portfolio of Cambodia from 2018 to 2020 and established a Joint Action Plan to effectively manage ODA projects.

Information sharing and close cooperation among ODA providers are essential for consistent and harmonious assistance. In this context, EDCF will continue to strengthen its field-based ODA support and leverage consultations with international ODA agencies for greater aid effectiveness.

Evaluation Activities

Ex-post Evaluations

EDCF carries out ex-post evaluations of completed projects in order to analyze both achievements and matters requiring improvement in an objective and systematic manner, and to derive specific and feasible recommendations that can be applied to similar project designs.

EDCF’s evaluations are based on the OEDC DAC’s evaluation criteria, which can be applied selectively according to the characteristics and purpose of each evaluation. EDCF determines an overall rating to assess the achievement of a given project.

In 2021, EDCF conducted ex-post evaluations of 2 projects in the energy sector related to transmission and distribution efficiency, as well as a thematic evaluation on the climate change response readiness of EDCF supported interventions, in order to derive timely lessons and recommendations in the green sector, one of EDCF’s key support sectors.

Definition of Ratings

Score	Rating	Definition
Greater than or equal to 3.7	Highly Successful	A project is awarded this rating when its achievements exceed expectations, and where there is a high probability that its outcomes and impacts will be achieved sustainably and efficiently over its life cycle.
Greater than or equal to 2.6 and less than 3.7	Successful	A project receives this rating even though the desired outcome has not been completely achieved or some negative results have prevented a rating of “highly successful”, as no major shortfall has taken place and the expected outcome and impact will, on the whole, be achieved sustainably over its life cycle. The project remains relevant and its implementation and operation are efficient.
Greater than or equal to 1.8 and less than 2.6	Partially Successful	A project receives this rating even though the evaluation anticipates a significant shortfall in achieving the planned outcome and impact, and considers full sustainability unlikely, as it is expected that some project components will achieve major benefits, for example, equivalent to at least half the level originally expected.
Less than 1.8	Unsuccessful	A project with this rating is considered a technical or socioeconomic failure, as it achieves only a basic part of the planned performance and mostly falls short of expectations.



Evaluation on the Projects in the Energy Sector

The energy sector basically seeks to improve electricity access and expand power grids and substations. As infrastructure projects in the energy sector contribute to industrial development and a better quality of life by resolving power shortages, evaluation of the energy sector is of a great significance.

Kilimanjaro-Arusha Transmission Line Project in the United Republic of Tanzania



Transmission Lines Constructed Through Kilimanjaro-Arusha Transmission Line Project in Tanzania

This project was designed to expand the transmission network in the Kilimanjaro and Arusha regions in Tanzania, which are characterized by high population density and vigorous economic activities in agriculture and tourism. It was intended to revitalize the local economy and lay solid foundations for expanding the energy supply in rural areas by ensuring the stable supply of power.

* This project was promoted as a part of the Tanzania Energy Development and Access Expansion Project, which EDCF co-financed with the WB, AfDB and JICA.

EDCF funded USD 25 million out of the total co-financed project cost of USD 201 million to construct 70km of transmission lines, to expand capacity of the substations of Kilimanjaro International Airport, and to renovate the Kiyungi substation.

This project is deemed highly relevant to Tanzania’s development policy in the energy sector and EDCF’s operational strategy, and highly effective as the outputs of the project were all delivered as planned. On the other hand, the project implementation period was extended due to an adjustment of the project’s scope and a delay in the Tanzanian government’s administrative procedures, and it still remains to establish management standards for the facilities. However, despite these limitations, the project was successfully completed thanks to close cooperation between the co-financiers and evaluated as “successful” with a score of 3.50 points (out of 4 points).

Iringa-Shinyanga Backbone Transmission Investment Project in the United Republic of Tanzania



Substations Supported Through Iringa-Shinyanga Backbone Transmission Investment Project in Tanzania

This project was designed to expand the transmission network in Iringa, Dodoma, Singida and Shinyanga, the central regions of Tanzania, to supply electricity produced by power plants concentrated in southern Tanzania to the country’s northern areas, and to improve the quality of life for local residents by supplying a stable source of power.

* This project was promoted as a part of the Tanzania Backbone Transmission Investment Project, which EDCF co-financed with the WB/IDA, AfDB, EIB and JICA.

EDCF funded USD 36 million out of the total co-financed project cost of USD 459 million to expand capacity of the 4 substations in Iringa, Dodoma, Singida and Shinyanga.

Project completion took longer than the original plan due to the extension of the bidding period and a delay in the Tanzanian government’s administrative procedures. Even so, the project was rated as “successful” with a score of 3.58 points (out of 4 points) due to its high relevance to Tanzania’s national development strategy and EDCF’s operational strategy, and its enhanced effectiveness achieved by executing the option contract to reflect the on-site situation.



Substation Disconnectors Supported Through Iringa-Shinyanga Backbone Transmission Investment Project in Tanzania

Evaluation on the Climate Change Response Readiness of EDCF Interventions

Climate change is the key theme of post-COVID-19 recovery in international development, and Green Recovery has been discussed as an effective way to rebound from the pandemic. In line with this, EDCF conducted an evaluation on the climate change response readiness of EDCF interventions as part of its efforts to upgrade climate change climate change response system in 2021.

EDCF interventions and climate change influence each other by turns. For instance, greenhouse gas emissions can increase due to the construction of transportation and energy infrastructure, which are among the major sectors supported by EDCF. Whereas, conversely, extreme weather caused by climate change, such as drought, deluge, flooding, extreme heat and extreme cold, can reduce the sustainability of the infrastructures supported by EDCF. In this sense, the mutual influence between EDCF interventions and climate change should be considered when devising a project plan.

In this context, the demand for an appropriate assessment of the mutual relationship between climate change and EDCF projects has increased considerably. For climate change response factors to be faithfully incorporated into the project process, it was necessary to analyze the degree of mainstreaming climate change response factors in previous projects and to learn lessons from the results.

Responding to this information gap, EDCF evaluated the climate change response readiness of EDCF support for all the projects approved between 2015 and 2020. These projects were not expected to show any significant considerations regarding the climate change response since they were appraised at a time when EDCF's climate change-related policy and strategy were lacking. However, some projects responded appropriately to the partner countries' response to climate change and showed some degree of coherence with the climate action of other international development agencies. On the other hand, it was evaluated that there needs to be many improvements regarding the sustainability of the project and the consideration of the vulnerable group in climate change.

The results of the evaluation raised the question of whether various changes should be made to EDCF's practices, such as enhancing the utilization of the EDCF Green Index introduced in 2021, strengthening the review of climate change readiness and vulnerability in partner countries in conducting feasibility study, establishing project implementation plans to minimize greenhouse gas emissions, and undertaking the climate change adaptation and mitigation performance evaluation. EDCF will strengthen its response to climate change based on the suggestions made by this evaluation.

Raising Public Awareness

Increasing Public Access via Diverse Channels

In 2021, EDCF continued to raise public awareness of its mission and activities using non-face-to-face channels and promotional items inspired by everyday objects. In this respect, it made efforts to become part of people's everyday life through such initiatives as online-based shows, animations, board game and face mask.

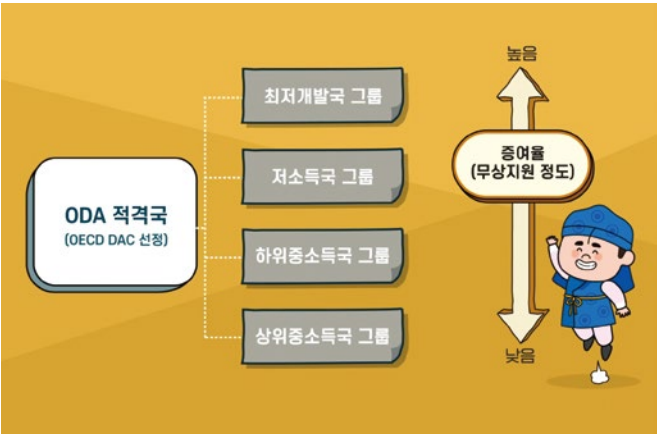
Online-based EDCF Shows and Motion Graphic Animations

To promote public awareness and interest, EDCF made online-based shows with 3 episodes. These shows have successfully attracted public attention and support, among youth in particular, by making it easy to understand the concept and the necessity of EDCF with fresh storylines and cast members.

In addition, EDCF made "Useful Things to Learn about EDCF", motion graphic animations that introduce EDCF procedures, terms and conditions, and support sectors in an easy and friendly way for anyone who is interested. The 2 video clips last 5 minutes per episode and are produced in 4 languages, which are Korean, English, Spanish and French, enhancing many global viewers' understanding of EDCF.



Online-based EDCF Shows



EDCF Motion Graphic Animations

Promotional Items with Practical Everyday Uses

In 2021, EDCF made a board game which introduces partner countries and their projects by region in a way that promotes "enjoyment while learning". EDCF has distributed this board game in various activities including EDCF camp for university students, to narrow the distance to the public. Furthermore, EDCF emphasized its friendly image that people share in their daily lives, by using face masks with its logo on them as promotional items.



EDCF Board Game

 **Posted on EDCF Website**
<https://www.edcfkorea.go.kr>
► Publication & Data ► Evaluation Report ► Download

Public Relations Activities for the Young Generation

EDCF operates various participatory programs for the young generation, who are on their way to becoming future leaders, to deepen their interest and understanding of ODA. With these programs, EDCF further aims to lay the groundwork for fostering specialists in international development cooperation.

EDCF Camp for University Students

Every year EDCF holds EDCF camp for university students to promote their understanding of ODA and EDCF. In December 2021, the camp was held in a non-face-to-face format due to the pandemic. During the two-day event, EDCF provided customized lectures on an extensive range of subjects from EDCF's policies and procedures to international development cooperation along with career opportunities in development cooperation, which was of great practical help to the attendees.



Webinar of EDCF Camp for University Students



EDCF Supporters Program

Since 2013, EDCF has recruited a cohort of EDCF supporters semi-annually with the aim of enhancing public understanding of ODA and EDCF. In 2021, 30 EDCF Supporters consisting of university or graduate students interested in EDCF carried out a wide range of promotional activities through non-face-to-face media such as making videos or illustrations on EDCF's policies and performances, proposing promotional ideas, and publishing online articles on EDCF's blog. With these efforts, the supporters played a crucial role in publicizing EDCF.



Promotional Video by EDCF Supporters

EDCF Global Internship Program

Since 2010, EDCF has been providing young students interested in ODA with the opportunity to gain first-hand experience as interns at international development sites. However, in 2021 due to the prolonged pandemic, interns worked at EDCF headquarters in Seoul backing up the overseas offices remotely. 26 interns were assigned to 15 international offices in various countries around the world including Vietnam and Tanzania. EDCF offered on-site work experience to the interns by assigning them to take a part in video conferences with partner countries, international organizations and foreign ODA institutions.

Publications

Journal of Korea's Development Cooperation

"Journal of Korea's Development Cooperation" is a periodical that addresses significant trends in ODA. First published in 2010, the biannual journal has presented major research and recent trends on development cooperation by domestic and foreign institutions, and sovereign credit reports on partner countries. In 2021, the journal addressed such topics as global infrastructure and ESG investments, global Green New Deal trend and its implications, and research on the implementation of the Sustainable Development Goals in developing countries.

News Briefs on International Development Cooperation

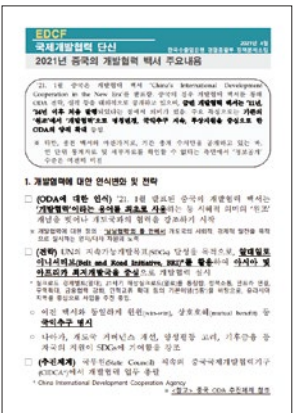
"News Briefs on International Development Cooperation" is published on an irregular basis to provide information on rapidly changing circumstances and development cooperation issues. The publication contributes to establishing EDCF policies while raising public awareness by introducing the current status, strategies and future prospects of leading ODA donors. In 2021, EDCF summarized the main contents of the White Paper on Chinese Development Cooperation, which was published for the first time in 7 years since 2014.

EDCF Issue Paper

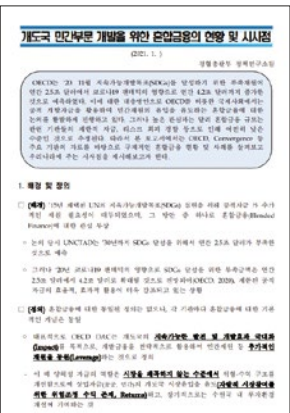
"EDCF Issue Paper" provides insights on EDCF-related matters through an in-depth analysis of domestic and international development cooperation issues. Since its first publication in 2012, the paper has covered essential topics such as the OECD DAC Peer Review of Korea, public private partnerships and climate finance. In 2021, the paper covered the issues and their implications of blended finance for private sector development in developing countries, the OECD DAC Peer Review for Germany and climate finance.



Journal of Korea's Development
Cooperation



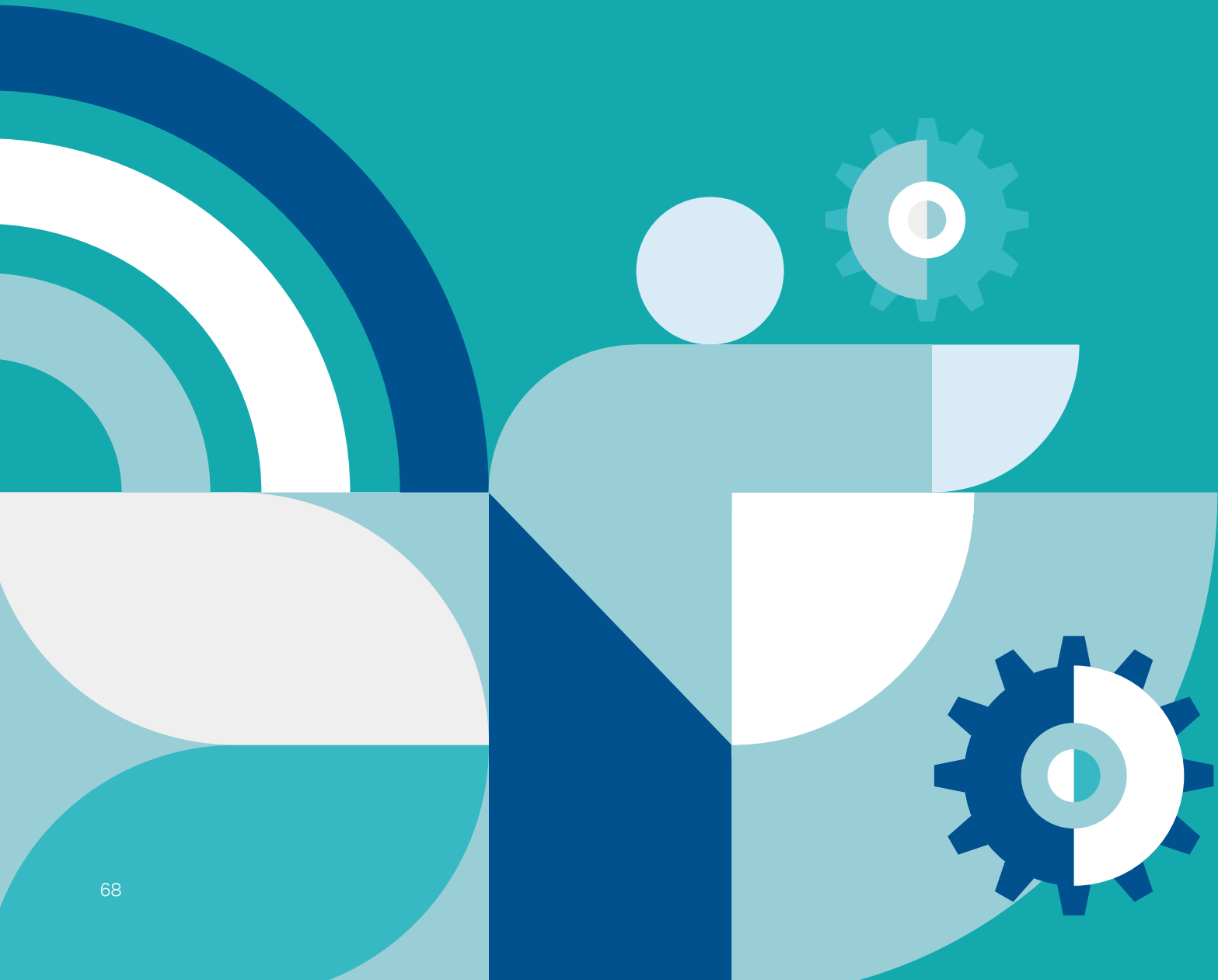
News Briefs on International
Development Cooperation



EDCF Issue Paper

Statistical and Financial Information

EDCF discloses its statistical and financial information to the government and stakeholders by publishing annual reports and posting such information contained in statistical and financial reports on its website. In doing so, EDCF has been widely recognized for its efforts to uphold financial transparency and fairness.



ODA Statistics of Korea

ODA Statistics of Korea, 2020

* The statistical data for 2021 will be finalized in December 2022.

In 2020, the grant equivalent ODA flows provided by the members of the OECD DAC reached USD 162.17 billion.

Out of the above Korea provided ODA of USD 2.25 billion in total (in grant equivalent), an 8.7% decrease from the previous year, due to delays in the disbursement of approved projects caused by the proliferation of COVID-19 in developing countries. As a result, Korea ranked as the 16th largest donor country among the 29 DAC members in terms of ODA volume.

In 2018, the OECD DAC introduced the “grant equivalent¹⁾” method for recording ODA, instead of the former “net disbursements” method. The net disbursements method recorded the face value of loans that were lent to developing countries, deducting any repayments on the loans. On the other hand, the grant equivalent method is a measure of donor effort. The grant equivalent recorded as ODA is obtained by multiplying the annual disbursements of a loan by its “grant element²⁾” as calculated at the time of commitment.

1) Grant equivalent = disbursement x grant element

2) Grant element = [(loan amount - present value of loan principle*)/loan amount] x 100%

* Discount rate used to calculate the grant element is as follows: 9% for LDCs and other LICs, 7% for LMICs, 6% for UMICs.

Bilateral ODA

The grant equivalent of bilateral ODA in 2020 amounted to USD 1.75 billion, a 5.7% decrease year-on-year. Bilateral loans accounted for 34.1% of total bilateral ODA, amounting to USD 597 million, a 13.1% decrease year-on-year, while bilateral grants accounted for 65.9%, amounting to USD 1.15 billion, a 1.4% decrease from the previous year.

Multilateral ODA

The grant equivalent of multilateral ODA in 2020 amounted to USD 499 million, a 17.7% decrease year-on-year. Contributions and subscriptions to the UN agencies reached USD 148 million, a 33.5% increase year-on-year. Contributions and subscriptions to regional development banks including the IDB, AfDB, AIIB and ADB reached USD 105 million, a 57.6% decrease from the previous year. Contributions and subscriptions to the World Bank reached USD 191 million, a 2.7% decrease from the previous year.

Korea’s ODA by Category (Net Disbursements)

(USD million, %)

Category	2016	2017	2018 ¹⁾	2019 ¹⁾	2020 ¹⁾
Total ODA (A+B)	2,246.2	2,201.4	2,358.3	2,463.2	2,250.0
Bilateral ODA (A)	1,548.5	1,615.0	1,734.5	1,857.1	1,751.4
Loans	563.5	581.1	603.5	686.3	596.5
Grants	985.0	1,033.9	1,131.0	1,170.8	1,154.9
Multilateral ODA (B)	697.7	586.4	623.8	606.1	498.6
UN Agencies	114.9	98.5	97.9	111.0	148.2
World Bank ²⁾	187.6	184.5	204.4	195.9	190.5
Regional Development Banks	360.0	255.9	273.6	247.5	104.9
Other Agencies	35.2	47.5	47.9	51.7	55.0
ODA/GNI (%)	0.16	0.14	0.14	0.15	0.14
ODA Commitments	2,782.6	2,650.5	3,082.4	3,858.3	2,584.7

Note: 1) Grant equivalent (amount), as the ODA Statistic Standard has been changed from “net disbursements” to “grant equivalent”.
2) Includes the International Development Association (IDA) and other organizations in the World Bank Group (IBRD, IFC and MIGA).

Geographic and Income Group Distribution of Bilateral ODA

In 2020, 53.4% of bilateral ODA in terms of grant equivalent was channeled to Asia, while 24.4% went to Africa and 7.9% to Central and South America. The share of bilateral ODA to Asia increased 1.8%p while that to Africa decreased 2.0%p.

Based on the income group, 41.3% of bilateral ODA was allocated to least developed countries (LDCs), while 32.2% went to lower-middle-income countries (LMICs) and 9.4% to upper-middle-income countries (UMICs). Compared to the previous year, the share of ODA support to LDCs and other low-income countries (LICs) was increased 2.6%p. The share of ODA support for LMICs was decreased 5.3%p, whereas that to UMICs was increased by 0.1%p.

Korea's Bilateral ODA by Region and Income Group (Grant Equivalent)

(USD million, %)

Category		2019		2020	
		Amount	% of Total	Amount	% of Total
Region	Africa	490.9	26.4%	426.7	24.4%
	South of Sahara	410.8	22.1%	393.4	22.5%
	North of Sahara	72.0	3.9%	19.7	1.1%
	Africa Unallocated	8.1	0.4%	13.6	0.8%
	Asia	959.0	51.6%	934.9	53.4%
	Far East Asia	405.6	21.8%	464.1	26.5%
	South & Central Asia	426.4	23.0%	359.6	20.6%
	Middle East Asia	82.6	4.5%	66.9	3.8%
	Asia Unallocated	44.4	2.3%	44.3	2.5%
	America	188.7	10.2%	139.0	7.9%
	Central America	85.1	4.6%	38.9	2.2%
	South America	97.5	5.2%	87.0	5.0%
	America Unallocated	6.1	0.4%	13.1	0.7%
	Oceania	15.9	0.9%	15.5	0.9%
	Europe	7.5	0.4%	10.8	0.6%
	Unallocated	195.1	10.5%	224.5	12.8%
	Total	1,857.1	100.0%	1,751.4	100.0%
Income Group	Least Developed Countries (LDCs)	719.3	38.7%	722.8	41.3%
	Other Low-Income Countries (LICs)	1.8	0.1%	1.6	0.1%
	Lower-Middle- Income Countries (LMICs)	696.7	37.5%	564.1	32.2%
	Upper-Middle- Income Countries (UMICs)	171.0	9.3%	165.4	9.4%
	Unallocated	268.3	14.4%	297.5	17.0%
	Total	1,857.1	100.0%	1,751.4	100.0%

Top 10 Recipients of Bilateral ODA

The distribution of bilateral ODA by country shows that Vietnam (6.9%) was the largest recipient of Korea's ODA in 2020, followed by the Philippines (6.1%), Bangladesh (5.9%), Ethiopia (5.8%) and Myanmar (5.8%). Korea's top 10 partner countries accounted for 48.5% (USD 847 million) of Korea's total bilateral ODA.

Top 10 Recipients of Korea's Bilateral ODA in 2020 (Grant Equivalent) (USD million, %)

Category	Grants (A)	Loans (B)	Total (A+B)	% of Total
Vietnam	61.1	59.1	120.2	6.9%
Philippines	28.2	79.0	107.2	6.1%
Bangladesh	21.4	81.1	102.5	5.9%
Ethiopia	47.6	54.2	101.8	5.8%
Myanmar	35.7	65.3	101.0	5.8%
Top 5 Recipients	194.0	338.7	532.7	30.5%
Cambodia	34.6	59.4	94.0	5.4 %
Tanzania	23.9	60.1	84.0	4.8 %
Uzbekistan	22.1	28.1	50.2	2.9%
Indonesia	29.1	16.9	46.0	2.6%
Laos	31.7	8.8	40.5	2.3%
Top 10 Recipients	335.4	512.0	847.4	48.5%

Bilateral ODA by Sector

Bilateral ODA by Sector shows that social infrastructure and economic infrastructure accounted for 57.8% (USD 1.35 billion) and 12.6% (USD 294 million) of bilateral ODA commitments, respectively, reflecting partner countries' growing demand for social and economic infrastructure development. More specifically, health (31.7%) accounted for the largest portion of ODA commitments, followed by government and civil society (11.8%), education (9.7%), and agriculture, forestry and fishing (6.9%).

Korea's Bilateral ODA by Sector (Commitments) (USD million, %)

Category	2019		2020	
	Amount	% of Total	Amount	% of Total
Social Infrastructure & Services	1,311.2	36.6%	1,351.4	57.8%
Education	259.8	7.2%	227.0	9.7%
Health	517.0	14.4%	740.2	31.7%
Population Policies & Reproductive Health	12.6	0.4%	40.3	1.7%
Water & Sanitation	320.0	8.9%	41.5	1.8%
Government & Civil Society	163.9	4.6%	274.8	11.8%
Etc.	37.9	1.1%	27.6	1.1%
Economic Infrastructure & Service	1,212.4	33.8%	293.6	12.6%
Transportation	593.0	16.5%	131.5	5.6%
Communications	315.9	8.8%	38.1	1.6%

Category	2019		2020	
	Amount	% of Total	Amount	% of Total
Energy	297.1	8.3%	105.4	4.6%
Banking & Financial Services	2.7	0.1%	6.9	0.3%
Etc.	3.7	0.1%	11.7	0.5%
Production	191.6	5.3%	210.0	9.0%
Agriculture, Forestry and Fishing	124.7	3.5%	161.9	6.9%
Industry, Mining and Construction	53.0	1.5%	36.8	1.6%
Trade & Tourism	13.9	0.3%	11.3	0.5%
Multi-Sector ¹⁾	529.1	14.7%	128.3	5.5%
Commodities & Programs	1.8	0.1%	1.2	0.0%
Humanitarian Aid	115.8	3.2%	150.7	6.5%
Administrative Costs of Donors	88.6	2.5%	95.4	4.1%
Others ²⁾	135.9	3.8%	105.8	4.5%
Total	3,586.4	100.0%	2,336.3	100.0%

Note: 1) Includes spending on General Environmental Protection and Other Multi-Sector (urban and rural development, etc.).
2) Unallocated/unspecified which does not fall under a specific category in the table above.

Untied ODA

The share of Korea's ODA provided under untied conditions reached 81.4% (75.1%* for loans and 85.3% for grants) in 2020, a 22.0%p increase from 2019. According to the 3rd phase of the Mid-term ODA Policy (2021-2025), Korea aims to increase the share of untied ODA by up to 60% for loans and 95% for grants by 2025.

* Untied bilateral ODA commitments were expanded in 2021 due to the increased commitments under COVID-19 related program loans for health and medical sectors.

Korea's Bilateral ODA under Untied Conditions (Commitments) (USD million, %)

Category ¹⁾		2019		2020	
		Amount	% of Total	Amount	% of Total
Bilateral ODA	Untied	1,871.4	59.4%	1,565.4	81.4%
	Partially tied	-	-	4.0	0.2%
	Tied	1,277.9	40.6%	354.1	18.4%
	Total	3,149.3	100.0%	1,923.5	100.0%
Loans	Untied	1,108.8	48.8%	556.1	75.1%
	Partially tied	-	-	-	-
	Tied	1,165.3	51.2%	184.6	24.9%
	Total	2,274.1	100.0%	740.7	100.0%
Grants	Untied	762.6	87.1%	1,009.3	85.3%
	Partially tied	-	-	4.0	0.4%
	Tied	112.6	12.9%	169.5	14.3%
	Total	875.2	100.0%	1,182.8	100.0%

Note: 1) Technological cooperation costs, administration costs and etc. for bilateral ODA are excluded in accordance with the OECD DAC statistics standards.

ODA Statistics of Korea, 2021

* The statistical data for 2021 will be finalized in December 2022.

Korea's ODA by Category (Grant Equivalent)			
(USD million, %)			
Category	2020	2021E	YoY
Total ODA (A+B)	2,250.0	2,855.1	26.9%
Bilateral ODA (A)	1,751.4	2,145.2	22.5%
Loans	596.5	779.6	30.7%
Grants	1,154.9	1,365.6	18.2%
Multilateral ODA (B)	498.6	709.9	42.4%
UN Agencies	148.2	155.2	4.7%
World Bank ¹⁾	190.5	303.8	59.5%
Regional Development Banks	104.9	187.2	78.5%
Other Agencies	55.0	63.7	15.8%
ODA/GNI (%)	0.14	0.16	14.3%
ODA Commitments	2,584.7	4,700.2	81.8%

Note: 1) Includes the International Development Association (IDA) and other organizations in the World Bank Group (IBRD, IFC and MIGA).

Korea's Bilateral ODA by Region and Income Group (Grant Equivalent)					(USD million, %)
Category		2020		2021E	
		Amount	% of Total	Amount	% of Total
Region	Africa	426.7	24.4%	522.2	24.3%
	Asia	934.9	53.4%	1,014.4	47.3%
	America	139.0	7.9%	205.3	9.6%
	Oceania	15.5	0.9%	16.4	0.8%
	Europe	10.8	0.6%	8.8	0.4%
	Unallocated	224.5	12.8%	378.1	17.6%
	Total	1,751.4	100.0%	2,145.2	100.0%
Income Group	Least Developed Countries (LDCs)	722.8	41.3%	799.9	37.3%
	Other Low-Income Countries (LICs)	1.6	0.1%	1.6	0.1%
	Lower-Middle- Income Countries (LMICs)	564.1	32.2%	689.1	32.1%
	Upper-Middle- Income Countries (UMICs)	165.4	9.4%	191.0	8.9%
	Unallocated	297.5	17.0%	463.6	21.6%
	Total	1,751.4	100.0%	2,145.2	100.0%

Korea's Bilateral ODA by Sector (Commitments)

(USD million, %)

Category	2020		2021E	
	Amount	% of Total	Amount	% of Total
Social Infrastructure & Services	1,351.4	57.8%	1,720.3	43.1%
Education	227.0	9.7%	413.6	10.3%
Health	740.2	31.7%	395.1	9.9%
Population Policies & Reproductive Health	40.3	1.7%	81.9	2.1%
Water & Sanitation	41.5	1.8%	341.7	8.6%
Government & Civil Society	274.8	11.8%	478.6	12.0%
Etc.	27.6	1.1%	9.4	0.2%
Economic Infrastructure & Service	293.6	12.6%	1,318.4	33.1%
Transportation	131.5	5.6%	762.0	19.2%
Communications	38.1	1.6%	224.5	5.6%
Energy	105.4	4.6%	212.2	5.3%
Banking & Financial Services	6.9	0.3%	8.3	0.2%
Etc.	11.7	0.5%	111.4	2.8%
Production	210.0	9.0%	257.2	6.4%
Agriculture, Forestry and Fishing	161.9	6.9%	203.6	5.1%
Industry, Mining and Construction	36.8	1.6%	50.7	1.2%
Trade & Tourism	11.3	0.5%	2.9	0.1%
Multi-Sector ¹⁾	128.3	5.5%	362.9	9.1%
Commodities & Programs	1.2	0.0%	2.0	0.1%
Humanitarian Aid	150.7	6.5%	94.2	2.3%
Administrative Costs of Donors	95.4	4.1%	106.1	2.7%
Others ²⁾	105.8	4.5%	127.6	3.2%
Total	2,336.3	100.0%	3,998.7	100.0%

Note: 1) Includes spending on General Environmental Protection and Other Multi-Sector (urban and rural development, etc.).

2) Unallocated/unspecified, which does not fall under a specific category in the table above.

Korea's Bilateral ODA under Untied Conditions (Commitments)

(USD million, %)

	Category ¹⁾	2020		2021E	
		Amount	% of Total	Amount	% of Total
Bilateral ODA	Untied	1,565.4	81.4%	2,335.8	65.8%
	Partially tied	4.0	0.2%	0.0	0.0%
	Tied	354.1	18.4%	1,216.6	34.2%
	Total	1,923.5	100.0%	3,552.4	100.0%
Loans	Untied	556.1	75.1%	1,234.2	54.1%
	Partially tied	-	-	-	-
	Tied	184.6	24.9%	1,047.5	45.9%
	Total	740.7	100.0%	2,281.7	100.0%
Grants	Untied	1,009.3	85.3%	1,101.6	86.7%
	Partially tied	4.0	0.4%	0.0	0.0%
	Tied	169.5	14.3%	169.0	13.3%
	Total	1,182.8	100.0%	1,270.6	100.0%

Note: 1) Technological cooperation costs, administration costs and etc. for bilateral ODA are excluded in accordance with the OECD DAC statistics standards.

EDCF Statistics

Loans¹⁾

(KRW million)

Category	1987-2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Commitments	8,639,610	1,308,243	1,406,503	1,452,267	1,289,942	1,603,076	2,066,402	2,654,734	885,778	2,659,070	23,965,626
Loans to Foreign Governments	8,638,014	1,308,243	1,406,503	1,452,267	1,289,942	1,603,076	2,066,402	2,654,734	885,778	2,659,070	23,964,030
Loans for Korean Investments in Developing Countries	1,596	-	-	-	-	-	-	-	-	-	1,596
Disbursements	3,821,487	614,818	630,845	734,280	745,445	748,673	857,922	1,051,778	902,423	1,226,657	11,334,329
Loans to Foreign Governments	3,819,891	614,818	630,845	734,280	745,445	748,673	857,922	1,051,778	902,423	1,226,657	11,332,733
Loans for Korean Investments in Developing Countries	1,596	-	-	-	-	-	-	-	-	-	1,596
Number of Commitments ²⁾	278	20	26	19	20	19	27	30	18	28	485
Loans to Foreign Governments	276	20	26	19	20	19	27	30	18	28	483
Loans for Korean Investments in Developing Countries	2	-	-	-	-	-	-	-	-	-	2

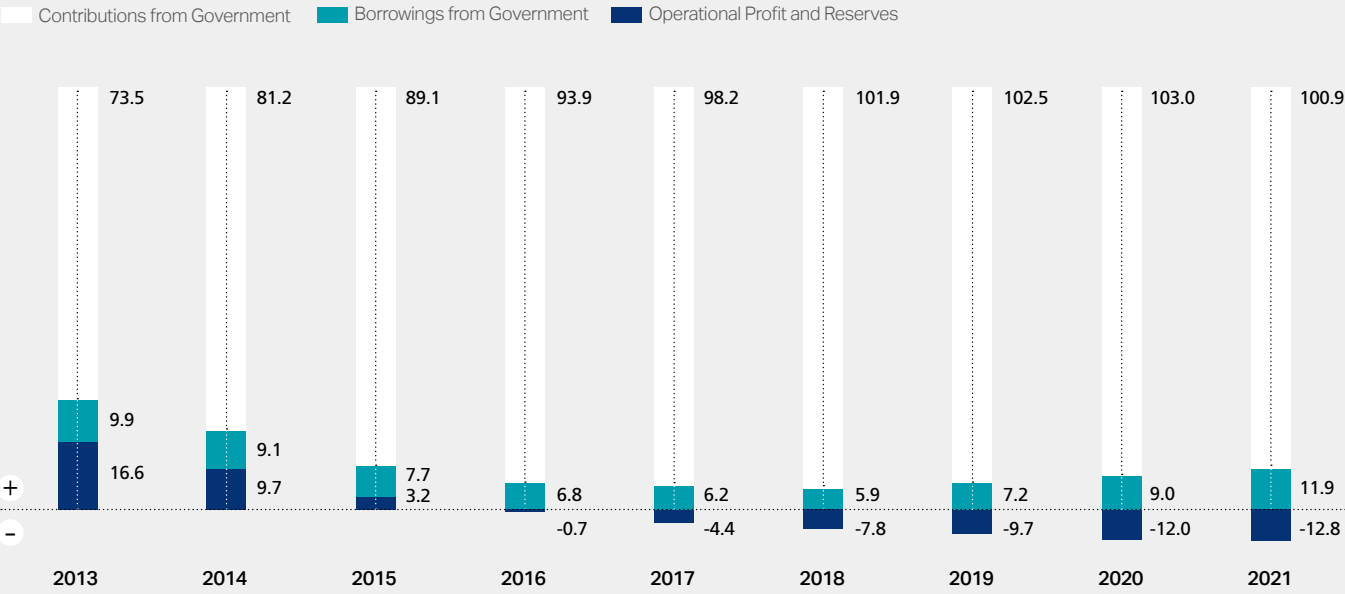
Note : 1) Exchange rate as of the end of 2021 was applied.
2) Excludes cancelled loans.

Sources of Fund¹⁾

(KRW million)

Category	2013	2014	2015	2016	2017	2018	2019	2020	2021
Contributions from Government	2,488,845	2,947,803	3,714,218	4,324,218	4,914,218	5,585,540	6,365,530	6,953,588	7,706,506
Borrowings from Government	335,472	328,472	321,473	314,473	312,139	324,140	446,140	609,000	909,000
Operational Profit and Reserves	560,462	352,864	134,052	-33,716	-223,636	-425,156	-603,218	-811,568	-974,320
Total	3,384,779	3,629,139	4,169,743	4,604,975	5,002,721	5,484,524	6,208,453	6,751,020	7,641,186

Note : 1) Cumulated total at the end of each year



Note : Numbers in the bars mean the respective percentage value out of the total.

Commitments by Region¹⁾ (as of December 31, 2021)

Category	2021				Cumulative Total			
	No. of Loans	Amount ²⁾ (KRW million)	Amount (USD million)	% of Total	No. of Loans	Amount ²⁾ (KRW million)	Amount (USD million)	% of Total
Asia	17	1,600,270	1,337	60.2%	324	15,199,550	13,158	63.4%
South & Central Asias	7	732,931	612	27.6%	92	4,723,659	4,067	19.7%
Far East Asia ³⁾	10	867,339	725	32.6%	221	10,145,428	8,794	42.3%
Middle East	-	-	-	0.0%	11	330,463	297	1.4%
Africa	6	747,249	624	28.1%	99	6,158,094	5,290	25.7%
North of Sahara	1	301,262	252	11.3%	5	867,075	732	3.6%
South of Sahara	5	445,987	372	16.8%	94	5,291,019	4,558	22.1%
Europe	-	-	-	0.0%	12	398,366	381	1.7%
Oceania	-	-	-	0.0%	2	46,916	44	0.2%
America	5	311,550	260	11.7%	48	2,162,700	1,848	9.0%
Central America	4	191,815	100	7.2%	39	1,657,238	1,416	6.9%
South America	1	119,735	160	4.5%	9	505,462	432	2.1%
Total	28	2,659,070	2,221	100.0%	485	23,965,626	20,720	100.0%

Note : 1) Regional classification is based on the DAC classification.
2) Exchange rate as of the end of 2021 was applied.
3) Includes two loans for Korean investments in developing countries, which amounted to KRW 1,596 million.

Commitments by Sector (as of December 31, 2021)

Category	2021				Cumulative Total			
	No. of Loans	Amount ¹⁾ (KRW million)	Amount (USD million)	% of Total	No. of Loans	Amount ¹⁾ (KRW million)	Amount (USD million)	% of Total
Social Infrastructure	14	1,162,239	971	43.7%	223	9,687,766	8,359	40.4%
Water Supply & Sanitation	7	328,773	275	12.4%	73	3,200,106	2,776	13.4%
Health	2	272,397	228	10.2%	71	3,420,046	2,919	14.3%
Government & Civil Society	2	311,311	260	11.7%	34	1,280,896	1,119	5.3%
Education	1	100,218	84	3.8%	40	1,466,039	1,275	6.1%
Communications	-	-	-	-	1	95,453	80	0.4%
Environmental Protection	-	-	-	-	1	71,841	60	0.3%
Others	2	149,538	124	5.6%	3	153,385	130	0.6%
Economic Infrastructure	11	1,239,401	1,035	46.6%	223	12,279,717	10,632	51.2%
Transportation	6	745,492	623	28.0%	129	8,107,685	6,976	33.8%
Energy	2	126,797	106	4.8%	50	2,495,842	2,166	10.4%
Communications	2	247,378	207	9.3%	42	1,553,461	1,388	6.5%
Others	1	119,734	99	4.5%	2	122,729	104	0.5%
Production	-	-	-	-	19	758,509	681	3.2%
Government & Civil Society	-	-	-	-	1	22,108	23	0.1%
Agriculture, Forestry and Fishing	-	-	-	-	14	694,610	602	2.9%
Others	-	-	-	-	4	41,791	56	0.2%
Multi-Sector ²⁾	3	257,430	215	9.7%	18	1,238,038	1,046	5.2%
Unallocated ³⁾	-	-	-	0.0%	2	1,596	2	0.0%
Total	28	2,659,070	2,221	100.0%	485	23,965,626	20,720	100.0%

Note : 1) Exchange rate as of the end of 2021 was applied.
2) Includes Multi-Sector and Humanitarian Aid.
3) Includes two loans for Korean investments in developing countries, which amounted to KRW 1,596 million.

Disbursements by Region¹⁾ (as of December 31, 2021)

(KRW million)

Category	2021			Cumulative Total		
	No. of Loans	Amount	% of Total	No. of Loans	Amount	% of Total
Asia	59	644,990	52.6%	278	7,258,202	64.0%
South & Central Asias	16	279,219	22.8%	75	2,221,486	19.6%
Far East Asia ²⁾	42	361,728	29.5%	192	4,730,303	41.7%
Middle East	1	4,043	0.3%	11	306,413	2.7%
Africa	27	338,952	27.6%	74	2,581,841	22.8%
North of Sahara	2	78,595	6.4%	3	266,189	2.3%
South of Sahara	25	260,357	21.2%	71	2,315,652	20.5%
Europe	-	-	0.0%	12	395,803	3.5%
Oceania	-	-	0.0%	1	8,153	0.1%
America	16	242,716	19.8%	38	1,090,329	9.6%
Central America	12	106,506	8.7%	29	666,583	5.9%
South America	4	136,210	11.1%	9	423,746	3.7%
Total	102	1,226,657	100.0%	403	11,334,329	100.0%

Note : 1) Regional classification is based on the DAC classification.
2) Includes two loans for Korean investments in developing countries, which amounted to KRW 1,596 million, and three cancelled loans.

Disbursements by Sector (as of December 31, 2021)

(KRW million)

Category	2021			Cumulative Total		
	No. of Loans	Amount	% of Total	No. of Loans	Amount	% of Total
Social Infrastructure	51	653,315	53.3%	188	4,905,333	43.3%
Water Supply & Sanitation	24	176,754	14.4%	68	1,864,442	16.5%
Health	13	286,004	23.4%	55	1,635,691	14.4%
Government & Civil Society	6	129,088	10.5%	26	594,407	5.2%
Education	8	61,469	5.0%	37	733,002	6.5%
Environmental Protection	-	-	0.0%	1	73,968	0.7%
Others	-	-	0.0%	1	3,823	0.0%
Economic Infrastructure	38	348,641	28.4%	182	5,724,576	50.5%
Transportation	25	307,660	25.1%	105	3,659,477	32.3%
Energy	9	37,481	3.1%	40	1,318,991	11.6%
Communications	4	3,498	0.3%	36	743,768	6.6%
Others	-	-	0.0%	1	2,340	0.0%
Production	6	24,895	2.0%	18	372,231	3.3%
Government & Civil Society	-	-	0.0%	1	20,841	0.2%
Agriculture, Forestry and Fishing	6	24,895	2.0%	13	313,333	2.8%
Others	-	-	0.0%	4	38,057	0.3%
Multi-Sector ¹⁾	7	199,807	16.3%	13	330,593	2.9%
Unallocated ²⁾	-	-	0.0%	2	1,596	0.0%
Total	102	1,226,657	100.0%	403	11,334,329	100.0%

Note : 1) Includes General Environmental Protection and Humanitarian Aid.
2) Includes two loans for Korean investments in developing countries, which amounted to KRW 1,596 million.

Distributions by Country (Culmulative total as of the end of 2021)

(KRW million)

Category	Commitments	% of Total	Disbursements	% of Total
Vietnam	3,057,208	12.8%	1,834,203	16.2%
Bangladesh	1,548,867	6.5%	1,016,782	9.0%
Cambodia	1,478,969	6.2%	654,171	5.8%
Philippines	1,422,429	5.9%	631,296	5.6%
Indonesia	1,207,313	5.0%	492,374	4.4%
Sri Lanka	1,048,696	4.4%	550,219	4.9%
Myanmar	1,031,355	4.3%	323,015	2.8%
Tanzania	998,210	4.2%	535,720	4.7%
Ethiopia	963,227	4.0%	317,534	2.8%
Mongolia	933,912	3.9%	224,281	2.0%
Uzbekistan	891,049	3.7%	276,232	2.4%
Pakistan	805,700	3.4%	194,224	1.7%
Laos	780,676	3.2%	352,976	3.1%
Ghana	771,307	3.2%	230,608	2.0%
Egypt	768,380	3.2%	241,315	2.1%
Nicaragua	599,540	2.5%	310,551	2.7%
Mozambique	505,479	2.1%	303,290	2.7%
Kenya	425,966	1.8%	70,383	0.6%
Angola	421,427	1.7%	220,308	1.9%
Senegal	344,794	1.4%	189,945	1.7%
Bolivia	281,499	1.2%	85,544	0.8%
Jordan	280,410	1.2%	264,793	2.3%
China	233,567	1.0%	217,987	1.9%
Colombia	215,523	0.9%	208,972	1.8%
India	205,470	0.9%	-	0.0%
Guatemala	196,365	0.8%	874	0.0%
Honduras	189,185	0.8%	121,369	1.1%
Ecuador	170,204	0.7%	140,844	1.2%
Dominican Republic	169,820	0.7%	107,939	1.0%
El Salvador	138,294	0.6%	-	0.0%

(KRW million)

Category	Commitments	% of Total	Disbursements	% of Total
Rwanda	133,875	0.6%	27,567	0.2%
Republic of Cote d'Ivoire	132,137	0.6%	33,834	0.3%
Paraguay	119,735	0.5%	73,930	0.7%
Madagascar	118,896	0.5%	43,808	0.4%
Bosnia-Hercegovina	115,470	0.5%	115,145	1.0%
Cameroon	106,006	0.4%	92,683	0.8%
Republic of South Sudan	100,604	0.4%	-	0.0%
Tunisia	98,695	0.4%	24,874	0.2%
DR Congo	81,317	0.3%	66,487	0.6%
Nepal	80,907	0.3%	75,079	0.7%
Romania	80,888	0.3%	80,884	0.7%
Azerbaijan	78,258	0.3%	76,697	0.7%
Turkey	71,468	0.3%	69,247	0.6%
Mali	71,278	0.3%	69,041	0.6%
Sierra Leone	63,092	0.3%	61,217	0.5%
5 Central American Countries ¹⁾	59,868	0.2%	17,843	0.2%
Yemen	50,053	0.2%	41,621	0.4%
Kyrgyz Republic	48,442	0.2%	16,113	0.1%
Croatia	44,178	0.2%	44,169	0.4%
Poland	38,173	0.2%	38,173	0.3%
Solomon Islands	37,836	0.2%	-	0.0%
Uganda	34,422	0.1%	34,248	0.3%
Albania	28,984	0.1%	28,984	0.3%
Panama	22,668	0.1%	22,463	0.2%
Hungary	19,205	0.1%	19,201	0.2%
Nigeria	18,981	0.1%	18,981	0.2%
Kazakhstan	16,269	0.1%	16,140	0.1%
Papua New Guinea	9,080	0.0%	8,153	0.1%
Total	23,965,626	100.0%	11,334,329	100.0%

Note: 1) Guatemala, El Salvador, Honduras, Costa Rica and Dominican Republic

EDCF Financial Report

Report of Independent Auditors (Based on an audit report originally issued in Korean)

To the Trustee of The Economic Development Corporation Fund Committee

Opinion

We have audited the accompanying financial statements of Economic Development Corporation Fund (the "Fund"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of financial operation, statements of changes in net assets for the years then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial positions of Economic Development Corporation Fund as of December 31, 2021 and 2020, and its financial performance and the changes in its net assets for the years then ended in accordance with National Accounting Standards of the Republic of Korea.

Basis of Opinion

We conducted our audits in accordance with the Korean Standards on Auditing ("KSAs"). Our responsibilities in accordance with those standards are described in the Auditor's Responsibility paragraph on the audit of the financial statements in this audit report. We are independent of the Fund in accordance with the ethical requirements of the Republic of Korea in relation to the audit of financial statements, and have complied other ethical responsibilities under those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management Responsibility for the Financial Statements

Management as a trustee of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with National Accounting Standards of the Republic of Korea, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to frauds or errors.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance means a high level of assurance, but is not a guarantee that an audit conducted in accordance with KSAs will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with KSAs, we exercise professional judgment and maintain professional skepticism throughout the audit process. We also:

- Identify and assess the risks of material misstatement of the financial statements, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

삼 덕 회 계 법 인

대표이사 공인회계사 김 명 철

February 28, 2022

This report is effective as of the independent auditors' report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the audit report mentioned above may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

Statements of Financial Positions

As of December 31, 2021 and 2020

(KRW)

	2021	2020
Assets		
I. Current assets	238,830,499,258	286,701,273,868
1. Cash and cash equivalents	29,036,773,660	30,917,380,074
(1) National funds	29,036,773,660	30,917,380,074
2. Accrued incomes	16,290,305,819	10,753,499,876
(1) Accrued interest income	16,290,305,819	10,753,499,876
3. Short-term loans	189,860,154,387	180,151,045,108
(1) Short-term loans	218,778,945,612	203,490,681,063
Other than government allowance for bad debts	(28,918,791,225)	(23,339,635,955)
4. Other current assets	3,643,265,392	64,879,348,810
(1) Current derivatives	3,643,265,392	64,879,348,810
II. Investments	7,432,173,749,757	6,467,184,441,824
1. Long-term investment securities	29,468,620,607	18,798,893,121
(1) Equity securities	29,468,620,607	18,798,893,121
2. Long-term loans	7,402,488,503,432	6,445,040,150,427
(1) Long-term loans	9,540,908,769,817	8,413,586,442,089
Other than government allowance for bad debts	(2,138,420,266,385)	(1,968,546,291,662)
3. Other non-current assets	216,625,718	3,345,398,276
(1) Non-current derivatives	216,625,718	3,345,398,276
Total assets	7,671,004,249,015	6,753,885,715,692
Liabilities		
I. Current liabilities	29,296,530,340	1,857,807,399
1. Other current liabilities	29,296,530,340	1,857,807,399
(1) Current derivatives	26,230,767,687	216,228,307
(2) Accrued expenses	3,065,762,653	1,641,579,092
II. Non-current liabilities	909,000,000,000	609,000,000,000
1. Long-term borrowings	909,000,000,000	609,000,000,000
(1) Long-term borrowings within government	909,000,000,000	609,000,000,000
III. Other non-current liabilities	10,260,652,533	794,300,942
1. Other non-current liabilities	10,260,652,533	794,300,942
(1) Long-term prepaid incomes	372,212,410	794,300,942
(2) Non-current derivatives	9,888,440,123	-
Total liabilities	948,557,182,873	611,652,108,341
Net assets		
I. Base net assets	1,259,870,000,000	1,259,870,000,000
II. Reserves and surpluses	5,462,528,238,034	4,882,149,843,350
1. Reserves of government contributions	6,446,636,000,000	5,693,718,000,000
2. Surpluses	(984,107,761,966)	(811,568,156,650)
III. Adjustments of net assets	48,828,108	213,764,001
Total net assets	6,722,447,066,142	6,142,233,607,351
Total liabilities and net assets	7,671,004,249,015	6,753,885,715,692

Statements of Financial Operations

For the years ended December 31, 2021 and 2020		(KRW)
	2021	2020
I. Net program costs	164,734,672,612	202,103,796,371
(1) Gross costs	541,624,454,793	479,259,406,591
(2) Revenues	(376,889,782,181)	(277,155,610,220)
II. Administration and operating expenses	-	-
III. Non-allocated expenses	9,250,203,332	7,372,216,213
1. Interest expenses	9,076,818,711	7,372,216,213
2. Loss on asset impairment	165,336,621	-
3. Other expenses	8,048,000	-
IV. Non-allocated revenues	1,445,270,628	1,125,431,606
1. Interest income	1,327,054,118	1,125,403,116
2. Gain on dispositions	118,216,510	-
3. Other income	-	28,490
V. Net operating cost (I + II + III - IV)	172,539,605,316	208,350,580,978
VI. Non-exchange revenue	-	-
VII. Operating results (V-VI)	172,539,605,316	208,350,580,978

Statements of Changes in Net Assets

For the years ended December 31, 2021 and 2020

(KRW)

	Base Net Assets	Reserves and Surpluses	Adjustments of Net assets	Total Net Assets
<Prior Year>				
I. Net assets at January 1, 2020	1,259,870,000,000	4,502,442,424,328	109,435,685	5,762,421,860,013
1. Reported amount	1,259,870,000,000	4,502,442,424,328	109,435,685	5,762,421,860,013
II. Operating results	-	(208,350,580,978)	-	(208,350,580,978)
III. Adjustments	-	588,058,000,000	104,328,316	588,162,328,316
1. Gain (Loss) on investment securities valuation	-	-	104,328,316	104,328,316
2. Other changes in net assets	-	588,058,000,000	-	588,058,000,000
IV. Net assets (I + II + III) at December 31, 2020	1,259,870,000,000	4,882,149,843,350	213,764,001	6,142,233,607,351
<Current Year>				
I. Net assets at January 1, 2021	1,259,870,000,000	4,882,149,843,350	213,764,001	6,142,233,607,351
1. Reported amount	1,259,870,000,000	4,882,149,843,350	213,764,001	6,142,233,607,351
II. Operating results	-	(172,539,605,316)	-	(172,539,605,316)
III. Adjustments	-	752,918,000,000	(164,935,893)	752,753,064,107
1. Gain (Loss) on investment securities valuation	-	-	(164,935,893)	(164,935,893)
2. Other changes in net assets	-	752,918,000,000	-	752,918,000,000
IV. Net assets (I + II + III) at December 31, 2021	1,259,870,000,000	5,462,528,238,034	48,828,108	6,722,447,066,142

Notes to Financial Statements

1. DESCRIPTION OF THE FUND

The Economic Development Cooperation Fund (the "Fund") was established by initial contribution of 15,000 million in Korean Won by the Government of Korea on July 1, 1987, following the promulgation of the EDCF Act on December 26, 1986. The objectives of the Fund are to provide assistance to developing partner countries in enhancing industrial development and supporting economic stability, as well as to promote economic cooperation between the partner countries and Korea. The operation and management of the Fund are entrusted with the Export-Import Bank of Korea in conformity with Article 9-2 of the EDCF Act and Article 4-1 of its Enforcement Decree.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Economic Development Cooperation Fund has adopted National Accounting Standards abiding by the Article 11, Clause 1 of the National Accounting Act, effective from 2009, and detailed accounting standards approved by the National Accounting Act Business Accounting Deliberation Council (BADC) in the preparation of its financial statements.

(1) Basis of Financial Statement Presentation

The Fund maintains its official accounting records in Korean Won and prepares financial statements in Korean language which is in conformity with National Accounting Standards. The accompanying financial statements have been translated into English from Korean language financial statements. Certain accounting principles applied by the Fund that conform with National Accounting Standards in the Republic of Korea may not conform to those standards used in other countries. Accordingly, these financial statements are intended for those who understand National Accounting Standards of Republic of Korea. The significant accounting policies followed by the Fund in preparation of its financial statements are summarized below.

(2) Revenue Recognition

Exchange revenue are recognized when goods or services are provided to the public or to another government entity at a price and it may be reasonably measurable. Non-exchange revenues are recognized when a specifically identifiable, legally enforceable claim to resources arises and the amount can be reasonably estimated. Interest income from loans and others are recognized on an accrual basis when the income amount is reasonably estimated and a high possibility of an inflow of economic benefits exists.

(3) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, and financial instruments with maturity of three months or less at the time of purchase. These financial instruments are readily convertible into cash without significant transaction costs and bear low risks from changes in value due to interest rate fluctuations.

(4) Long-term and Short-term Financial Instruments

Long and short-term financial instruments include time deposits, periodical deposits and stereotype financial instruments handled by financial institutions. Short-term financial instruments are certain to be disposed of within one year or owned for the purpose of short-term operating. Financial instruments excluding cash and cash equivalents or short-term financial instruments are classified as long-term financial instruments.

(5) Valuation of Securities

At acquisition, the Fund classifies securities into short-term investments or long-term investments. Securities are initially carried at cost, including incidental expenses, with cost being determined using the specific identification method. Short-term investments include debt securities, equity securities and other short-term investments whose maturity dates are due within one year from the financial position date or whose disposals are planned within one year from the financial position date and long-term investments include debt securities, equity securities and other long-term investments whose maturity dates are due over one year from the statement of financial position date or whose disposals are planned over one year from the financial position date.

Debt securities are measured at amortized cost. Equity securities and other long-term or short-term investments are measured at an acquisition cost. However, equity securities and long-term or short-term investments are recorded at a fair value when the fair value can be reliably measured. Unrealized gains or losses from securities are presented as adjustments on the statement of changes in net assets. If the recoverable amount is lower than the book value of the securities, the decline remains for a long time and there is no chance to recover, an impairment loss is recognized as loss on impairment of investments in non-distribution expenses in the statement of operations.

(6) Valuation of Receivables

The Fund provides an allowance for doubtful accounts for accrued income. Allowances are calculated based on the estimates made through a reasonable and objective method. In addition, Receivables and Payables arising from long-term overdue transactions, long-term loan transactions, or similar transactions are measured at present value if the difference between nominal value and present value is important.

(7) Provision for Subsidized Loan and Guarantee

Provision for subsidized loan and guarantee is recorded at a difference between principal of the loan and present value of estimated collections. Present value of estimated collections is determined by discounting the total amounts receivable in the future using the effective interest rate (or yield on national bonds of similar conditions when the effective interest rate is not available).

(8) Impairment of Assets

The Fund recognizes impairment of assets as follows unless National Accounting Standards prescribes. When the book value of an asset is significantly greater than its recoverable value due to obsolescence, physical damage or a sharp decline in the market value of the asset, the difference between the book value and the recoverable value of an asset is deducted from the book value to agree with recoverable amount and it is recognized as loss on net operating costs for the period and the loss is reported in the note. When the recoverable value subsequently exceeds the book value, the impairment amount is recognized as gain on net operating costs for the period to the extent that the revised book value does not exceed the book value that would have been recorded without the impairment.

(9) Accounting for Foreign Currency Transactions and Translation

The Fund maintains its accounts in Korean Won. Transactions in foreign currencies are recorded in Korean Won based on the prevailing rate of exchange on the transaction date. The Korean Won ("KRW") equivalent of assets and liabilities denominated in foreign currencies are translated in these financial statements based on the basic rate (KRW 1,185.50, KRW 1,342.34, respectively as of December 31, 2021) announced by Seoul Money Brokerage Service, Ltd. or cross rates for currencies other than U.S. Dollars ("USD") and EU Euros ("EUR") at the financial position date. The translation gains (losses) are accounted for gain (loss) on net program costs.

Non-monetary foreign currency assets and foreign currency liabilities measured at fair value are translated based on the basic rate at the date the fair value is measured, and The effect of exchange rate fluctuations on non-monetary foreign currency assets and foreign currency liabilities are accounted for gain (loss) on adjustments or net program costs equally by fair value assessment.

(10) Accounting for Financial Derivative Instruments

The Fund records rights and obligations arising from derivative instruments in assets and liabilities, which are stated at fair value. Gains and losses that result from the changes in the fair value of derivative instruments are recognized in net program costs on the statement of operations. However, for derivative instruments of which cash flow hedge accounting is applied, the effective portion of the gain or loss on the derivatives instruments is recorded as gain (loss) on valuation of derivatives included in the statement of changes in net assets.

(11) Accounting for Government Contributions

The contributions from government or the private sector are accounted differently according to the purpose of the source and are recorded as non-exchange revenues in the statement of operations or increase (decrease) of other net assets in adjustments on the statement of changes in net assets. The contributions are recorded as non-exchange revenues on the statement of operations when they are used for the Fund's operating activities. When they are primarily used for the changes of assets or liabilities, such as acquisitions of assets, lending them and others, they are recorded as increase (decrease) of other net assets in adjustments on the statement of changes in net assets.

(12) Management Fee

The operation and management of the Fund is entrusted with the Export-Import Bank of Korea in conformity with Article 9-2 of the EDCF Act and Article 4-1 of its Enforcement Decree. Management fee determined by the Ministry of Economy and Finance is paid to the Export-Import Bank of Korea and is recognized as the cost of programs (commission paid) in the statement of operations.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents assets as of December 31, 2021 and 2020 are as follows:

(KRW million)

	Category	Annual Interest Rate (%)	Ending Balance		Financial Institution
			2021	2020	
National Funds	MMDA	1.30	159	115	KEB Hana Bank
	MMF	Dividends	28,878	30,802	SAMSUNG Asset Management, etc.
Total			29,037	30,917	

4. INVESTMENT SECURITIES

(KRW million)

Category	2021			2020		
	Acquisition Cost	Fair Value	Book Value	Acquisition Cost	Fair Value	Book Value
Equity Securities-FCF(*)	22,065	14,420	14,420	22,065	14,585	14,585
Equity Securities-INGE(**)	2,000	2,102	2,102	4,000	4,214	4,214
Equity Securities-PFGB 2(**)	8,000	7,942	7,942	-	-	-
Equity Securities-PFGB 160(**)	5,000	5,004	5,004	-	-	-
Total	37,065	29,468	29,468	26,065	18,799	18,799

(*) FCF long-term investments are invested in Future Carbon Fund organized by Asian Development Bank (ADB) for the purpose of supporting green growth of developing countries. Its maturity is December 31, 2023. The FCF equity securities recognized impairment loss of KRW 165 million on long-term investments as the fair value was lower than acquisition cost for the year ended December 31, 2021.

(**) Long-term investments in equity securities under trading and available-for-sales were valued at their market values. Decrease in loss on valuation of long-term investments amounted to KRW 165 million for the year ended December 31, 2021.

5. LOANS

The Fund supplies loan to developing countries to improve economic development and welfare and to expand economic cooperation with them. The subjects of financing are public sectors of developing countries such as central or local government, government faculties and groups, and also international organizations that mainly assist developing countries.

Long-term and short-term loans other than government as of December 31, 2021 and 2020 are as follows:

(1) Short-term loans other than government (KRW million)

Category		Annual Interest Rate (%)	Ending Balance	
			2021	2020
Loans in KRW	Development Project Loans	0.05 ~ 3.5	165,345	151,558
	Equipment Loans	0.05 ~ 3.5	44,223	42,447
	Two-Step Loan	3.5	222	166
	Sub Total	-	209,790	194,171
Loans in Foreign Currency	Development Project Loans	0.01~2.5	5,696	5,210
	Equipment Loans	0.1~1.7	3,293	3,022
	Private Sector Two-Step Loan	0.8	-	1,088
	Sub Total	-	8,989	9,320
Provision for Short-term Loans		-	(28,919)	(23,340)
Total			189,860	180,151

(2) Long-term loans other than government (KRW million)

Category		Annual Interest Rate (%)	Ending Balance	
			2021	2020
Loans in KRW	Development Project Loans	0 ~ 3.5	6,867,835	6,422,230
	Equipment Loans	0 ~ 3.5	851,083	800,158
	Two-Step Loan	3.5	3,106	3,161
	Program Loans	0.3 ~ 1	65,873	65,873
	Project Preparation Facility	-	490	-
	Sub Total	-	7,788,387	7,291,422
Loans in Foreign Currency	Development Project Loans	0.01 ~ 2.5	306,808	258,276
	Equipment Loans	0.1 ~ 1.7	238,294	185,532
	PPP Loans	0.025	87,122	79,956
	Program Loans	0.01 ~ 2.5	1,102,515	598,400
	Loan to International Development Finance Institutions	1.5	17,783	-
	Sub Total	-	1,752,522	1,122,164
Provision for Long-term Loans			(2,138,420)	(1,968,546)
Total			7,402,489	6,445,040

(3) Maturities of loans other than government as of December 31, 2021 (KRW million)

Category	Development Project Loans	Equipment Loans	Two-step Loans	Program Loans	PPP Loans	Loan to International Development Finance Institutions	Project Preparation Facility	Total
Within 1 years	171,041	47,516	222	-	-	-	-	218,779
1~3 years	402,780	97,811	610	4,395	-	-	-	505,596
3~5 years	461,070	99,101	333	6,308	-	-	-	566,812
5~10 years	1,423,108	214,889	832	110,733	3,485	-	49	1,753,096
10~15 years	1,474,743	164,459	832	231,400	17,424	4,446	82	1,893,386
Over 15 years	3,412,942	513,117	499	815,552	66,213	13,337	359	4,822,019
Total	7,345,684	1,136,893	3,328	1,168,388	87,122	17,783	490	9,759,688

(4) Details of loans as of December 31, 2021 and 2020

a. 2021 (KRW million)

Category	Regions	Disbursement Amount	Collection Amount	Rescheduling(*)	Exchange Translation Amount	Outstanding
Development Project Loans	Asia	4,061,022	533,167	-	-	3,527,855
	Africa	2,080,012	87,545	2,649	17	1,995,133
	Central and South America	707,740	68,600	-	(2,295)	636,845
	Middle East-CIS	847,713	248,484	1,776	3,693	604,698
	Pacific (Oceania included)	721,966	140,992	179	-	581,153
Sub Total		8,418,453	1,078,788	4,604	1,415	7,345,684
Equipment Loans	Asia	826,168	273,529	-	-	552,639
	Africa	379,158	30,859	-	(6,109)	342,190
	Central and South America	31,781	21,842	-	-	9,939
	Middle East-CIS	239,686	130,109	-	752	110,329
	Pacific (Oceania included)	181,570	59,774	-	-	121,796
	Sub Total	1,658,363	516,113	-	(5,357)	1,136,893
Two-step Loans	Asia	3,459	451	320	-	3,328
Program Loans	Asia	465,396	-	-	3,547	468,943
	Africa	122,671	-	-	7,734	130,405
	Central and South America	332,967	-	-	(1,027)	331,940
	Pacific (Oceania included)	226,200	-	-	10,900	237,100
Sub Total		1,147,234	-	-	21,154	1,168,388
PPP Loans	Asia	84,551	-	-	2,571	87,122
Private Sector Two-Step Loan	Asia	2,340	2,300	-	(40)	-
Private Sector Investment Finance	Pacific (Oceania included)	1,596	1,596	-	-	-
Loan to International Development Finance Institutions	Central and South America	17,843	-	-	(60)	17,783
Project Preparation Facility	Pacific (Oceania included)	490	-	-	-	490
Total		11,334,329	1,599,248	4,924	19,683	9,759,688

(*) According to the loan rescheduling agreement of 7 development projects including the Petroleum Product Storage Depots Project at Ghana, the Fund transferred KRW 4,924 million of its accrued income to the loan's principal in 2010 and 2013.

b. 2020 (KRW million)

Category	Regions	Disbursement Amount	Collection Amount	Rescheduling(*)	Exchange Translation Amount	Outstanding
Development Project Loans	Asia	3,779,544	442,079	-	-	3,337,465
	Africa	1,860,759	78,763	2,729	(4,999)	1,779,726
	Central and South America	661,111	55,868	-	(13,127)	592,116
	Middle East-CIS	831,602	232,609	1,882	(4,173)	596,702
	Pacific (Oceania included)	659,866	128,899	298	-	531,265
Sub Total		7,792,882	938,218	4,909	(22,299)	6,837,274
Equipment Loans	Asia	770,825	250,144	-	-	520,681
	Africa	289,459	30,859	-	(6,213)	252,387
	Central and South America	31,781	20,128	-	-	11,653
	Middle East-CIS	239,686	118,569	-	(2,292)	118,825
	Pacific (Oceania included)	181,570	53,957	-	-	127,613
Sub Total		1,513,321	473,657	-	(8,505)	1,031,159
Two-step Loans	Asia	3,459	452	320	-	3,327
Program Loans	Asia	346,766	-	-	(19,773)	326,993
	Africa	92,671	-	-	(5,631)	87,040
	Central and South America	154,722	-	-	(13,282)	141,440
	Pacific (Oceania included)	115,362	-	-	(6,562)	108,800
Sub Total		709,521	-	-	(45,248)	664,273
PPP Loans	Asia	84,551	-	-	(4,595)	79,956
Private Sector Two-Step Loan	Asia	2,340	1,112	-	(140)	1,088
Private Sector Investment Finance	Pacific (Oceania included)	1,596	1,596	-	-	-
Total		10,107,670	1,415,035	5,229	(80,787)	8,617,077

(*) According to the loan rescheduling agreement of 7 development projects including the Petroleum Product Storage Depots Project at Ghana, the Fund transferred KRW 4,924 million of its accrued income to the loan's principal in 2010 and 2013.

(5) Details of provision for subsidized loan and guarantee as of December 31, 2021 and 2020 (KRW million)

Category	2021		2020	
	Loans	Provisions for Subsidized Loan and Guarantee	Loans	Provisions for Subsidized Loan and Guarantee
Development Project Loans	7,345,684	(1,707,092)	6,837,274	(1,629,506)
Equipment Loans	1,136,893	(252,644)	1,031,159	(218,814)
Two-Step Loan	3,328	-	3,327	-
Program Loans	1,168,388	(172,430)	664,273	(114,808)
PPP Loans	87,122	(32,780)	79,956	(28,725)
Private Sector Two-Step Loan	-	-	1,088	(33)
Loan to International Development Finance Institutions	17,783	(2,210)	-	-
Project Preparation Facility	490	(183)	-	-
Total	9,759,688	(2,167,339)	8,617,077	(1,991,886)

The loans are offered at the interest rate lower than its effective interest rate. The Fund recognized subsidized loan and guarantee expenses of KRW 380,809 million included in the statement of financial operations for the year ended December 31, 2021 (2020 : KRW 332,197 million).

6. MONETARY ASSETS DENOMINATED IN FOREIGN CURRENCIES

Assets denominated in foreign currency as of December 31, 2021 and 2020 are as follows:

(Thousands of foreign currencies)					
Accounts	Currency	2021		2020	
		USD & EUR	KRW	USD & EUR	KRW
Accrued Income	USD	6,651.66	7,886	2,929.03	3,187
	EUR	99.70	134	43.20	58
Short-term Loans	USD	7,582.76	8,989	8,566.33	9,320
Long-term Loans	USD	1,302,289.84	1,543,865	888,653.27	966,855
	EUR	155,442.47	208,657	116,055.13	155,310
Total	USD	1,316,524.26	1,769,531	900,148.63	1,134,729
	EUR	155,542.17		116,098.33	

7. BORROWINGS

(1) Long-term borrowings as of December 31, 2021 and 2020 (KRW million)

Category	Creditor	Annual Interest Rate (%)	Ending Balance	
			2021	2020
Borrowings from the Government	The Bank of Korea	1.37 ~ 2.36	909,000	609,000
Less: Current portion	The Bank of Korea	-	-	-
Total			909,000	609,000

(2) The maturities of long-term borrowings as of December 31, 2021 (KRW million)

Maturities	Amount
Within 3 year	-
The year of 2025	12,000
The year of 2026	272,000
After 6 years	625,000
Total	909,000

8. COMMITMENTS AND CONTINGENCIES

(1) Details of derivatives as of December 31, 2021 and 2020

a. 2021 (KRW million)

Category	Gain (loss) on Valuation of Derivatives			Ending Balance		Unsettled Amount
	Trading purpose			Asset	Liability	
	Valuation Gain	Valuation Loss	Total			
Currency Forwards	-	(22,588)	(22,588)	3,643	26,231	1,598,524
Currency SWAPs	-	(13,017)	(13,017)	217	9,888	142,783
Total	-	(35,605)	(35,605)	3,860	36,119	1,741,307

The Fund entered into currency forward contracts and currency contracts with the Export-Import Bank of Korea to hedge exposure to the changes in the fair value of development project loans and equipment loans denominated in foreign currency.

The Fund applied hedges to transactions expected to occur in the period ending October 20, 2023. For the year ended December 31, 2021, the realized gain and loss on derivatives transactions was KRW 238 million and KRW 55,716 million, respectively.

b. 2020 (KRW million)

Category	Gain (loss) on Valuation of Derivatives			Ending Balance		Unsettled Amount
	Trading purpose			Asset	Liability	
	Valuation Gain	Valuation Loss	Total			
Currency Forwards	64,663	-	64,663	64,879	216	1,053,381
Currency SWAPs	3,345	-	3,345	3,345	-	146,142
Total	68,008	-	68,008	68,224	216	1,199,523

9. NET PROGRAM COST

Details of net program costs of the economic development cooperation programs stated in the statements of financial operations for the years ended December 31, 2021 and 2020 are as follows:

(1) Program gross cost

Details of program gross cost of the economic development cooperation programs included in the statement of financial operations for the years ended December 31, 2021 and 2020 are as follows:

(KRW million)

Category	2021	2020
Subsidized Loan and Guarantee Expenses	380,809	332,197
Management Fee	20,820	20,243
Temporary Employee Salaries	640	561
Employment Insurance Premium	21	23
Overseas Travel Expenses	20	18
Research Development Service Expenses	148	176
Loss on Valuation	70,816	57,708
Other Service Expenses	12,634	15,164
Loss on Derivatives Transactions	55,716	53,169
Total	541,624	479,259

(2) Program revenue

Details of total program revenue of the economic development cooperation programs included in the statement of financial operations for the years ended December 31, 2021 and 2020 are as follows:

(KRW million)

Category	2021	2020
Commission	1,231	855
Interest Income	259,140	160,810
Gain on Valuation	111,074	89,481
Reversal of Allowance for Subsidized Loan and Guarantee Expenses	5,205	3,998
Gain on Derivatives Transactions	238	22,012
Other Income	2	-
Total	376,890	277,156

10. NON-ALLOCATED REVENUES AND EXPENSES

(1) Details of non-allocated expenses and revenues for the years ended December 31, 2021 and 2020

(KRW million)

Category	2021	2020	
Non-allocated Expenses	Interest Expenses	9,077	7,372
	Loss on Asset Impairment	165	-
	Miscellaneous Losses	8	-
Total	9,250	7,372	
Non-allocated Revenues	Interest Income	1,327	1,125
	Gain on Dispositions	118	-
Total	1,445	1,125	

11. NET ASSETS

(1) Changes of net assets for the years ended December 31, 2021 and 2020

a. 2021 (KRW million)

Category	Reserves of Government Contributions	Surplus	Total
Beginning Balance	5,693,718	(811,568)	4,882,150
Operating Results	-	(172,540)	(172,540)
Other Increase in Net Assets	752,918	-	752,918
Ending Balance	6,446,636	(984,108)	5,462,528

b. 2020 (KRW million)

Category	Reserves of Government Contributions	Surplus	Total
Beginning Balance	5,105,660	(603,217)	4,502,443
Operating Results	-	(208,351)	(208,351)
Other Increase in Net Assets	588,058	-	588,058
Ending Balance	5,693,718	(811,568)	4,882,150

Appendix

Since its establishment in 2006, the Committee for International Development Cooperation has been establishing Korea's major ODA policies, covering both concessional loans and grants. Meanwhile, EDCF has made continuous efforts to scale up its ODA volume through active engagement with partner countries via its representative offices and country directors around the world.

ODA System of Korea

Integrated Operational System

Korea's ODA policies are established by the Committee for International Development Cooperation (CIDC) with the systematic cooperation and participation of government departments, such as the Ministry of Economy and Finance (MOEF) and the Ministry of Foreign Affairs (MOFA), local government authorities and ODA execution agencies. The CIDC was established in 2006 to systematically manage the ODA policies of Korea. The committee is composed of up to 25 members, including the Prime Minister as the head of the committee, the ministers of the relevant government departments including the MOEF and MOFA and external experts. It deliberates on and coordinates major ODA policies, mid-term master plans and project evaluations.

Bilateral ODA

Loans

EDCF is a government fund established in 1987 to support industrialization and economic development in developing countries and to foster Korea's economic cooperation with them. By extending ODA loans that comply with the concessionality criteria defined by the OECD DAC, EDCF supports developing countries in building their economic and social infrastructures.

The fact that ODA loans must be repaid, unlike ODA grants, prompts a partner country to thoroughly review project feasibility and whether the project in question is in line with its national development priorities from the moment the project is conceived. As a result, development projects funded by ODA loans are more likely to succeed. Moreover, the recovered principal and interest can be allocated to other development projects, thereby minimizing the tax burden of citizens while providing a steady flow of resources for international development.

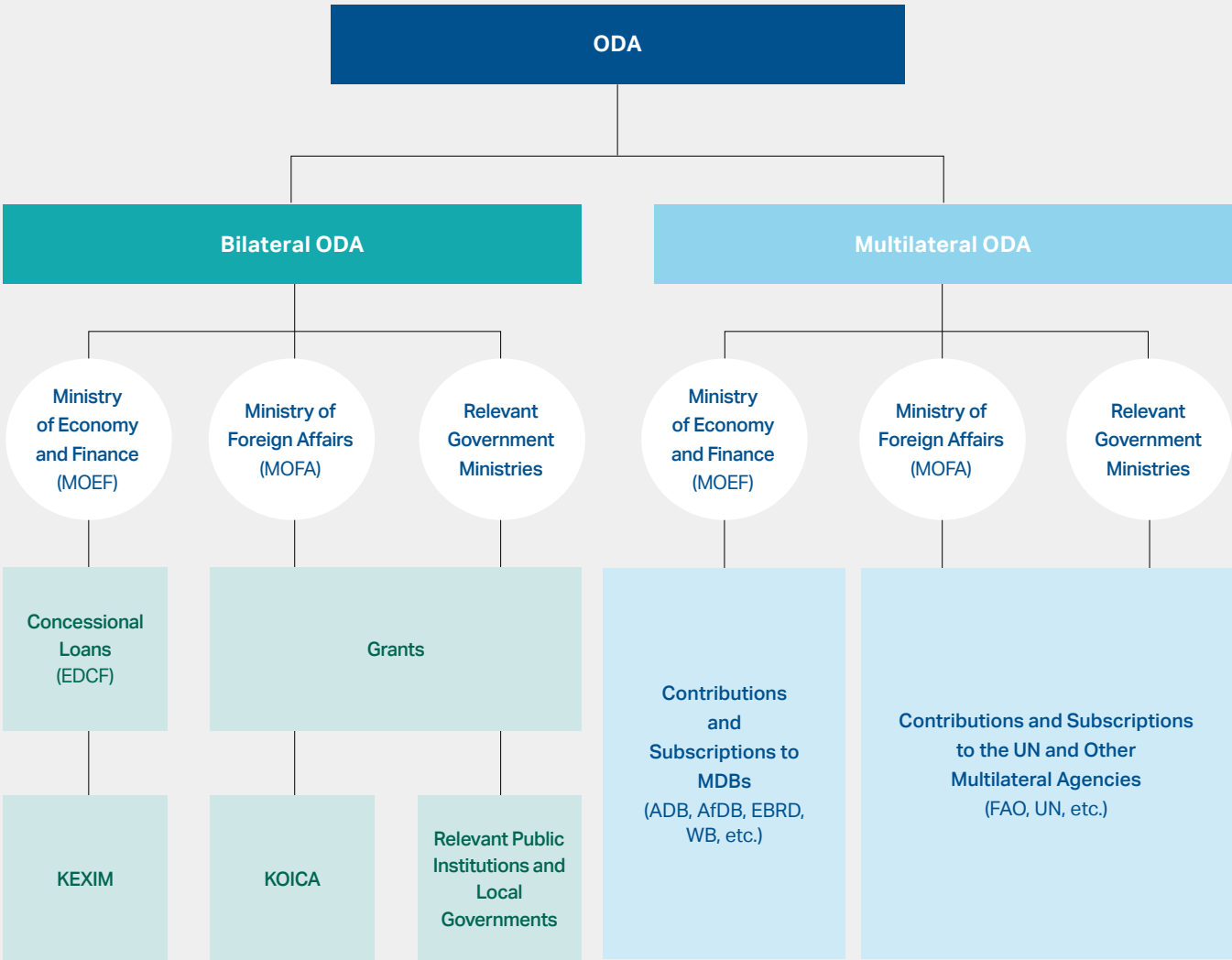
The MOEF of Korea is responsible for the overall management of EDCF, including the establishment of EDCF policies and the issuance of pledges on EDCF ODA loans. The Export-Import Bank of Korea (KEXIM), on the other hand, is entrusted with the administration and operation of the fund by the MOEF.

As of the end of 2021, EDCF's cumulative commitments reached KRW 23,965.6 billion (USD 20,720 million) for 485 projects in 58 countries, and cumulative loan disbursements totaled KRW 11,334.3 billion (USD 9,466 million). In 2021, EDCF committed KRW 2,659.1 billion (USD 2,221 million) to 28 new projects and disbursed KRW 1,226.7 billion (USD 1,024 million), thereby contributing to the expansion of ODA volume that Korea had promised to the international community.

Grants

Grants are provided mainly for technical cooperation and humanitarian support. KOICA, an affiliated agency of the MOFA, is primarily in charge of grants. Central government organizations, such as the Ministry of Education, Ministry of Health and Welfare, and Ministry of the Interior and Safety, as well as local governments, also provide ODA grants according to their specialty areas.

ODA Governance of Korea



EDCF Products and Operational Procedures

Terms and Conditions

EDCF had classified its partner countries into five categories depending on their economic development phases and per-capita income levels, while differentiating the applicable interest rates and repayment periods accordingly. It had also adjusted the categorization of its partner countries on the basis of the income groups classified by the World Bank annually. From 2022, however, this categorization is reorganized into four categories in accordance with the OECD DAC standard.

- Loan Amount: Up to 100% of the total project cost (Up to 85% of the total project cost for untied loans provided to countries other than least developed countries)	- Repayment Period: Up to 40 years
- Interest Rate: 0.01% ~ 2.5% per annum	- Grace Period: Up to 15 years
	- Principal Repayment Method: Equal semi-annual installments
	- Interest Payment Frequency: Semi-annual

Types of Loans

1. Loans to Governments/Corporations of Partner Countries

Development Project Loans

These loans provide funds for infrastructure projects involving the construction of transportation infrastructure, e-government systems, water supply facilities and sewerage plants, hospitals, educational infrastructure and telecommunications facilities in developing countries according to their respective economic development plans.

Public Private Partnership (PPP) Loans

These loans provide the governments or corporations of developing countries with funds to conduct PPP projects.

Program Loans

These loans provide the governments of developing countries with funds to assist them in pursuing comprehensive sectoral or thematic development plans.

Sector Development Loans

These loans provide the governments of developing countries with funds to assist their development of specific sectors and related sub-projects with simplified procedures.

Equipment Loans

These loans provide funds for procuring equipment and other materials needed for projects under the national development plans for specific sectors or regions of developing countries.

Private Sector Loans

These loans provide funds to local private corporations that conduct ODA-eligible projects in developing countries.

Private Sector Two-Step Loans

These loans provide funds to financial institutions in developing countries to provide sub-loans to local private corporations for the implementation of ODA-eligible projects.

Project Preparation Facility

These loans provide the governments of developing countries with funds to assist studies (F/S, detailed design, etc.) undertaken in preparation for economic development projects or for their pilot implementation.

2. Loans to International Development Finance Institutions

These loans provide funds to international development finance institutions which contribute to the economic development and improved welfare of developing countries.

3. Investments in Special Purpose Companies (SPCs) of PPP Projects

Investments are made in SPCs in connection with the Private Sector Loan if they are recognized as having great impacts on the

development of developing countries or contributing to strengthening economic cooperation between Korea and developing countries.

4. Investments in Collective Investment Schemes

Investments are made in collective investment schemes established to conduct projects for the industrial development of developing countries or to respond to climate change.

5. Guarantee Program for Financial Institutions

These guarantees are for financial institutions that support development projects in developing countries to cover political risks. (If the borrower is a private entity, a counter-guarantee issued by the government of the developing country is required.)

Procedure for Loans

1. Project Identification & Preparation

EDCF identifies priority development projects by applying the Country Partnership Strategy specifically tailored to each partner country in such a way as to reflect its long-term development plans and strategies. In line with these efforts, EDCF carries out the country program missions to formulate indicative mid-term pipelines, which are finalized through policy dialogues between Korea and its partner countries. Detailed information on a project's feasibility in terms of its economic, financial, technical and environmental aspects is identified at the feasibility study (F/S) stage.

2. Loan Request

A partner country requesting an EDCF loan to implement a project should submit the required documentation, including a loan request, an F/S result, and an implementation plan (I/P) to the Korean government. Such requests are forwarded to the Ministry of Foreign Affairs by the Korean embassy in the partner country.

3. Project Appraisal

After receiving a loan request from a partner country, the Ministry of Economy and Finance (MOEF) requests KEXIM to conduct a project appraisal. The details of the related procedures are as follows:

a. Preliminary Review

When KEXIM is requested to appraise a project's eligibility for an EDCF Loan, it firstly confirms the country's eligibility for ODA according to the OECD DAC List of ODA Recipients, and then reviews the level of the country's repayment risk, project feasibility, and whether or not the project is commercially viable through an F/S and I/P.

b. Project Questionnaire and Legal Questionnaire

To implement the project successfully, it is necessary to clearly identify its objective and scope, preparation status, and feasibility in terms of economic, financial, technical and environmental aspects, as well as the partner country's laws and regulations for foreign aid. Basic information in regard to these issues is collected via a Legal Questionnaire which is sent to the borrower or the project executing agency.

c. Appraisal / Site Visit

KEXIM dispatches an appraisal mission team to the partner country for a detailed appraisal of the project. The mission team of KEXIM finalizes and signs the Minutes of Discussion (MOD) with the partner country's government based on the outcome of the appraisal.

d. Preparation and Submission of the Appraisal Report to the MOEF

KEXIM completes the appraisal report based on the loan request, F/S report, results of the project and legal questionnaires and MOD, etc., and submits it to the MOEF.

4. The Korean Government's Decision on Loans

The MOEF confirms the economic, financial and technical soundness of a project based on the appraisal report submitted by KEXIM. After consulting with the other ministries concerned, the MOEF makes the final decision on the loan request and notifies the partner country of the result through the MOFA. Then, an Agreement (A/G) that sets out the basic framework of loans and the responsibilities

of both parties is concluded between the Korean government and the government of the partner country. Once signed by both parties, the agreement remains in force for a minimum of ten years. The two governments also sign an Arrangement (A/R) for each individual project stating the basic financing terms and conditions. As long as the agreement is in force, only an arrangement needs to be signed for any new loans. If the two governments have signed the Framework Arrangement (F/A), they are allowed to omit further arrangements for individual projects.

5. Loan Agreement

When negotiations regarding the loan are completed and the specific terms and conditions are agreed upon by KEXIM and the partner country, a loan agreement (L/A) is signed by both parties. The L/A takes effect as soon as condition-precedent documents, such as evidence of authority, specimen signatures and legal opinions, are submitted by the partner country and accepted by KEXIM.

6. Project Implementation

a. Employment of Consultants

KEXIM requires the Project Executing Agency (PEA) to hire consultants for the effective preparation, implementation and operation of the project. A consultant is generally employed with consideration for experience in relevant sectors, adequacy of work plan, staff members, financial solvency, technical proposal, etc.

b. Procurement of Goods and Services

The partner country is responsible for implementing the project, while KEXIM is responsible for its supervision. The PEA prepares the specifications and evaluates bids for the procurement of goods and services for the project, while KEXIM reviews these activities to verify full compliance with the procurement guidelines.

c. Disbursement

Based on the progress and performance of the consultant employment contract and the procurement contract for the project, disbursements under the loan are made according to the procedures stipulated in the L/A.

7. Project Evaluation

EDCF conducts reliable and independent project evaluations of ongoing and completed projects in order to assess their relevance, coherence, efficiency, effectiveness, impact and sustainability, thereby providing valuable lessons to partner countries and other donor countries.

a. Completion Evaluation

The PEA should submit a Project Completion Report (PCR) within six months of the project completion date or such later date as shall be agreed upon in the L/A, and KEXIM checks and evaluates its adequacy and conducts a project completion evaluation.

b. Ex-post Evaluation

In general, an ex-post evaluation of a project is conducted two years after the completion evaluation. Using various methods including interviews, literature reviews and field studies, the ex-post evaluation assesses the achievement of development goals, the relevancy and compatibility of the project, problems with project operation and maintenance, impact on the project area and partner country, etc. in order to provide relevant stakeholders with necessary feedback based on the evaluation results.

Supporting SMEs’ Participation in EDCF Projects

Small and medium-sized enterprises (SMEs) can participate in EDCF projects without any restrictions, and EDCF operates the following systems specifically to facilitate SMEs’ participation:

1. Application of preferential interest rates

EDCF provides preferential interest rates for projects implemented by SMEs in order to encourage their participation in EDCF projects and assist them in getting a foothold in the global procurement market.

Type of Enterprise	SME	Middle-Standing Enterprise	Large Enterprise
Interest rate	Zero percent (0%)	Fifty percent (50%) of the current interest rate (0% for EDCF Group I countries)	Current interest rate

* 50% of the current interest rate will be applied when a consortium with more than 30% of SME(s) proportion participates in the project. However, the interest rate is zero percent for EDCF Group I countries.

2. Compact Loans

EDCF provides compact loans for projects under a certain loan amount (max. USD 7 million), allowing only Korean SMEs to participate. Compact loans are designed to facilitate financing for the development projects of partner countries by expediting the project cycle including loan request, project appraisal, procurement, etc. Since the early years of EDCF, it has actively extended compact loans in the prospective sectors for SMEs, such as small plants, medical equipment, vocational training equipment and IT appliances.

Loan Amount	Up to 100% of the total project cost (max. USD 7 million)
Interest Rate	Zero percent (0%)
Repayment Period (Grace Period)	Up to 40 years (Up to 15 years)
Procurement methods	To be decided upon the consultation with the borrower in one of the two following methods: competitive bidding or limited competitive bidding between eligible Korean SMEs

3. Sector Development Loans

In the case of sector development loans that support a number of compact loans in a promising sector for SMEs, numerous compact loan projects can be quickly promoted with a single loan request and L/A.

4. Private Sector Loans

EDCF supports SMEs’ overseas direct investments by providing the local subsidiaries of SMEs implementing ODA projects with these loans for their facilities and operations.

5. Sharing Knowledge and Case Studies

Since 2012, EDCF has hosted annual workshops to encourage SMEs’ participation in ODA projects and to support them in entering the international procurement market.

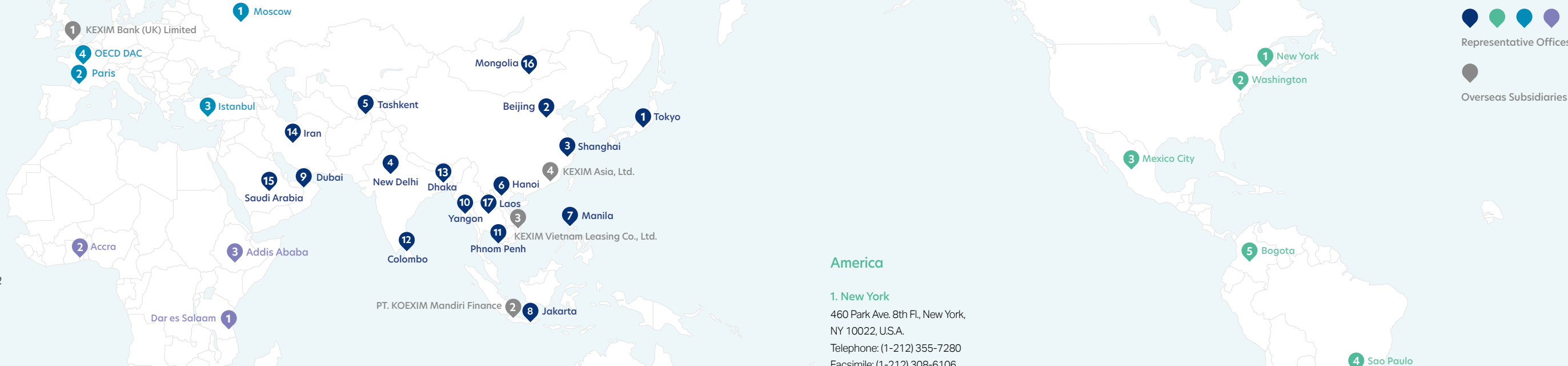
In 2021, the workshop, which provided various lectures at 2 different levels (beginner and intermediate levels), was arranged to be accessed online anytime reflecting the feedback from participants in the previous year.

EDCF offered lectures for beginners on EDCF’s procurement procedures and systems, and for the intermediate course, walked the attendees through the KSP project, EDCF’s PPP project expansion support plan and its overseas market expansion support system.

In addition, the Korea Environmental Industry and Technology Institute, the Korea Engineering and Consulting Association, and the Korea Ports and Harbours Association participated in the workshop and provided lectures on the current status of domestic and international markets, business prospects, and their support programs for overseas expansion, helping SMEs to devise strategies for entering overseas markets.

Around 100 SMEs in the civil engineering, construction and environmental fields interested in the global procurement market attended the event. EDCF will continue this annual workshop to enable Korean companies to deepen their knowledge and acquire know-how on establishing their overseas expansion strategies, while providing various contents related to the procurement system of other ODA donors including KOICA and ADB.

Overseas Networks



Asia and Middle East

1. Tokyo
Rm. 1904, 19F Hibiya Daibiru, 1-2-2
Uchisaiwaicho, Chiyoda-ku,
Tokyo 100-0011, Japan
Telephone: (81-3) 3580-8702
Facsimile: (81-3) 3580-8705
E-mail: extokyo@hotmail.com

2. Beijing
Office A2901, Beijing POSCO Center,
13 Hongtai East Street, Wangjing,
Chaoyang District, Beijing, China
Telephone: (86-10) 6465-3371
Facsimile: (86-10) 6463-7116
Email: suminhan@koreaexim.go.kr

3. Shanghai
Rm. 1203 Aetra Tower, No. 107,
Zunyi Road, Shanghai, 200051, China
Telephone: (86-21) 6237-5561/5562
Facsimile: (86-21) 6237-5563
E-mail: keximshanghai@koreaexim.go.kr

4. New Delhi
Unit No. F-7, First Floor, Commercial
Block, Hyatt Delhi Residences,
Aerocity 110 037, New Delhi, India
Telephone: (91-11) 4072-5600
Facsimile: (91-11) 4072-5607
E-mail: kskim@koreaexim.go.kr

5. Tashkent
4C-07, International Business Center,
107-B, Amir Temur Street,
Tashkent 100084, Uzbekistan
Telephone: (998-71) 238-9288
Facsimile: (998-71) 238-9218
E-mail: kkim212@koreaexim.go.kr

2. Accra
1. Dar es Salaam

6. Hanoi
8th Floor, Daeha Business Center,
360 Kim Ma Str., Ba Dinh Dist.,
Hanoi, Vietnam
Telephone: (84-24) 3771-7010 (Ext 121)
E-mail: dykim@koreaexim.go.kr

7. Manila
10th Floor Pacific Star Building, Sen.
Gil Puyat Corner Makati Avenues 1209,
Makati City, Philippines
Telephone: (63-02) 8864-0624
Facsimile: (63-02) 8864-0625
E-mail: lyhrule@koreaexim.go.kr

8. Jakarta
Plaza Asia, Lantai 26th, Jl. Jendral
Sudirman Kav 59, Jakarta Selatan
12190, Indonesia
Telephone: (62-021) 5140-1018
Facsimile: (62-021) 5140-1486
E-mail: eximman@koreaexim.go.kr

9. Dubai
P.O.Box 482038, 4th Floor West Wing
The Gate Building, DIFC, Dubai, UAE
Telephone: (971-4) 362-0852
Facsimile: (971-4) 362-0851
E-mail: gabrielssh@koreaexim.go.kr

10. Yangon
Suite No.05-02, Level 5, Union Business
Center, Nat Mauk Road, Bo Cho Quarter,
Bahan Township, Yangon, Myanmar
Telephone: (95-1) 558-769
Facsimile: (95-1) 558-770
E-mail: keximyangon@koreaexim.go.kr

11. Phnom Penh
Keyston Building, 4F, Unit 4D, Plot 100,
#146 Norodom Boulevard, Sangkat
Tonle Bassac, Khan Chamkamon,
Phnom Penh, Cambodia
Telephone: (855-23) 999-561
E-mail: yooj@koreaexim.go.kr

12. Colombo
Korea ODA Center 3rd floor,
9/2 Dudley Senanayake Mawatha,
Colombo 8, Sri Lanka
Telephone: (94-11) 267-5355
Facsimile: (94-11) 267-5356
E-mail: mskim@koreaexim.go.kr

13. Dhaka
Bay's Bellavista Building 7th Fl.,
House #96, Road #11, Block #c,
Banani, Dhaka, Bangladesh
Telephone: (880-2) 2222-747-37/40
Facsimile: (880-2) 2222-747-44
E-mail: changmin@koreaexim.go.kr

14. Iran (Liaison Officer)
Embassy of the Republic of Korea, No. 2,
West Daneshvar St., Sheikhbahai Ave.,
Tehran, Islamic Republic of Iran
Telephone: (98-21) 8805-4900
Facsimile: (98-21) 8806-5301
E-mail: iran@koreaexim.go.kr

15. Saudi Arabia (Liaison Officer)
KOTRA, Commercial Section, Embassy of
the Republic of Korea 105 Legend Tower,
Tahia Street North, King Fahad Road
P.O.Box 220297, Riyadh 11311,
Kingdom of Saudi Arabia
Telephone: (966-53) 860-9115
E-mail: leejm@koreaexim.go.kr

16. Mongolia (Liaison Officer)
603, 6th floor, ICC Tower, Jamyan Gunii
street, 1st Khoroo, Sukhbaatar district,
UB, Mongolia
Telephone: (976) 8014-7488
Facsimile: (976) 7700-6604
E-mail: leedh80@koreaexim.go.kr

17. Laos (Liaison Officer)
Kolao Tower II, 5F, 23 Singha road,
Vientaine, Laos
Telephone: (865) 21-455-073
Facsimile: (865) 21-417-891
E-mail: torress@koreaexim.go.kr

1. New York
460 Park Ave. 8th Fl., New York,
NY 10022, U.S.A.
Telephone: (1-212) 355-7280
Facsimile: (1-212) 308-6106
E-mail: kjhwang@koreaexim.go.kr

2. Washington
1300 L Street, N.W. Suite 825,
Washington D.C. 20005, U.S.A.
Telephone: (7-495) 258-2366
Facsimile: (1-202) 408-8838/8839
Facsimile: (1-202) 408-7858
E-mail: koreaeximdc@gmail.com

3. Mexico City
Paseo de la Reforma No. 389 Piso 10A,
Col. Cuauhtemoc, Del. Cuauhtemoc,
06500, Mexico D.F., Mexico
Telephone: (52-55) 5511-8445
E-mail: espark@koreaexim.go.kr

4. Sao Paulo
CJ 38, Horizonte Office Av.
Presidente Juscelino Kubitschek,
1545-Vila Nova Conceicao,
Sao Paulo – SP, Brazil
Telephone: (55-11) 3283-3021
Facsimile: (55-11) 3287-0548
E-mail: keximsp@koreaexim.go.kr

5. Bogota
Carrera 9 #113-52. Edificio Torres Unidas
2, Oficina 808, Bogota, Colombia
Telephone: (57-1) 364-9921
Facsimile: (57-1) 364-9925
E-mail: yjcho11@koreaexim.go.kr

1. Moscow
Office Building 1704A, World Trade
Center Entr. 3, 12 Krasnopresnenskaya
Nab., 123610, Moscow, Russia
Telephone: (7-495) 258-2366
E-mail: jpark@koreaexim.go.kr

2. Paris
36 Avenue Hoche, 75008 Paris, France
Telephone: (33-1) 4421-8314
E-mail: koreaeximbank36@gmail.com

3. Istanbul
Maslak Mah. AOS55 Sok. 42
Maslak Multi Ofis A Kat: 10
Daire: 08-09, Sariyer, Istanbul, Turkey
Telephone: (90-212) 286-5224
E-mail: jhjang@koreaexim.go.kr

4. OECD DAC (Liaison Officer)
4 Place de la port de passy,
75016 Paris, France
Telephone: (33-1) 4405-2058
E-mail: chulin27@koreaexim.go.kr

1. Dar es Salaam
P.O.Box 13681, Office No. 807, 8th Floor,
Jangid Plaza, Plot No. G6, Chabruma
Street, Off. Ali Hassan Mwinyi Road,
Dar es Salaam, Tanzania
Telephone: (255-22) 292-6579
Facsimile: (255-22) 292-6580
E-mail: sunmyung@koreaexim.go.kr

2. Accra
P.O.BOX CT11218, 1st Floor, Gulf House,
Adamafio Crescent, Accra, Ghana
Telephone: (233-302) 543-724
E-mail: accra@koreaexim.go.kr

3. Addis Ababa
P.O.Box 7720, House No. New,
Woreda 04, Nifas Silk Lafto Sub-city,
Addis Ababa, Ethiopia
Telephone: (251-113) 85-3006
Facsimile: (251-113) 85-3000
E-mail: addisababa@koreaexim.go.kr

1. KEXIM Bank (UK) Limited
3F Moorgate Hall, 155 Moorgate, London
EC2M 6XB, United Kingdom
Telephone: (44-20) 7562-5500
Facsimile : (44-20) 7588-3642
E-mail: kexim.london@keximbank.co.uk

2. PT. KOEXIM Mandiri Finance
Equity Tower 50th Floor Suite 50E,
SCBD Lot 9, Jl Jend. Sudirman Kav. 52-53,
Jakarta Selatan, Indonesia
Telephone: (62-21) 5140-0777
Facsimile : (62-21) 5140-2007
E-mail: jakarta@kmf.co.id

3. KEXIM Vietnam Leasing Co., Ltd.
9th Floor, Diamond Plaza, No. 34
Le Duan Street, Ben Nghe Ward, District 1,
Ho Chi Minh City, Vietnam
Telephone: (84-28) 3825-7000
Facsimile : (84-28) 3823-0854
E-mail: info@keximvlc.com.vn

4. KEXIM Asia, Ltd.
Unit 2904&05, 29/F., Central Plaza,
18 Harbour Road, Wanchai, Hong Kong
Telephone: (852) 2810-0182
Facsimile : (852) 2810-4460
E-mail: webmaster@keximasia.com.hk

Ministry of Economy and Finance
Development Finance Bureau
Development Cooperation Division
Sejong Government Complex, 477
Galmae-ro, Sejong-si, 30109, Korea
TEL: 82-44-215-2150
FAX: 82-44-215-8033
www.moef.go.kr

The Export-Import Bank of Korea
Economic Development Cooperation Fund
38 Eunhaeng-ro, Yeongdeungpo-gu,
Seoul, 07242, Korea
TEL: 82-2-3779-6114
FAX: 82-2-784-1030
www.edcfkorea.go.kr

This report was printed on eco-friendly paper, using soy-based ink to minimize impacts on the environment.

