

Revised in August 2023

ODA Recipient countries

Knowledge Sharing Program (KSP) Project Proposal Guidelines

- *This document contains guidelines on applying for the Knowledge Sharing Program (KSP) administered by the Ministry of Economy and Finance, Republic of Korea.*
- *Submit **project proposals**, the **priority list** and an **official letter from the ODA coordinating institution** to the Embassy of the Republic of Korea no later than **November 24, 2023**.*
- *For more information, visit the KSP website at www.ksp.go.kr.*

Ministry of Economy and Finance
Republic of Korea

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Part I. Introduction to the Knowledge Sharing Program

1. Background

Knowledge sharing has emerged as an important instrument of development and economic cooperation, proving to effectively improve countries' policy and institutional capacities. Various entities including developing and developed countries, and international organizations such as the OECD and World Bank have endorsed knowledge sharing as a means to deepen mutual learning and create horizontal partnerships.

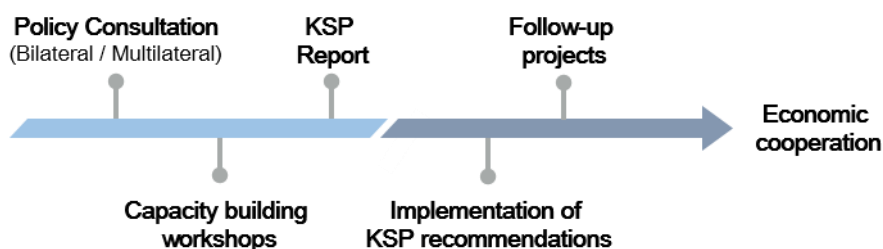
Korea has successfully transitioned from an aid recipient to a donor country over the past century. To make full use of such an exceptional experience, the Ministry of Economy and Finance of Korea (MOEF) launched a mutual learning program called the Knowledge Sharing Program (KSP) in 2004. KSP conducts joint research and studies to support public efforts in achieving socio-economic development.

Through in-depth and comprehensive analyses of challenges, the program generates practical recommendations and proposes solutions with reference to Korea's comparable experiences, practices and plans. The program also provides opportunities for institutional, organizational and individual capacity building and networking programs.

As of 2022, nearly 670 projects covering over 1,400 topics have been implemented with more than 90 countries around the world.

2. Objectives

- (1) Enhance partner country's policy environment through strengthened frameworks, mechanisms, systems and capacities at institutional, organizational and individual levels
- (2) Catalyze the development and implementation of effective and efficient national and international projects/programs for socio-economic development
- (3) Establish foundations for mutually beneficial economic cooperation



3. Structure

MOEF, the supervising ministry of KSP, oversees the overall program and works with implementing agencies that manage individual projects. The implementing agencies are the Korea Development Institute (KDI), Korea Eximbank (KEXIM), and Korea Trade-Investment Promotion Agency (KOTRA). Individual projects are executed by KSP Consultants, a team of Korean experts.

4. KSP support

4.1. Standard modality

KSP is a one-year consultation program implemented in the span of two calendar years (e.g. 2025/26 KSP begins in 2025 and ends in 2026). Around 30 to 40 bilateral projects are implemented each year with about 20 partner countries.

Key deliverables of a KSP project are (1) a country- and problem-specific recommendation report drafted by the Korean executing entity with inputs from the partner country and (2) a 5-day capacity-building workshop for national officials and staff. The report is published in English and additional publication in the local language may be available upon the partner country's request.

4.2. Additional modalities

KSP supports a selected number of projects under 2 non-standard modalities: *Fast-track KSP* and *Multiple-year KSP*.

- **Fast-track KSP** undergoes an accelerated appraisal and approval procedure to support highly urgent matters resulting from the reasons below:
 - *Emergency response and recovery*: response to natural/social disasters, infectious diseases, significant social, economic, political changes or crises
 - *Key state-led policy/program*: timely support for implementing policies, initiatives, etc. to address key agendas with defined completion dates
 - *Diplomatic agenda*: cooperation in areas under bi/multilateral diplomatic agendas agreed at summits and high-level meetings
 - *Bilateral economic cooperation*: timely support for ongoing and forthcoming economic cooperation

- **Multiple-year KSP** takes a programmatic approach to support countries developing and implementing strategies and/or pipeline projects to bridge policy, technical and capacity gaps and barriers. KSP support may be approved for up to 3 project cycles.

4.3. Project areas

KSP supports projects in the following areas in which Korea has strong expertise (see Appendix 1 for specific areas):

- Economic development planning
- Macro-financial policy
- Public finance
- Industrial policy
- Trade and export promotion
- Business and SME (small and medium enterprises) development
- Science and technology, R&D, ICT
- Transport and urban development
- Energy
- Water and sanitation
- Environment

- Rural development
- Health and medicine
- Social welfare
- Education and HR (human resource) development
- Public administration
- Employment and labor
- Other (culture, tourism, etc.)

4.4. Cycle

Stage	Sub-stages
1. Identification	Submission of Proposal: Country submits (1) Project proposal, (2) Priority list, and (3) Letter of Request to the Korean Embassy
	Review and Approval: MOEF and government of Korea conduct thorough preliminary review. Upon approval, MOEF notifies the partner country's coordinating institution
2. Preparation	Preliminary meeting: Partner country and implementing agency specify research topics and activity scope
	Procurement and legal arrangements: Implementing agency selects KSP Consultants through an open, transparent and competitive process
3. Implementation	Launching seminar and high-level meeting: Interested parties specify research questions and work plan
	Policy seminar and in-depth study: KSP team conducts on-site due diligence at the project country
	Interim reporting and practitioner's workshop: KSP team shares research progress, and the partner country's delegation makes site visits to relevant Korean institutions
	Senior policy dialogue and final reporting: KSP team presents results, and interested parties discuss and review final recommendations
4. Ex-Post Monitoring	Project result monitoring and evaluation: Implementing agency conducts interviews and research to understand countries' usage of KSP results (outputs) and track their progress in meeting project goals

* See Appendix 2 for details of the implementation stage, and Appendix 3 for details of the partner country's responsibilities.

4.5. Cost

The Korean government covers project costs for ODA recipient countries defined by the OECD Development Assistance Committee (Appendix 4). The budget for a single KSP project ranges from 250,000 to 500,000 USD. The partner country may bear in-kind expenses such as costs associated with the meeting venue and travel expenses to Korea. Details are stipulated in the Memorandum of Understanding and/or Activity Agreement.

* MOEF does **not** provide direct financial support to the partner country.

Part II. Applying for the KSP

1. Writing the Proposal

Government institutions (ministries, agencies, etc.) that wish to apply for the KSP must complete the *project proposal* template (*Form 2*).

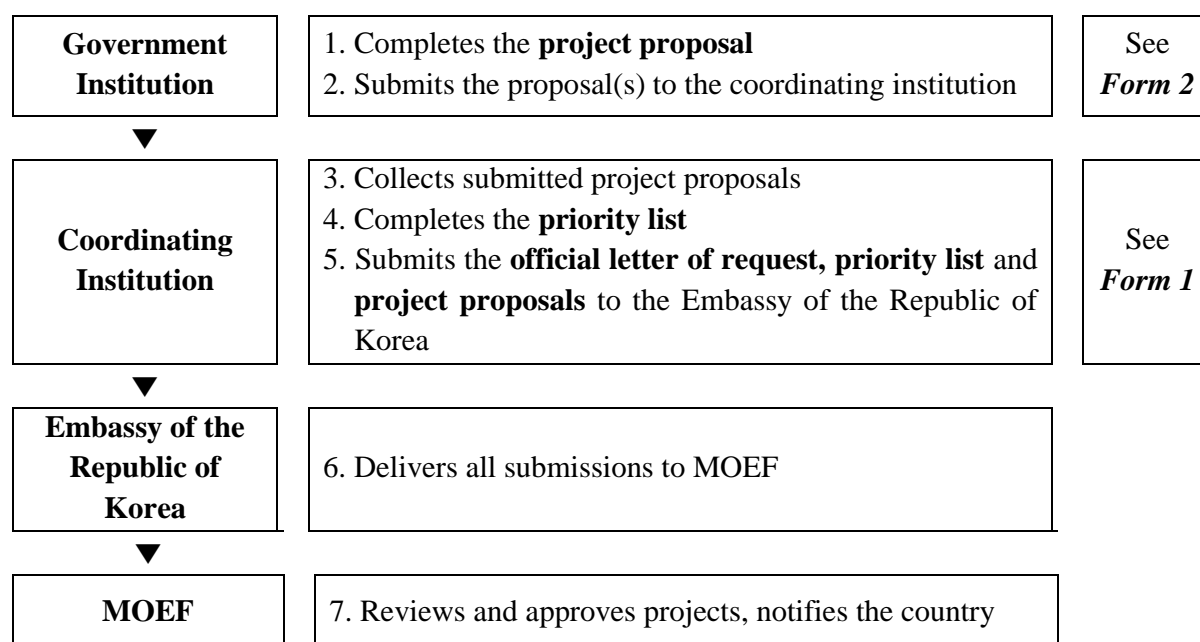
Throughout the proposal, it is important to ensure that the proposed project is

- consistent with KSP’s objectives¹
- aligns with the national development plans/strategies and priorities, pertinent to areas where Korea has comparative advantages
- complements and does not overlap with past and ongoing projects implemented by the country/development partners
- expressed in a clear and detailed manner (pay special attention when explaining project necessity, proposed intervention, and plans to build on the project’s results)

Examples of projects that are ineligible for approval include the following:

- projects submitted by a private organization
- projects that provide humanitarian aid
- projects that directly finance the construction of physical infrastructures or the purchase of software systems²
- projects that are commercial/for-profit
- projects in the fields of national defense, religion, peace and security

2. Submitting the Proposal



¹ KSP projects support policy and institutional development at the national and sub-national level, implementation of large-scale projects and adoption of software systems through pre-feasibility studies, and private sector development.

² A proposal designed to prepare the project country for applying to Korea’s development finance programs (EDCF, EDPF, Export Finance) and/or ODA programs (KOICA, etc.) is eligible to apply for KSP support.

(1) Government Institution → Coordinating Institution

A ministry or government-affiliated organization develops the *project proposal (Forms 2, 3, 4)* and delivers the document to the coordinating institution. *Proposals that are not submitted via the coordinating institution will not be reviewed by MOEF.*

* Required forms by project type: Standard KSP - *Form 2*; Fast-track KSP - *Forms 2 and 3*; Multiple-year KSP - *Forms 2 and 4*

** Coordinating institution: project country's institution responsible for ODA or economic/international cooperation with the Republic of Korea

(2) Coordinating Institution → Korean Embassy

The coordinating institution collects project proposals from government institutions and completes the *priority list (Form 1)*, considering the urgency and importance of the projects based on countries' policy priorities and national development plans.

Then, the coordinating institution sends an *official letter of request for KSP* support with the priority list and project proposals to the Embassy of the Republic of Korea. The proposal package must include all documents below for review by MOEF:

- (1) Official letter of request
- (2) Priority list
- (3) Project proposals sorted according to the priority list

If the coordinating institution wishes to make additional submissions, the proposal package must include (1) a new official letter of request, (2) an updated priority list and (3) additional project proposals. Project proposals that have been submitted do not have to be resubmitted.

(3) Korean Embassy → MOEF

The Korean embassy forwards all documents to MOEF.

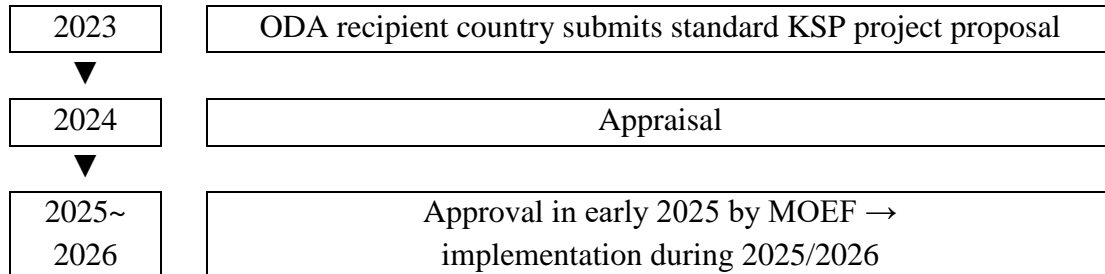
(4) MOEF → Korean Embassy, coordinating institution

MOEF reviews and approves projects in consideration of their expected impact as well as the program portfolio of the relevant cycle, Korea's national strategies, etc.

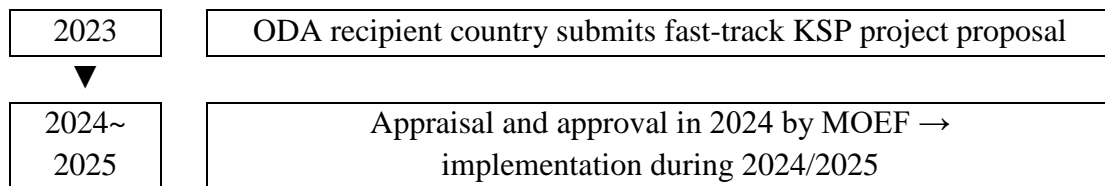
Then, MOEF notifies the coordinating institution of approved projects with an official letter by the first quarter of 2024.

3. Schedule

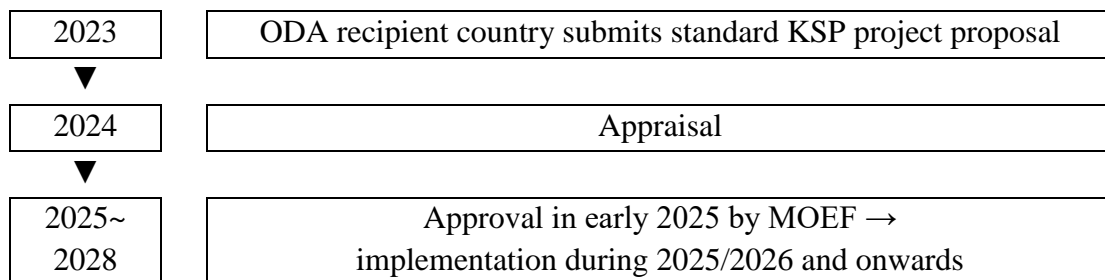
Standard KSP: ODA project proposals submitted in 2023 will undergo a thorough preliminary review by the Korean government in 2024. Approved projects will be implemented in the 2025/2026 cycle (launch in 2025, close in 2026).



Fast-track KSP: ODA project proposals submitted in 2023 and deemed highly urgent and important will undergo an accelerated appraisal and approval procedure to be implemented in the 2024/2025 cycle (launch in 2024, close in 2025).



Multiple-year KSP: ODA project proposals submitted in 2023 and deemed highly in need of continuous KSP support will undergo a thorough review in 2024 and be implemented for up to 3 project cycles - 2025/2026, 2026/2027, 2027/2028.



Appendix 1. Project Areas

Area	Example
Economic development planning	national economic development plan
Macro-financial policy	macro-economic and financial policy, monetary and credit policy, financial institution (banks, etc.)
Public finance	fiscal policy, budget, debt management, tax, public investment, public-private partnership (PPP)
Industrial policy	industrial restructuring, industrial growth and diversification, industrial parks and clusters
Trade and export promotion	trade and foreign direct investment (FDI), global value chain (GVC), free economic zones
Business and SME (small and medium enterprises) development	business enabling environment, large corporations, SMEs, start-ups, entrepreneurship, regulation policy
Science and technology, R&D, ICT	digital transformation, technology innovation, ICT-based systems, Big Data, intellectual property rights
Transport and urban development	transportation and mobility systems/services, urban planning and management, smart cities, geospatial services
Energy	energy and power policies, renewable energy
Water and sanitation	water resource management (drinking, wastewater), flood and drought risk management
Environment	climate change response, waste management, environmental protection, circular economy
Rural development	rural management (agriculture, fishery, etc.), rural economy and infrastructure
Health and medicine	disease control, health systems and policies, medical services, nutrition and food security
Social welfare	social safety net, social insurance and pensions, social inclusion, social protection delivery systems
Education and HR (human resource) development	education, technical & vocational education and training (TVET), human resource management (HRD)
Public administration	public sector management, e-government, state-owned enterprises (SOE)
Employment and labor	labor market institutions, job creation, job quality
Other (culture, tourism, etc.)	other public policies

Appendix 2. Implementation Stage

Sub-stage	Location	Activities
1. Preliminary Meeting	online, partner country	<ul style="list-style-type: none"> The implementing agency communicates with the partner country to identify project details (policy priorities, relevant stakeholders, communication channels) and specify project objectives, topics, work scope, desired outcomes Based on discussions, the implementing agency selects KSP Consultants, a team of Korean experts, to execute the project
2. Launching Seminar and High-level Meeting	partner country	<ul style="list-style-type: none"> The KSP team (implementing agency and KSP consultants) visits the partner country to launch the project and conduct on-site research High-level representatives of both sides discuss project direction based on policy priorities The KSP team selects local consultants with appropriate qualifications based on partner country's recommendation
3. Policy Seminar and In-depth Study	partner country	<ul style="list-style-type: none"> The KSP team visits relevant organizations and sites in the partner country to conduct in-depth analysis and expert discussions.
4. Interim Reporting and Practitioners' Workshop	Korea	<ul style="list-style-type: none"> KSP Consultants present interim recommendations to project stakeholders of both sides Project stakeholders of the partner country (government officials, etc.) participate in the Practitioner's Workshop (comprises site visits to relevant Korean organizations, expert seminars and meetings with Korean public/private entities)
5. Senior Policy Dialogue and Final Reporting	partner country	<ul style="list-style-type: none"> Government officials of both sides discuss final recommendations during the Senior Policy Dialogue KSP Consultants present final recommendations to project stakeholders from the government, private sector, academia, media, etc. Project stakeholders evaluate the relevancy and sustainability of the final recommendations and discuss plans to build on the project's results

Appendix 3. Responsibilities of Partner Country

1. Recommend qualified local consultants

The partner country is responsible for recommending qualified local consultants who have expertise in the project area. The scope of work is as follows:

- (1) conduct research on the country's background/status in the project context
- (2) partly draft the KSP report
- (3) cooperate with the Korean KSP team to execute the project

2. Provide in-kind contribution

The Korean government may ask the partner country to make in-kind contributions within available resources (e.g. provision of office space, interpretation, etc.) to coordinate the visits of Korean experts to the partner country during any stage of the project cycle.

Details are to be stipulated in the Memorandum of Understanding (MoU) and Activity Agreement between the two counterpart organizations.

3. Arrange meetings and organize seminars

The partner country is responsible for facilitating the execution of sub-stages that take place at the partner country:

- arrange meetings with senior government officials and experts specializing in the study's topic upon the request of the Korean experts; and
- organize seminars/workshops and provide logistical supports

4. Organize the delegation's visit

The partner country is responsible for composing its delegation to Korea for the Interim Reporting and Practitioners' Workshop.

Appendix 4. OECD DAC List of ODA Recipients

(<https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dac-list.htm>)

DAC List of ODA Recipients Effective for reporting on 2022 and 2023 flows			
LEAST DEVELOPED COUNTRIES	LOW INCOME COUNTRIES (per capita GNI <= \$1,045 in 2020)	LOWER MIDDLE INCOME COUNTRIES AND TERRITORIES (per capita GNI \$1,046-\$4,095 in 2020)	UPPER MIDDLE INCOME COUNTRIES AND TERRITORIES (per capita GNI \$4,096-\$12,695 in 2020)
Afghanistan (L) Angola (LM) Bangladesh (LM) Benin (LM) Bhutan ¹ (LM) Burkina Faso (L) Burundi (L) Cambodia (LM) Central African Republic (L) Chad (L) Comoros (LM) Democratic Republic of the Congo (L) Djibouti (LM) Eritrea (L) Ethiopia (L) Gambia (L) Guinea (L) Guinea-Bissau (L) Haiti (LM) Kiribati (LM) Lao People's Democratic Republic (LM) Lesotho (LM) Liberia (L) Madagascar (L) Malawi (L) Mali (L) Mauritania (LM) Mozambique (L) Myanmar (LM) Nepal (LM) Niger (L) Rwanda (L) Sao Tome and Principe ¹ (LM) Senegal (LM) Sierra Leone (L) Solomon Islands ¹ (LM) Somalia (L) South Sudan (L) Sudan (L) Tanzania (LM) Timor-Leste (LM) Togo (L) Tuvalu (LM) Uganda (L) Yemen (L) Zambia (LM)	Democratic People's Republic of Korea Syrian Arab Republic	Algeria Belize Bolivia Cabo Verde Cameroon Congo Côte d'Ivoire Egypt El Salvador Eswatini Ghana Honduras India Indonesia Iran Kenya Kyrgyzstan Micronesia Mongolia Morocco Nicaragua Nigeria Pakistan Papua New Guinea Philippines Samoa Sri Lanka Tajikistan Tokelau* Tunisia Ukraine Uzbekistan Vanuatu Viet Nam West Bank and Gaza Strip Zimbabwe	Albania Argentina Armenia Azerbaijan Belarus Bosnia and Herzegovina Botswana Brazil China (People's Republic of) Colombia Costa Rica Cuba Dominica Dominican Republic Ecuador Equatorial Guinea Fiji Gabon Georgia Grenada Guatemala Guyana Iraq Jamaica Jordan Kazakhstan Kosovo Lebanon Libya Malaysia Maldives Marshall Islands Mauritius Mexico Moldova Montenegro Montserrat* Namibia Nauru ² (H) Niue* North Macedonia Palau Panama Paraguay Peru Saint Helena* Saint Lucia Saint Vincent and the Grenadines Serbia South Africa Suriname Thailand Tonga Turkey Turkmenistan Venezuela ³ Wallis and Futuna*

(1) General Assembly resolution A/73/L.40/Rev.1 adopted on 13 December 2018 decided that Bhutan will graduate five years after the adoption of the resolution, i.e. on 13 December 2023, and that São Tomé and Príncipe and Solomon Islands will graduate six years after the adoption of the resolution, i.e. on 13 December 2024.

(2) Nauru exceeded the high-income threshold in 2019 and 2020. In accordance with the DAC rules for revision of this List, if it remains a high income country until 2022, it will be proposed for graduation from the List in the 2023 review.

(3) Venezuela has been temporarily unclassified by the World Bank in July 2021 pending release of revised national accounts statistics. Estimated placement on the List.

*Countries and territories not classified in World Bank income groups. Estimated placement on the List.

Note: L, LM, UM and H shown after country names refer to the latest World Bank income classifications of: LDCs and any high-income countries that have not yet met the criteria for graduation. For the World Bank's current 2021 fiscal year, low-income (L) economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of USD 1,045 or less in 2020; lower middle-income (LM) economies are those with a GNI per capita between USD 1,046 and USD 4,095; upper middle-income (UM) economies are those with a GNI per capita between USD 4,096 and USD 12,695; high-income (H) economies are those with a GNI per capita of USD 12,696 or more. The countries and territories within the classifications of 'Low Income Countries', 'Lower Middle Income Countries and Territories', and 'Upper Middle Income Countries and Territories' exclude those that are not LDCs.



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