

Millennium Development Goals

Progress Report

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Introduction

It was in September 2000 that the UN Millennium Summit adopted the UN Millennium Declaration, which reaffirmed the fundamental principles for development, peace, and human dignity. Thereby 189 nations committed themselves to the basic tenets guiding international relations in the 21st century: freedom from want, freedom from fear, freedom to live in dignity, and shared responsibility among states. In order to translate these values into action, the Declaration demanded revitalized consensus on broader, deeper and sustainable global cooperation among states. To this end, the UN has defined eight specific Millennium Development Goals (MDGs).

The Millennium Development Goals can be related to in a very tangible way so as to be understood easily by every citizen and promote general interest in achieving the goals: reducing poverty, sending children to school, creating a cleaner environment, providing better health care for mothers and infants, as well as promoting international cooperation to reduce poverty. The primary responsibility for achieving the first seven of the eight MDGs lies with the governments of developing countries, while Goal 8 implies that the industrialized countries have an obligation to establish a global partnership to assist developing nations in attaining the other seven goals. The gist of the MDGs includes the principle of pro-poor human-centered development focused on those people most in need and a sense of joint responsibility of the global community to reduce human poverty.

The MDGs differ from previous poverty reduction efforts in that they are expressed in a set of clear and time-bound numerical targets for reducing human poverty. The power of quantification leads to the possibility of ensuring common assessment, monitoring and comparison of the status of the MDGs at the global, regional and national levels. The UN Secretary-General reports annually to the General Assembly on the implementation of the Millennium Declaration, including progress towards the MDGs, with a more comprehensive report every five years. These reports support a dynamic campaign to help keep poverty issues at the heart of the global and national development agenda.

The issue of global poverty was raised at the World Summit for Social Development held in 1995 in Copenhagen, which was attended by the President of the Republic of Korea. And the adoption of the Millenium Development Goals in 2000 was followed by the International Conference on Financing for Development held in 2002 in Monterrey, and the Earth Summit 2002 for Sustainable Development held in Johannesburg. Moreover, the WTO New Round inaugurated in 2002 was renamed the Doha Development Agenda (DDA), during which trade negotiations and the issue of economic growth in developing nations came to be discussed as agenda items. This is an indication of the bolstering of international cooperation to attain the MDGs.

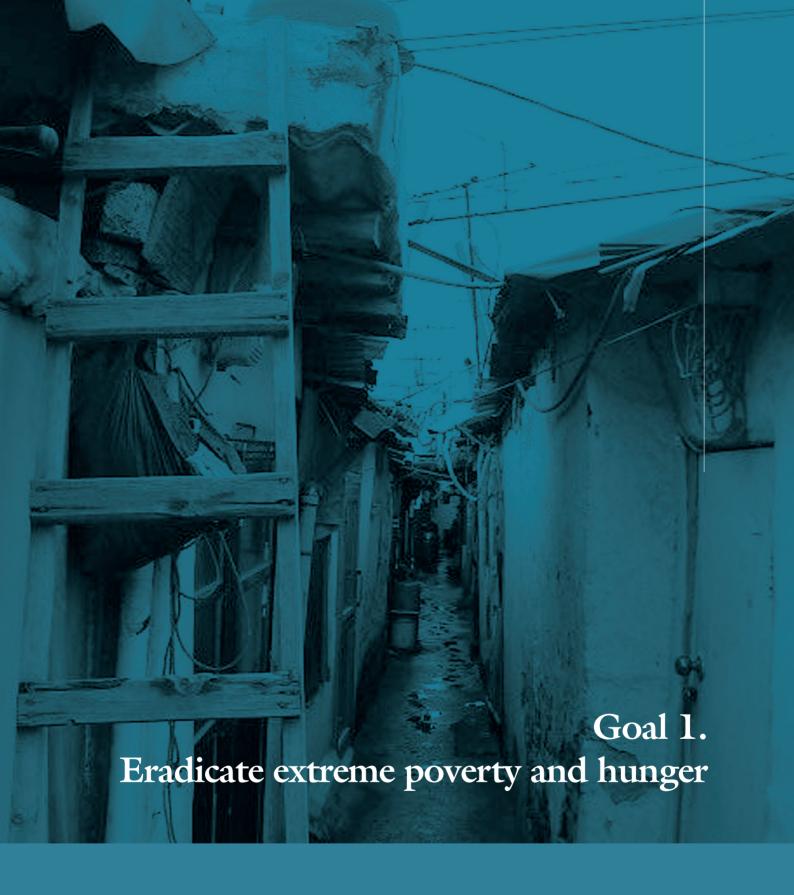
Four decades ago, Korea was in a similar situation to that facing the developing nations of today. It has now resolved the problem of absolute poverty and transformed itself from an

aid recipient to an emerging donor country. Korea succeeded in reducing poverty primarily through rapid economic growth which created abundant jobs for the low-income populace. Korea's experience shows that economic growth in tandem with job creation proved to be a prerequisite for reducing poverty. As the export-oriented Korean economy kept expanding, the demand for a skilled labor force increased. The Korean society placed high priority on education, which resulted in the raising of standards for human resources development. The level of educational achievements as well as investment in education and training in Korea exceeded not only those of other developing nations, but also the majority of advanced nations.

When rapid industrialization began to widen the disparity between the living standards of the rural and urban population in the early 1970s, the Korean government launched a massive development and investment project for rural areas under the banner of the 'Saemaeul (New Village) Movement'. It contributed to reducing the urban-rural gap and rectified the imbalance in industralization policies. Korea's experience represents a case in which rapid economic development went hand in hand with bold investment in human development and efforts for social integration, thereby effectively reducing absolute poverty.

Even in the aftermath of the Asian financial crisis in 1997, Korea stepped up the expansion of its productive welfare system in order to further develop the market economy and democracy at the same time. Korea represents an exceptional example of the vigorous pursuit of the expansion of the social safety net even under serious pressure from global capitalism. For Korea to achieve sustainable development in the era of globalization and the information and knowledge-based economy where interdependence among nations is a central focus, its people must be given greater opportunities to develop their potential creativity, and the fruits of economic growth must be fairly distributed. Moreover, it is important to realize that it is impossible to foster peace and sustainable development in a nation without global cooperation and harmony. This is the basic belief of the Korean government as regards the shared values of peace and development in the 21st century.

In this context, the Republic of Korea fully supports the spirit of the UN Millennium Declaration and the Millennium Development Goals. By sharing with the international community Korea's experience and lessons learned in economic, human and social development, particularly experiences and lessons as a recipient country, Korea will actively seek to participate in the efforts toward developing a global partnership for sustainable development and poverty reduction. This report is Korea's contribution to the international stocktaking exercise on the implementation of the Millennium Declaration. As regards the Millennium Development Goals 1 to 7, Korea has reviewed its own development experience and the level of attainment of the goals. For MDG 8, Korea's experience and challenges for developing a global partnership are reported from the perspective of an emerging donor country.



1. Eradicate extreme poverty and hunger

1.1 Drastic decline of population living in absolute poverty

Back in the early 1990s, it was reported that the proportion of people who subsist on less than US\$1 a day, which is the indicator used by the MDG (Millennium Development Goals) to identify the population living in extreme poverty, was under 2%. This report will examine the changes in the proportion of the population in absolute poverty, those living below the poverty line. The absolute poverty line used to identify the population living in absolute poverty applies the minimum cost of living published by the government. Until the mid-1960s, the majority of the Korean people lived in a state of absolute poverty, but the figure dropped to around 50% by the end of the 1970s, and to 10% by the end of the 1980s. Prior to the foreign currency crisis of 1998, that figure declined to 7.5%. However, following the 1998 foreign currency crisis, the absolute poverty rate rose again to the 10% level, then showed a slight downward trend in 2000. As of 2004, the figure remains at approximately 5%.

However, the relative poverty rate, which demonstrates the distributive structure of a society, displays a figure that makes it difficult conclude that the fruits of Korea's economic growth have been evenly distributed to all classes. With 50% of median income regarded as the poverty line, the relative poverty rate, which remained at the 10% level in the mid-1960s, has remained at a nearly similar level over the past four decades, although there were slight fluctuations each year. This contrasts with the trend that shows changes in the absolute poverty rate. Such data signifies that although economic growth has had a considerable effect in resolving absolute poverty, it has exercised minimal impact on resolving relative poverty, which reflects social inequality. Thus, distribution measures for resolving relative poverty and social inequality are called for.

The decline in the population living in absolute poverty is closely linked with the eradication of

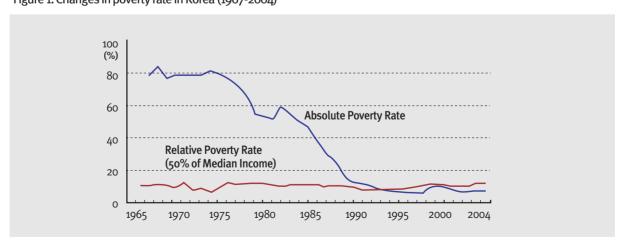


Figure 1. Changes in poverty rate in Korea (1967-2004) 1)

¹⁾ Until 1991, the population living in absolute poverty was measured by using the designation criteria for people needing the medical service implemented in 1991. After 1991, the population was measured based on the minimum cost of living as published by the government.

hunger. The prevalence of children under five years of age who are underweight, which is an indicator of a population suffering from hunger, is now estimated at under 4%. The proportion of the population whose consumption of energy and nutrients such as calcium, falling below 50% of the Recommended Dietary Allowances (RDA), due to a shortage of nutrient consumption remains at 1.38%: therefore, it is understood that the goal of eradicating hunger from the population, as required by the MDGs, has already been achieved. The level of nutrient consumption, however, differs according to income level. The lower the income levels, the higher the proportion of the population consuming less than 75% of the RDA for each nutrient. Among the lowincome class living under the minimum cost of living, 24% fall under this category.

1.2 Korea's experience - policy to reduce absolute poverty and alleviate income inequality

The poverty policy in Korea went through major changes in 2000 with the revision of the Livelihood Protection Act, which served as the framework of the public support system over the past half century, into the National Basic Livelihood Security Act. Under the Livelihood Protection Act, recipients were selected from among the vulnerable class who were unable to work, such as the elderly and the disabled, and were paid living expenses. This being the case, a large number of the low-income class who had difficulty maintaining their basic livelihood fell into a blind spot in terms of livelihood protection.

Although the concept of people subject to selfsupport protection existed, they were not paid livelihood expenses. However, the National Basic Livelihood Security Act implemented in October 1st, 2000, performs the role of an ultimate social safety net provided by the government to support those who are unable to provide for their own basic livelihood needs regardless of their ability to work. Recipients, who are selected solely based on their poverty status, are offered expenses necessary for livelihood, medical services, education, housing, and work opportunities. The wage levels are set to exceed the minimum cost of living as determined by the government. The Livelihood Protection System of the past took the form of protection by the government, while the National Basic Livelihood Security System emphasizes the rights of the recipients. The minimum cost of living standard is determined by scientific measurements that reflect the improvements in living standards of the people, following the calculated results of the minimum cost of living implemented in accordance with the National Basic Livelihood Protection Act. In 2005, the minimum cost of living increased 8.9%, on average, and the cost for a four-person household was determined at 1.136 million won per month.

The most distinctive difference between the livelihood protection system of the past and the current national basic livelihood security system lies in the self-support project, which is implemented by systematizing diverse programs to offer opportunities for self-support to the low-income class who have the ability to work. While emphasizing the

Table 1. Recipient of livelihood protection and national basic livelihood security

(unit: thousand persons)

						(unit: tho	usana persons)
Year	1982	I 1985	l 1990	l 1995	1998 ²⁾	2000	2004
Total recipients*	3420	2273	2256	1755	1485	1488	1425
Recipients of livelihood protection	334	345	421	385	687	1488	1425
Livelihood protection rate (%)	9.8	15.2	18.6	21.9	46.3	100.0	100.0

^{*:} Includes recipients of livelihood protection and self-support protection

²⁾ Includes additional support for 310 thousand recipients of temporary livelihood protection implemented to overcome the foreign currency crisis of 1998.

concept of "workfare" that has spread throughout the world since the 1990s, those with working ability are offered vocational training and workplaces under the system, and the focus is placed on strengthening social protection for the working poor through work. According to the Ministry of Health and Welfare, some 57,990 persons are taking part in the self-support programs as of the end of 2004. These self-support programs, in liaison with the social programs, offer jobs to women, the longterm unemployed, etc., and at the same time, fulfill the role of expanding social services for the general public. As a result, in 2004, a total of 17.8 billion won in revenue was received by 2,013 support organizations including self-support guardianship organizations.

The provision of basic livelihood and medical expenses through official support from the government also greatly contributed to resolving absolute poverty and eradicating hunger. The enactment of various policies for children in poverty enabled the sound physical and mental develop-ment of children from low-income families, assisted their growth into responsible members of society, promoted the education and welfare of the marginalized class, and provided equal educational opportunities through support for basic livelihood expenses, additional support for schooling expenses, support for house-

holds headed by adolescents, and lunch money assistance to students from low-income households. In particular, lunch assistance supported students from low-income families that lacked the financial ability to pay school lunch money. During the 180 school days in 2004, a total of 305,112 students received lunch subsidies. These are part of the government's efforts to reduce the number of children living in poverty by subsidising tuition fees for children in low-income households whose income exceeds the minimum living expenses but does not reach 120%; to increase child support for households run by single parents; and to assist in educational expenses for the needy, including even the middle class. Such efforts by the government to reduce poverty are clearly demonstrated through changes in the expenditure level for social welfare. The expenditure on welfare, which accounted for 4.3% of the GDP in 1990, increased to approximately 48 trillion won in 2001, accounting for 8.7% of the GDP. In 2004, the figure is projected to rise to approximately 10.3%.

Despite the fact that in its poverty policy, Korea has made continuous efforts to establish the basic framework for social safety nets and expand the scope and level of recipients, multiple blind spots still exist in welfare policy. The strict selection of recipients of the national basic livelihood security

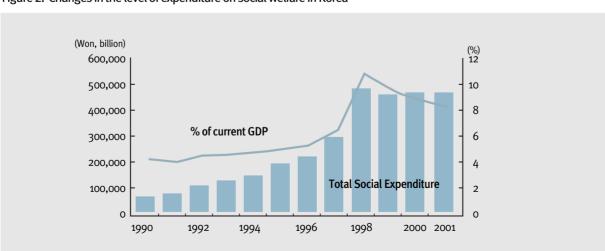


Figure 2. Changes in the level of expenditure on social welfare in Korea 33

system, which is based on the private property owned by the recipient as well as the existence of family members with an obligation to support, has produced classes that are not eligible for support despite the fact that they have virtually no income. Also, the amount of support, which includes medical, educational and housing expenses, is insufficient. Although social welfare expenditure has increased more than twofold over the past decade, it still remains at an unsatisfactory level compared to other advanced nations when their GDP stood at US\$10,000.4) Income redistribution through taxes and the social security system is also unsatisfactory. While the improvement effect of income inequality based on the Gini Coefficient of the tax and social security system of OECD reaches 41.6% on average, Korea recorded a mere 4.5% effect⁵⁾ in 2000. As a result, there is an urgent need for income redistribution policy through the tax system.

1.3 Korea's challenge - broadening the horizon of poverty policy

Poverty is absolutely relative. Although we can measure in figures the reduction of the population living in poverty and hunger, we still have impoverished neighbors. The eradication of poverty will be further accelerated when the government implements a more active distribution policy and national consensus is reached accordingly. To this end, Korea plans to launch a massive overhaul of its overall social safety net, including the reduction of blind spots through improved designation criteria for recipients of the basic livelihood security system, expansion of medical support for those at risk of poverty who have an urgent need for medical services, as well as the expansion of additional support for the vulnerable groups with special

needs, such as households with disabled persons. Furthermore, through policies dedicated to creating social workplaces and promoting work welfare, Korea will continue to exert efforts to create continuous, stable, and decent jobs.

The issue of poverty in Korea is focused not only on the existing vulnerable groups such as of the elderly, children and long-term unemployed, but also on the expansion of the working poor who remain poor even while working. Changes in the nature of poverty require changes in poverty policies. Active policies are required for the working poor who have the ability and will to work, but who are unable to escape poverty even while working due to frequent job losses and low income. To this end, the support system will be maintained, jobs in the public sector where working conditions are favorable will gradually be expanded to create both employment and profits, and measures will be sought to create stable jobs in society. As part of the policy to support start-up businesses among the low-income class, the Korean government will introduce the Microcredit system for supporting business incubation for the lowincome bracket through a Social Solidarity Bank. Also, Korea will promote the introduction of the Earned Income Tax Credit (EITC), which is a tax policy providing a means to escape from poverty through work while attracting people to work. Korea plans to actively introduce changes to the welfare policy that guarantee income, which leads to the avoidance of work and aggravates financial burden. The introduction of an EITC that meets Korea's unique circumstances will lead to increased wages when workers work harder. It will greatly contribute to the laying of foundations for escaping poverty by instilling the working poor with the desire to work and become self-supportive.

⁴⁾ The social welfare expenditures of each nation at the point of reaching \$10,000 in GDP: Korea (2001) 8.7%, US (1978) 13.49%, Japan (1984) 23.96%, Germany (1979) 22.52% (OECD Social Expenditure Data 2004)

⁵⁾ The Gini Coefficient based on market income in 2002 in Korea was 0.374, and the Gini Coefficient based on disposable income was 0.358. The improvement effect on income inequality was merely 4,5%.



Goal 2. Achieve universal primary education

2. Achieve universal primary education

2.1 High enrollment rate in primary education

The Korean people have traditionally shown great zeal for education. Under Japanese colonial rule (1910-1945), however, education was subject to control, and educational opportunities were not properly expanded. Following the liberation of Korea from the Japanese in 1945, the enthusiasm of the Korean people for education led to an increase in the primary school enrollment rate. In 1948, at the time when the provisional government of Korea was established, Korea's primary education enrollment rate reached 74.8%. Following the outbreak of the Korean War in 1950, the figure fell to 69.8% in 1951.

The enrollment rate in primary education rose rapidly once again following the Korean War as the government implemented a policy for the expansion of mandatory education. In 1959, Korea's enrollment rate in primary education stood at 96.4%. As an after-effect of the post-war baby boom, the school-age population increased rapidly and the enrollment rate in primary education fell slightly. In the 1970s, the enrollment rate continued to rise, and from the mid-1970s to today, it has continued to show a complete enrollment rate hovering at 97%.

Not only the enrollment rate but also the completion rates in primary education are high in Korea. The proportion of students starting Grade 1 in 2000

who reached Grade 5 in 2004 is 98.9%, and the proportion of students who completed six years of primary education is 98.6%, demonstrating a very low dropout rate.

2.2 Educational fervor and policy on expanding educational opportunities

Korea's high enrollment rate in primary education is attributed to the educational fervor of the Korean people as well as the government's active policy of expanding educational opportunities. In 1954, the Korean government launched the "Five-year plan for fulfilling compulsory education", and in 1959 achieved a 96.4% enrollment rate in primary education. The level of complete enrollment has been maintained since then.

The policy of compulsory education for primary schools promoted by the Korean government in the past focused on the establishment of schools and classrooms to accommodate the rapid increase in student numbers and recruitment of the teaching staff. In order to accommodate the rapidly increasing number of students, schools in urban areas were forced to implement a double-shift classroom system and branch schools were established in rural areas.

The growth in student numbers has slowed down since, and with the implementation of a policy to improve educational conditions, gradual improvements in conditions such as the number of students

Table 1. Korea's enrollment rate for primary education

year	1948	1954	1959	1970	1980	1990	2000	2004
enrollment rate	74.8	69.8	96.4	92.0	97.7	100.5	97.2	97.7

Note: For enrollment exceeding 100%, students entering school early or late have been included, leading to a higher number of students than the school-age population.

Table 2. Proportion of students starting grade 1 who reach grade 5 and the net enrollment ratio in primary education

Indicators	Category Number of students		completion rate	Dropout rate	
Proportion of students starting	number of grade 1 students in 2000	699,032			
grade 1 who reach grade 5	number of grade 5 students in 2004		98.9%	1.1%	
Proportion of students completing	number of grade 1 students in 1999	713,500			
the primary education (six years)	number of grade 6 students in 2004	703,702	98.6%	1.4%	

Note: The dropout rate is estimated to be attributed to studying abroad, disease, death, etc.

per class and teacher-student ratio have been made. In the 1950s, compulsory primary school education was promoted and today, compulsory education applies to the middle schools as well. As a result of such policies to expand educational opportunities, the enrollment rate at not only the primary but also the secondary school level stands at a near-complete enrollment closing in on 100%.

The dropout rate among primary school students in Korea is very low compared to that of advanced countries, and so the completion rate is very high. The small number of drop outs in primary schools are believed to be attributed to students studying abroad or personal ailments. Inferring from the fact that the enrollment rate of students in primary and secondary schools, as well as the overall academic achievements of students, is extremely high, and that the achievement gap between the highest and lowest-achieving students is small, the literacy rate is also believed to be high in Korea. This is attributed to the Korean people's enthusiasm for education and the implementation of compulsory education for primary and middle schools.

Such a phenomenon is also supported by the results of the OECD PISA Study. In the 2003 PISA assessment, Korean students ranked first in problemsolving ability, second in reading, third in mathematics, and fourth in science. There was also a relatively small achievement gap between the upper and lower-achieving students.

2.3 Promotion of educational welfare policy

Korea has achieved high enrollment and completion rates in primary education and has surpassed the goal of universal primary education. The task for the future is to improve educational conditions in the primary schools, reinforce the qualitative standard of education, and lessen the educational gap among geographic regions and socioeconomic status. In this regard, the Korean government introduced a policy to improve educational conditions in 2002, which drastically reduced the number of students per class on the primary and secondary levels. The government plans to continue to implement such policies to improve overall educational conditions in the future.

With regard to improvements in the quality of education, Korea is enacting policy aimed at improving the basic scholastic ability of students at primary and secondary levels. To enable all students at the primary and middle levels to have basic scholastic ability, the Korean government has strengthened the system that assigns schools the responsibility for providing guidance on basic scholastic ability. To this end, the government is reinforcing administrative and financial support to educate students who lag behind in basic scholastic education. To empower schools with a comprehensive guidance system, Korea plans to actively implement measures to strengthen their autonomy and accountability.

Primary education in Korea has reached the complete enrollment stage and the completion rate of primary schools is also extremely high. However, a small number of children living in extreme poverty or the children of foreign workers, a group that continues to grow, may have difficulty receiving compulsory education, and measures are being taken to accommodate them. Also, policies are being implemented to provide free lunches to children from low-income families and to support them with other living expenditures. Recently, a "priority zone for edu-

cational welfare investment" has been designated with the objective of improving the educational welfare standards of children in low-income communities in urban areas. Students in the corresponding schools are offered diverse educational, cultural and welfare benefits. To alleviate the educational gap among regions and socioeconomic status, the Korean government plans to further expand and implement this policy, placing priority on educational welfare investment.



Goal 3.

Promote gender equality and empower women

3. Promote gender equality and empower women

3.1 Changes in gender equality policies in Korea

In Korea, the foundation for policies to promote gender equality and empowerment of women was laid in the 1970s by providing broader educational opportunities for women. Following a preparatory stage in the 1980s, the development of women's opportunities went into full swing in the 1990s. While policies prior to the 1980s centered on welfare policies for women from marginalized sectors in need of protection, policies thereafter began to address women from all walks of society, helping to realize gender equality in the true sense through systematic policies implemented on a national scale.

Policies introduced by the government in the 1990s to ensure gender equality and empower women have made great strides. The Beijing World Conference on Women in 1995 was the driving force behind the Basic Law for the Advancement of Women, which established the responsibilities of the central and local governments to promote women's rights and gender equality. The Basic Plans for Policies for Women are established every five years to promote the empowerment of women in all areas and to develop and enact policies for their participation in society. The first round was approved in 1997 to give impetus to policies for women, while the second round in 2003 focused on gender-mainstreaming across all government policies.

3.2 Current status and assessment

Educational Opportunities and Human Resource Development for Women Opportunities for women to develop their potential were enlarged earlier on, as evidenced through the high-school enrollment ratio of 95%. As of 2004, gender disparity hardly existed in terms of educational opportunity up to the secondary school level. In the case of higher education, however, a small disparity exists between genders in terms of college enrollment (61.7% for males, 57.6% for females), which requires resolution. This gap is expected to disappear by 2015, the target year for achieving the Millennium Development Goals (MDGs), due to a high interest in education, decrease in the number of children per household, and growth in college enrollment among women.

Since the secondary education enrollment rate exceeds 95%, most Koreans between the ages of 15 and 24 can be considered literate. Among those aged 25 or older, 30.4% of women and 15.1% of men have received primary school education or less (Korea National Statistical Office, Population and Housing Census Report 2001), leading to speculations that a certain proportion of adults is illiterate. Accurate statistics on this matter, however, do not exist. Education is provided for the illiterate through continuing education facilities in local areas. Continuing education should include not only courses for the illiterate but also basic education to enhance information and computer literacy, which is required in the information society.

While school-based educational opportunities for women have been on the increase, the opportunities for lifelong education that can prepare women for the knowledge-based society remain far out of reach. Such a situation is largely attributed to women's lack of job experiences, low ranks in the workplace, and the high proportion of contract employment among women, which lead to discrimination in gaining access to educational opportunity. There is a great need for stronger support for the education and training of marginalized groups.

Increasing Women's Participation in the Economy and Achieving Equal Employment

The proportion of the female workforce in areas other than agriculture has remained at 40% since the late 1990s, and stood at 41% as of 2004. The total ratio of economic participation among women, including those in the agriculture sector, is 49.8% as of 2004, which is 25% less than that among males which marks 74.8%. Such a figure is significantly low compared to the average ratio of 61.3% among OECD nations. Despite efforts by the Korean government to raise the ratio of women's participation in economic activities, the figure rose by meager 1.4% over the past decade (48.4% in 1995, 49.8% in 2004). Departure from the labor force among married women with children has brought about a discontinuance of work experience among women. The low ratio of college-educated women in the workforce is another challenge that must be overcome in the Korean society.

Women still occupy lower ranks in the workplace compared to their male counterparts, resulting in a wage gap. Most female workers work for small businesses with fewer than 10 employees. The high ratio of contract workers among women is another reason for inequality in the workplace. Despite the laws prohibiting discrimination and the government's supervision, discriminatory practices still remain in the labor market. Lack of support measures for female workers, who must also care for the family, and insufficient child-care support policies are also reasons behind slow progress.

The Child-Care Leave System, which came into effect in 1987, was expanded to include male workers through amendments in 2001 and 2002. Workers on leave through this system receive a

monthly payment of 400,000 won. Furthermore, legal maternity leave has been increased from 60 days to 90 days. Lost wages for the expanded 30 days are covered by employment insurance as part of the social cost of protecting maternity. Plans are under way to encourage male workers to take child-care leave in order to spread the awareness that child rearing is a responsibility that both parents should assume.

Gender Empowerment Measures and Affirmative Action

Compared to the wide window of opportunity for women to develop their competence, the Korean society has failed to take full advantage of such highquality human resources. Women's participation in government offices and in the decision-making processes regarding major policies is especially weak. The 2003 UNDP report on Gender Empowerment Measure (GEM) ranks Korea 63rd among 70 nations. The proportion of congress women in the National Assembly, one of the MDG indicators, stands at a mere 5.9% in 2000 in the 16th National Assembly. Realizing that a linear approach to simply correct the discrimination is insufficient to expand participation among women in society, the government has introduced affirmative action in key sectors of society to expedite gender equality.

The introduction of a Quota System for Women in the Government Employee Exam, which was temporarily in effect from 1996 to 2002, was to recruit women into high-ranking public posts. The quota target was initially set at 10% in 1996 and was raised to 20% in 1999 to reach a maximum ratio of 30% in 2002 for each rank. The impact of the measure was highly successful in that it aroused great interest among women in entering public office. The percentage of women among those passing the exam rose from 26.5% in 1996 to 42.8% in 2002. The system raised the number of successful female candidates from 19 to 83 during the same period, contributing significantly to the advancement of women in public offices.

A turning point for the advancement of women in the political sector came with the amendment of the Political Party Act in March 2004. The new law requires a political party to have 50% or more of its nominated candidates to be females in the proportional representation system, and to include one female candidate for every two males in the party registration book. It is also recommended that 30% of the slots for local candidates running for office be allotted to women. As a result, women accounted for 13.3% (40 out of 299) of the seats in the 17th National Assembly as of 2004, a significant improvement from 5.9% (16 out of 283) in the 16th National Assembly. Despite such growth, the figure still lags far behind the 30% recommended by the UN and is still short of the international average of 15%, leaving much room for improvement.

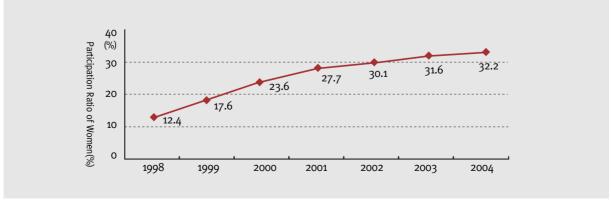
Along with these efforts, the government has actively enlisted the participation of female members of government committees in the national policy decision-making process. As of 2004, 32.2% of the members of committees in the central and local government were women, a dramatic increase compared to the 11.1% in 1998. Plans are under way to increase the ratio to 40% by 2007 by further encouraging active participation from women committee members.

3.3 Future Goals - Toward gender equality in the true sense

Korean women are highly qualified human resources. The challenge that lies ahead for the government is to utilize such high-quality resources for the growth and economic development of the society and to create a society that advocates gender equality in real terms. Ongoing efforts to raise awareness of the need for gender equality among members of society must take place, in addition to a systematic overhaul.

To prepare for the knowledge-based society, the government needs to shift the focus of its policy for advancing women's capabilities from quantitative growth to qualitative growth. The government set forth the Basic Plans for National Human Resources Development in 2001, and established the Act on Education and Support for Women in the Fields of Science and Technology in 2002. According to the plan, the government has set out tasks for raising the efficiency of human resource development programs for women, and monitored successes and identified areas needing improvement on an ongoing basis. Strategies are being shaped to create and expand employment opportunities for women in the public sector and to offer diverse vocational training opportunities so that women can develop skills.





Along with that, the Equal Employment Program has been implemented since 2004 to utilize the untapped female workforce. As the first step, 101 public enterprises and government-funded institutions with relatively small numbers of women were selected to set plans for equal employment, and submit reports on their progress and results. The government, in turn, assesses the progress made in these plans and offers administrative and financial incentives to those offices showing satisfactory performance. The goal of this program is to increase the proportion of women in all public enterprises and institutions from 26% in 2003 to 36.4%, the average in the private sector, and to expand the proportion of women in higher positions.

To encourage women to participate in economic activities, full-scale support must be provided so that women can balance work with managing the home. One such measure is the enactment of child-care policies. National and public child-care facilities will continue to increase in number every year, so that the proportion of national and public child-care facilities will grow from 5.3% of all child-care facilities as of 2004 to 10% by 2008. Support patterns of the past that focused mainly on facilities will shift toward children, and financial assistance for child care to low-income households and the handicapped will be expanded. In particular, since 2004, the government has expanded the foundation for public child-care services by offering free

assistance to 5-year-old children. The proportion of children receiving child-care support is projected to grow from 30% in 2004 to 70% by 2008. Such measures aim at alleviating the child-rearing burden of women and raising awareness and a sense of responsibility throughout society.

In terms of expanding women's rights, there is much room for improvement in Korea, particularly with regard to women's participation in politics. There is a great need for policies to induce the participation of women, beginning from the level of local governments. Online networking among women representatives at the local government level, leadership programs for female college students, and internship programs at both the National Assembly and local government assemblies are examples of ways to expand the base for political participation among women. In that regard, the Amendment of the Law on Political Funds in January 2005 was designed to enable all political parties to push ahead with projects related to the political advancement of women.

A gender impact assessment of key policies will be conducted by the government to eliminate any gender-discriminatory elements in policies and to raise the satisfaction level of both male and female beneficiaries of policies, thereby expediting the arrival of a gender-equal society.



Goal 4. Reduce child mortality

4. Reduce child mortality

4.1 Steady decrease in child mortality (U5MR)

The under-5 Mortality Rate (U5MR) can be categorized into the infant mortality rate for infants less than a year old and the child mortality rate for young children between the ages of 1 and 4. Korea's infant mortality rate in 1990 was 12.8 per 1,000 live births, 9.9 in 1993, 7.7 in 1996 and 6.2 in 1999, which demonstrates a decrease of more than 50%. The 2002 figure is currently being determined, and the results are expected by the end of 2005. Meanwhile, the child mortality rate for 1990 numbered 102.4 per 100,000 children, declining to 45.8 in 1999, and 34.2 in 2003, a 67% drop. Official data for the probability of child cohort death before the fifth birthday is currently unavailable. Based on the mortality rate for each age group, however, the U5MR in 1993 was estimated to be 10.7 deaths per 1,000 births and 6.7 in 1999, a 38% decrease.

Measles vaccination is scheduled to be given between 12 and 15 months of age when there is no epidemic. The rate of measles vaccination administered on schedule was 72% in 1993. During the measles epidemic between late 2000 and early 2001, a mass immunization was conducted for children below the 10th grade. The measles vaccination rate as of 2005 stands at 98%.

4.2 Socioeconomic development and improved health services lower U5MR

According to UNICEF's State of the World's Children Report 2005, the U5MR in Korea dropped by 44% from 1990 to 2003, from 9 to 5. The figure, however, seems lower than the actual

case, because parents are required to report births or deaths within one month of the incident. In the case of neonatal deaths, which account for almost 60% of the cases, most parents neither report births nor deaths, lowering the infant mortality rate based on the birth and death registrations of the Korea National Statistical Office.

Through recent efforts of the government reporting practices on infant mortality have improved, allowing for accurate assessment. The infant mortality rate, which was 4.64 in 1999, increased to 5.27 in 2001, 5.07 in 2002, and 5.25 in 2003, approximating reality. Therefore the figure in UNICEF's State of the World's Children Report 2005, which reports the infant mortality rate of Korea in 2003 as 5, seems to be a slight underestimation. Factors behind the continuous decline in the infant mortality rate in Korea include higher living standards stemming from economic growth, better nutrition for children, improved medical services, and universal health insurance. Improvements in access to medical services have contributed to a near 100% rate of safe deliveries and a high basic child immunization rate. Offering free basic medical services to low-income families receiving financial assistance from the government also contributed to lowering the lowered infant mortality rate. The major causes of infant death are morbidity related to low birth weight and congenital abnormalities: these account for about 60% of infant deaths. The causes of death for children between age 1 and 4, based on 2003 statistics, are accidents (48%), neoplasm (13%), and congenital abnormalities (12%). To lower the child mortality rate, it is imperative that the incidence of low birth weight be reduced and that measures be sought to prevent accidents among children. And for preventing

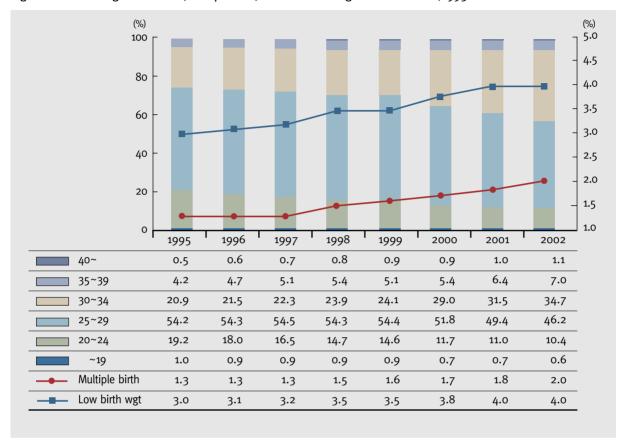


Figure 1. Maternal age distribution, multiple birth, and low birth-weight incidence rates, 1995~2002

neonatal death and disability, it is important to care properly for high-risk newborns including infants with low birth weight.

Due to the increase of college enrollment rate and employment rate among women since the 1980s, the age of first marriage among women was pushed up from 25.4 in 1994 to 27.5 in 2004. As a result, the maternal age at delivery has risen, and the proportion of mothers between the age of 20 and 29 dropped from 73% in 1995 to 57% in 2002. On the other hand, those in their 30s rose from 26% to 43%. Delayed marriage, environmental pollution and other factors have increased infertility and prompted the use of assistive reproductive techniques which have increased the proportion of multiple births. Higher maternal age at delivery and the rise in multiple births are the chief causes of the increasing incidence of low birth weight, from 3.2% in 1995 to 4% in 2002 (see Figure 1).

In the wake of the measles epidemic in 2000, all children enrolled in elementary schools are required to obtain booster immunization against measles. As a result, the immunization rate since 2002 has reached 99.5%, and the eradication of measles will soon be achieved.

4.3 Efforts to further improve children's health

The first step would be to involve improving the reporting system for the birth and death of young children in order to obtain accurate statistics on infant and child mortality rates. A management system led by specialists in cases of high-risk pregnancy is being planned, and will reduce the incidence of infants with low birth weights resulting from high maternal age at the time of delivery. Maternal and child health handbooks will be distributed to ensure the systematic management of

health-care services, including childhood immunization, through collaborative efforts between public health-care facilities and private medical service providers.

Not a single case of polio has been reported since 1984, and as a result poliomyelitis was declared eradicated in 2000. A pilot project is now in progress to provide free polio immunization to raise the basic immunization coverage rate to 95%. Such government action is an attempt to eradicate infectious diseases such as measles and fend off epidemic outbreaks of other infectious diseases.

To encourage breast-feeding, the government fully

supports the Baby-Friendly Hospital Initiative (BFHI) launched by UNICEF along with promotional campaigns, counseling, and educational programs. Medical check-ups for pregnant women and young children from low-income families will be expanded to include screening for congenital metabolic disorders, medical expense support for premature infants and other health care services for infants and young children.

The year 2003 was designated as the Child Safety Year to campaign against accidents, including traffic accidents, to protect the health and lives of young children. As part of such efforts, the government has initiated a Comprehensive Plan for Child Safety.



Goal 5. Improve maternal health

5. Improve maternal health

5.1 Safe motherhood and low maternal mortality

According to a nationally sampled survey in 1985, the proportion of pregnant women who received prenatal care was 82%, the average number of prenatal care visits was 4, and the proportion of deliveries in a medical facility was 75%. In 1994, the figures went up to 99%, 10 visits, and 98.8%, respectively, while in 2000, the figures increased to 100%, 12 visits and 99.9%. In 2003, the proportion of pregnant women who received prenatal care was 99.8% (the rate during the first trimester was approximately 97%), the average number of prenatal care visits was 12.7, and the proportion of deliveries in a medical facility was 99.3%, thus achieving the world's highest level of safe delivery (Table 1). With the increase in deliveries at medical facilities, the proportion of Cesarean section deliveries jumped from 12% in 1988 to 32% in 1994, and to 40% in 2001. In 2003, it declined slightly to 39%.

The maternal mortality ratio in 1990 was estimated at 30 per 100,000 childbirths. However, in the national survey taken in 1995 and 1996, and in 1999 and 2000 on maternal mortality, mortality fell from 20 per 100,000 childbirths in 1995 to 15 in 2000.

5.2 Assessment

With an expansion in the provision of medical supplies, improvement in living standards, lower costs for delivery, and the introduction of medical insurance, the proportion of pregnant women who received prenatal care and deliveries in medical facilities increased sharply, leading to a significant decline in the maternal mortality rate. However, there is room for further improvement as the maternal mortality rate is still higher than that of the advanced nations, which stands at 5 per 100,000 childbirths.

In 2000, 82.5% of maternal mortality was attributed to direct causes, while indirect causes accounted for 17.5%. The three leading direct causes were post-partum hemorrhage, which accounted for 20%, amniotic embolisms accounting for 18%, and pregnancy-induced hypertension accounting for 12%. The maternal mortality rate was twice as high for pregnant women over the age of 30 as for those in their twenties. With the increase in childbirth by women in their 30s, there is possibility that the maternal mortality rate might increase, necessitating special measures.

Table 1. Maternal health indicators for selected years

Category Year	1985	l 1991	l 1994	1997	2000	2003
% Pregnant women who received prenatal care	82.4	94.4	99.2	99.6	100.0	99.8
Average number of prenatal care visits	4.1	-	10.0	-	12.3	12.7
% Deliveries at a medical facility	75.2	98.1	98.8	99.7	99.9	99.3
% Deliveries by Cesarean section	11.9('88)	17.3	31.5	33.9	37.7	39.2

Source: Korean National Health Survey of each year

5.3 Countermeasures against the drastically lowered birthrate

To reduce Cesarian section deliveries and to protect the health of pregnant mothers, the Korean government took measures so that the medical expenses of natural delivery are covered entirely by health insurance. Also, with the sharp decline in the birth rate and the progressively aging population, the Korean government enacted the "Basic Act on Low Births and Aging Society" in May 2005. This Act sets out the basic direction for the establishment of necessary measures by both central and local governments to promote the health of mothers and infants, as well as to respect the life of the fetus. In accordance with the law, the existing health-care projects for mothers and infants will be bolstered, new projects will be developed, all pregnant women will be provided with quality medical services and the maternal mortality rate will be reduced to the level of advanced nations.



Goal 6. Combat HIV/AIDS, malaria and other diseases

6. Combat HIV/AIDS, malaria and other diseases

6.1 Status and changes

The number of HIV/AIDS cases reported in Korea at the end of December 2004 was 3,153. Of this number, 613 persons have died, and as of now, 2,552 persons with HIV/AIDS are living. The HIV prevalence rate among Korea's adults (15-49 years) is below 0.1%, and the infection level, to date, is categorized as "very low". Since 2000, however, the number of persons newly infected with HIV/ AIDS has been rising. Meanwhile, the HIV prevalence rate among pregnant women in Korea in 2002 was 0.6 persons per 100,000 persons. Of the HIV/AIDS cases for which the route of infection was known, 98% were through sexual contact. In a study conducted in 1997 and again in 2003, the rate of usage of contraceptive among adults aged 19 to 60 was 76.2%, the percentage of condom use was 17-19%, and the percentage of the population with knowledge that condom use can prevent HIV/AIDS was 73.6%.

To prevent HIV/AIDS, and to treat and care for the infected, the Korean government enacted the AIDS Prevention Act in 1987 and has supported the medical treatment and care expenses for those infected with HIV/AIDS. It also operates a recuperation center for AIDS patients. The government renders active support to private organizations established to publicize HIV/AIDS prevention methods. For the establishment of policy on the prevention and control of HIV/AIDS, the Korea

Advisory Committee on HIV/AIDS has been established, joined by the government, civic organizations, and experts from academia.

The causative agent of malaria that breaks out in Korea is Plasmodium vivax, which has been endemic to the Korean Peninsula for centuries. It was eliminated in the mid-1980s, but re-emerged near the North Korean border in 1993. Since then, malaria has in-creased rapidly, with more than 4,000 cases reported in 2000. From 2001 on, the number of malaria cases was reduced to 800 in 2004. All of the individuals who contracted malaria in Korea were completely cured following antimalarial treatment, and there were no deaths from P. vivax infection.

According to the results of the Nationwide Tuberculosis Prevalence Survey carried out every five years since 1965, the prevalence of radiologically active tuberculosis and of bacteriologically confirmed tuberculosis has declined rapidly. According to statistics on reports of tuberculosis patients from 2002 to 2004, the incidence of new cases was 64.0-67.2 per 100,000 persons. According to death statistics from 2000 to 2003, the death rate associated with tuberculosis was 6.7-7.1 persons per every 100,000 persons.

Although Korea does not implement DOT(Directly Observed Treatment), our treatment program generally meets the five criteria of DOT. The WHO recognizes tuberculosis control in Korea's health-care centers as

Table 1. Nationwide Tuberculosis Prevalence Rate

Category Year	1965	1970	1975	1980	1985	1990	1995
Prevalence of radiologically active tuberculosis (%)	5.1	4.2	3.3	2.5	2.2	1.8	1.03
Positive rate of bacteriologically confirmed tuberculosis (%)	0.94	0.74	0.76	0.54	0.44	0.24	0.22

DOT, and the percent of treatment success at the health-care centers is reported to be over 80%.

6.2 Efforts and accomplishments in disease control

Since the initial stages of AIDS control, Korea has formulated basic policies for AIDS control including the enactment of laws, the inauguration of multisector consultative organizations (Korea Advisory Committee on HIV/AIDS), support for infected persons such as medical treatment and care, education for HIV prevention, support for private organizations, safety procedures in blood transfusions and blood products, etc.

Thanks to these efforts, the AIDS rate in Korea is at a low level, but taking into consideration the experiences of other countries and the recent upward trend in the disease, there is a need to purposefully expand HIV/AIDS prevention programs for both the general population and high-risk groups.

The cases of P. vivax malaria since 1993 have been occurring in areas bordering the Military Demarcation Line separating South Korea from North Korea. Taking into account the incidence of malaria in North Korea, it is believed that the occurrences of malaria in South and North Korea are interdependent.

Focusing on the malaria risk areas, the Korean government is exerting efforts to detect patients at an early stage of infection and provide treatment. It is also enforcing prophylactic therapy as well as mosquito control in certain high-risk areas. Korea is also supporting the malaria control project in North Korea through WHO, and it has been reported that the malaria situation in North Korea is improving.

Korea first implemented a nationwide tuberculosis control program in the 1960s. By 1995, the prevalence of tuberculosis had fallen to one-fifth of the level of 1965. The recent prevalence and death rate

from tuberculosis is lower than the world average, but its prevalence is shown to be 12 times higher and the death rate 22 times higher than that of advanced nations. Given such a level of infection, there is the need to specify the goals of tuberculosis control, as well as to put in place an enhanced tuberculosis control program to reduce the incidence of tuberculosis and associated death rates.

6.3 Future Tasks and Challenges

In order to halt and reverse the spread of HIV/AIDS by 2015, the Korean government is pursuing the following preventive and control measures.

To prevent discrimination against persons with HIV/AIDS, the Korean government has established a legal and systematic foundation for, and continues to implement policies on behalf of, supporting treatment and care of those with HIV/AIDS. To provide wide-ranging services for AIDS prevention, the Korean government organizes programs for the distribution of free condoms, anonymous testing free of charge, as well as counseling. Korea also plans to establish a Voluntary Counseling and Testing service as well as professional counseling services at medical organizations for those with HIV/AIDS. Also, the Korean government plans to establish welfare centers that invite those with HIV/AIDS to become voluntarily involved in preventive services and promote their welfare.

To increase migrant workers' accessibility to information and education on HIV/AIDS and other health issues, the Korean government provides an "information service on HIV/AIDS for foreigners through the Internet and counseling centers." The Korean government has also set up HIV/AIDS prevention centers and is pushing forward with plans to support medical treatment and care expenses for foreigners with HIV/AIDS.

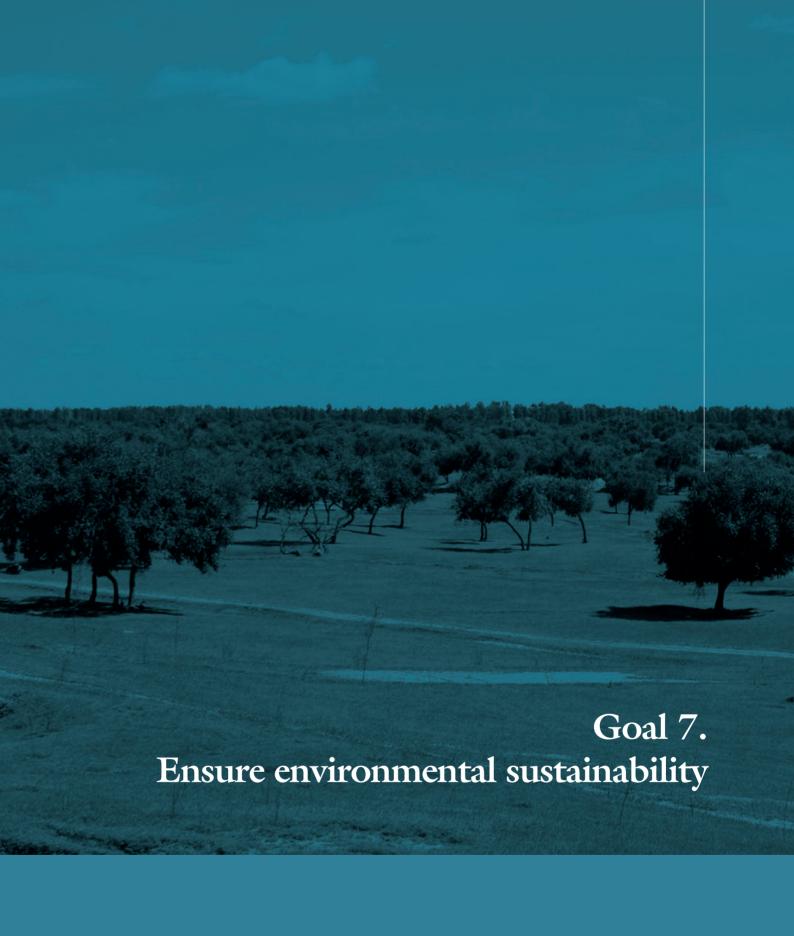
In order to curb the spread of HIV infection and to

reduce the infection rate in Korea, the government is supporting prevention awareness programs for high-risk groups as well as the general population.

Through the malaria control system that has already been established in Korea, such as early detection and treatment of malaria cases, mosquito control in malaria-risk areas, as well as education on and the prevention of malaria, Korea will be able to eliminate malaria in the near future.

Meanwhile, to reduce the incidence of tuberculosis

to the level of advanced nations by 2015, the Korean government plans to promote an enhanced tuberculosis control program based on accumulated accomplishments and experiences. Specific measures are as follows: 1. early detection of patients; 2. medical examination for those who have had contact with patients; and 3. maximizing the complete treatment of patients. In particular, the Korean government plans to reinforce laboratory testing for tuberculosis and increase the percentage of successful treatments through heightened cooperation with both private and public medical centers.



Goal 7. Ensure environmental sustainability

7.1 Korea's Experience - Aggravation of environmental pollution resulting from industrialization and urbanization

Korea has recorded remarkable economic growth since the 1960s due to development policies centered on industrialization. However, environmental assessment and the efficient use of resources were not properly considered in the process of implementing economic policies. Furthermore, there was a lack of investment in clean technology and production methods that could simultaneously reduce pollution and improve productivity.

Korea's development followed a path centered on efficient development and growth, rather than one which would lead to the establishment of a socio-economic system that could accurately identify and consider environmental values. As a consequence, Korea inevitably became burdened with an extremely vulnerable structure for preventing and reducing environmental pollution. At the same time, Korea pursued a resource management policy focused on supply, and rather than managing demand on resources and the environment in a systematic and rational manner, policies were formulated to accommodate supply based on need, thus failing to secure environmental sustainability.

Korea's environmental problems can be fundamentally attributed to industrial activities taking place in over populated areas lacking sufficient environmental capacities. Compared to other nations, Korea is burdened with an excessive amount of pollution compared to its environmental capacities. Of course, environmental capacity cannot be identified by the size of the land alone, but it is generally regarded as similar. Compared to other nations, Korea's land

conditions are far more vulnerable to environmental pollution.

Consequently, under the unfavorable environmental circumstances of having the world's highest population density relative to the size of farming areas, Korea's environmental problems have been aggravated by the concentration of population triggered by rapid industrialization and urbanization during the process of economic growth.

7.2 Status and assessment - Governmental efforts to secure a sustainable environment

Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Under the recognition that environmental problems triggered by industrialization could become a factor weakening national competitiveness, the government of the Republic of Korea, has been pursuing sustainable development since the 1990s.

Accordingly, the government was able to improve living conditions by reducing air pollution (sulfurous acid gas and dust) in metropolitan areas, reducing water pollution in the nation's four major rivers, as well as reducing domestic waste. Also, following improvements in the use of household fuels and the implementation of a volume-based waste collection system, the total amount of domestic waste has been reduced. Environmental policies were rein-forced, including the enactment of the Act on the Protection of the Baekdudaegan Mountain Range, expansion of the environmental impact assessment, measures to improve indoor air quality, and the introduction of environmental health policies.

Mountains and forests are important elements of sustainable development that serve multiple purposes: they offer timber and other forestry resources, help maintain biodiversity, reduce carbon dioxide, and provide flood control. However, there being strong pressures on land use owing to urbanization and industrialization, the percentage of land area covered by forests is expected to decrease over time in the Republic of Korea.

The government plans to expand mountain and forest preserves and designate large mountain areas, which greatly warrant preservation, as restricted development areas. Those altering the mountain terrain will be assessed for the necessary costs to build alternative forestry resources to compensate for the loss of forest land. The government plans to secure finances to generate new forestry resources as well as to promote understanding and consensus among concerned parties regarding the use of mountains and forests.

With regard to the ratio of land area protected to maintain biodiversity to the total surface area, Korea has joined the Convention on International Trade in Endangered Species of Wild Fauna and Flora and the Convention on Biological Diversity, and is actively taking part in UNESCO's Man and Biosphere (MAB) program as well as environmental cooperation projects among various regions and nations. In particular, the ratio of areas protected under the International Union for Conservation of Nature and Natural Resources (IUCN) increased from 6.9% to 17.6% between 1996 and 2004. In 2005, the Baekdudaegan mountain range will be newly designated as a conservation area.

Korea's biodiversity has shown gradual decline as a result of rapid economic development. To maintain genetic diversity, efforts must be made to prevent the extinction of wild fauna and flora.

Korea's energy intensity, the measured amount of energy usage compared to its GDP, increased until 1997. Though marking gradual improvements since 1998, the figure remains high compared to international levels. Korea's high energy intensity can be attributed to the significance of the manufacturing sector, which consumes large amounts of energy; especially the primary metals, ceramics, and petrochemical sectors take up a large proportion within the sector. To enhance the effi-ciency of energy use, the Korean government has established the "Three-year improvement plan for energy intensity" which is currently being enforced. The government plans to continue this project to expand the supply of new and renewable energy.

With regard to the ozone layer, the consumption of CFCs, the so-called greenhouse gases that destroy the ozone layer of the stratosphere, is showing a continuous downward trend thanks to efforts by the Korean government since joining the Montreal Protocol in 1992.

On the other hand, carbon dioxide emissions rose steadily since 1990, and declined temporarily in 1998 during the IMF-assisted era following the financial crisis that year. After 1998, emissions have once again been on the rise.

With regard to the proportion of the population using solid fuels, the demand for briquettes has fallen sharply since the mid-1990s with the expanded supply of city gas. Only 1% of all households, generally those in the low-income bracket, use briquettes. To protect low-income people, a price ceiling for coal and briquettes has been designated, with the balance above production cost being financed by the government. The market price of briquettes is therefore distorted. Accordingly, in order to recover the market function and adjust the demand for briquettes through revision of the distorted price system for briquettes, the government plans to gradually raise briquette prices to realistic levels and maintain the demand for briquettes at appropriate levels (under 1 million tons annually).

Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation

The rate of provision for water supply, an indicator that demonstrates the proportion of the population that can continuously use improved water resources in both urban and rural areas, continues to rise in Korea. As of 2003, 89.4% of the entire public, or 43.63 million persons, were supplied with potable tap water. However, wide-ranging regional disparities exist in the rate of water supply, standing at 98.5% for metropolitan cities, 97% for cities, but a mere 31.1% for agricultural and fishing villages. If the criteria for safe drinking water are set to include rainwater and underground water in addition to tap water, it can be noted that all Koreans are using safe drinking water.

The government plans to increase the rate of water supply in agricultural and fishing villages to 65% by 2009, with the nationwide average projected to increase to 93.1% by 2009.

The rate of sewage treatment in Korea is the proportion of the population with access to improved sanitation, both urban and rural. Thanks to the ongoing efforts of the government, the rate of sewage treatment rose significantly since the 1990s, particularly in metropolitan areas with high popula-

tion density.

In order to develop an improved water infrastructure, expand investment, and resolve regional disparities, the government is boosting investment and developing an integrated water management system. The government also plans to expand the infrastructure for wastewater through comprehensive plans on the maintenance of sewage pipes, and improve operational efficiency through the introduction of an integrated management system.

By 2020, achieve significant improvement in the lives of at least 100 million slum dwellers

With regard to the proportion of households that can secure stable residential quarters, the Republic of Korea, following the inauguration of the Participatory Government, has enacted diverse measures to improve the residential conditions of low-income people. This has resulted in an increase in the housing supply rate to over 100%.

However, the widening disparity in residential standards across economic classes and regions, and the sharp rise in housing and rental prices, has aggravated the burden of housing expenses for people in the low-income class who do not own homes. There is also the need to expand the scale of residential area improvement projects in densely built-

Table 1. Environmental indicators

Indicators (units)	1990	1995	2000	2003
Proportion of land area covered by forest (%)	65.23	65.0	64.6	64.3
Proportion of protected areas by IUCN (%)	-	6.9(96)	-	17.6
Energy use (TOE / thousand \$)	0.321	0.382(97)	0.373	0.351
CO2 emissions (ton)	226.17	370.18	433-57	451.55(02)
CFC consumption (ton)	16,203	10,039	7,394	5,172
Proportion of population using coal (briquette) (%)	63.3	10.6	1.5	1.0
Water supply (%)	78.4	82.9	87.1	89.4
Sewage treatment (%)	32.9	45.2	70.5	78.7
Housing supply (%)	70.4	86.0	96.2	101.2

up areas with old and run-down houses. Despite on-going efforts by the government, housing conditions for the urban low-income class leave much to be desired, exacerbated by a shortage in public rental housing.

Accordingly, for ten years beginning from 2003, the government will supply on schedule 1.5 million units of long-term public rental housing. At the same time, the ratio of rental housing units will be gradually increased by purchasing and leasing multi-family houses. In the long-term, the government will designate certain districts for improvements to their residential environment, support the re-settlement of the original inhabitants, and subsidize housing expenses for the lowest income class. The Korean government has formulated a "comprehensive housing plan" that lays out the visions and strategies necessary for maintaining stability in the housing market as well as improving the standards of housing for the low-income class over the next ten years through the establishment of plans to transform housing policies, focused on welfare and restructuring of the system.

7.3 Future plans - Toward a path of advancement in the environment (Declaration of the vision for sustainable national development)

During the Environment Day ceremony on July 4, 2005, the President of Korea declared a "vision for sustainable national development" dedicated to enhancing the nation's competitive edge by further promoting sustainable development, which was identified as a pressing task at the World Summit on Sustainable Development (WSSD) 2002 in Johannesburg. The goals he identified as part of this vision are becoming "an advanced nation that promotes the balanced development of the economy, society and environment" and sustaining sound growth based on economic growth, environmental conservation, and social integration.

Five implementation plans were also presented to

attain these visions. The first is the development of a national land management system that takes development and conservation into full account. The comprehensive plan on national environment will be formulated by the end of 2005, an integrated information system on national land will be established, development projects based on this system will be pursued and areas that need to be protected will be preserved at all costs. Where development is required, it will take place only after a rigorous, thorough assessment of the environmental impact as well as the attainment of social consensus.

To enhance the quality of Korea's environment to that of advanced nations over the next ten years, the government will concentrate efforts on ensuring a stable supply of clean water and push ahead with a strict water pollution management system. The current water management policy, which focused on the supply side, will be shifted toward management of the demand side, placing priority on saving and recycling. Korea will also launch special measures to improve air quality, and expand investment in low-pollution public transportation, including railways, to provide the public with a more comfortable living environment.

The establishment of an environment-friendly economic structure is also crucial to ensure harmony between the economy and environment. Accordingly, Korea plans to actively foster new environmental technology and environmental businesses as the driving force for economic growth, and build a society where waste production is minimized and recycling becomes part of daily life. The tax system in Korea will also be revised to curb excess energy consumption and emissions of pollutants.

Korea will participate in global efforts to advance environmental conservation, and take active measures to conform with the Kyoto Protocol through such measures as increasing energy efficiency and expanding the supply of new and renewable energy. Korea will also bolster cooperation among the nations to resolve environmental issues such as yellow dust and acid rain.

The government will exert additional efforts for the creation of a system for managing conflicts so as to

accelerate the attainment of social consensus. It will continue to expand the systematic foundation for preventing conflicts concerning public policy, including energy policies.



8. Develop a global partnership for development

8.1 Poverty Eradication and Tasks for Development

Despite growing interdependence in the age of globalization, international peace and prosperity are often threatened by global challenges including extreme poverty, a widening gap between rich and poor countries, and other forms of conflict. Over one billion people worldwide suffer from extreme poverty, hunger, diseases, environmental destruction and the depletion of natural resources. In light of such problems, the international community has reached a consensus that a concerted effort is needed to boost economic growth in the developing world and establish foundations for sustainable development.

Since the 1995 United Nations World Summit for Social Development held in Copenhagen, the international community has shaped a common understanding of development issues and the means to address them. This process culminated in the 2000 United Nations Millennium Summit and the resulting Millennium Declaration. The Monterrey International Conference on Financing for Development and the Johannesburg World Summit on Sustainable Development, both held in 2002, further specified common goals and means to promote the implementation of the Millennium Declaration. The Millennium Development Goals (MDGs), aimed at combating poverty, providing universal primary education, promoting gender equality and improving health care and medical services, call for a stronger global partnership in all areas of aid, debt relief, and trade. In this context, the WTO New Round which was launched in 2002 was named the Doha Development Agenda (DDA), wherein the issue of economic growth in

developing countries has been discussed in line with trade negotiations.

Korea is an active participant in the global compaign to eradicate poverty. Korea is ready to share its development experience with the international community as a country that has overcome poverty through 40 years of consistent economic growth and extensive human resources development. Korea started off in a situation similar to that currently faced by developing countries, yet succeeded in eradicating poverty and achieving economic growth in a short period of time. During this period, Korea received economic assistance worth US \$12.7 billion from both bilateral and multilateral donors. Korea now acknowledges that it is time to give back, and is willing to share Korea's experience and knowledge with the international community to contribute to the global partnership for sustainable development. In addition, Korea will take additional steps toward reducing global poverty by promoting trade and investment in cooperation with the private sector, as stipulated in MDG 8.

In terms of trade and investment, relationships between Korea and developing countries have been continuosuly strengthened. Korea's trade during the 1970s and 1980s was largely dependent on the market of industrialized countries, but the 1990s saw soaring growth in exports to developing countries. While exports to industrialized countries dropped from 78.2% in 1987 to 44.8% in 2004, exports to developing nations grew from 21.8% to 55.2% during that period. Foreign direct investment has also has followed a similar path, further deepening Korea's dependence on developing countries. Currently, over half of all foreign direct investment flows to the developing world.

Recognizing the growing interdependence with developing economies, the Korean government is convinced that the only way to ensure coexistence and mutual prosperity is to share the fruits of globalization in a fair manner by increasing assistance to developing countries. To this end, Korea pledges to take an active part in developing the global partnership to uphold the values and principles of the Millennium Declaration and to implement the MDGs: expanding trade oppor-tunities for developing countries, reducing their debt burden, promoting investment, and increasing development assistance to participate in efforts to assist the least-developed countries (LDCs).

8.2 Development efforts by Korea as an emerging donor

Korea's first official development assistance (ODA) occurred in the mid-1960s when trainees from developing countries were invited and provided with technical training. However, full-fledged ODA activities first took place in the late 1980s. The Korea Economic Development Cooperation Fund (EDCF) was formed in 1987 to offer concessional loans to developing countries. In April 1991, the Korea International Cooperation Agency (KOICA) was established under the Ministry of Foreign Affairs to provide grants and extend technical cooperation programs to developing countries.

As an emerging donor, Korea has gradually increased its assistance to developing nations to contribute to their development and prosperity. ODA, which reached only \$100 million a year in the early 1990s, has grown to \$212.07 million in 2000, \$264.7 million in 2001, \$278.8 million in 2002, \$365.9 million in 2003, and \$403.3 million in 2004. From the year 2000, Korean ODA has doubled in four years. While grant assistance took up only 30% of bilateral aid during the 1995-2000 period, the figure rose sharply to 62% by 2004.

Focus on Human Resource Development and Knowledge Transfers

Korea started out in conditions not very different from those facing many developing countries now-adays. However, Korea has successfully transformed itself from an aid recipient to an emerging donor through rapid economic development and poverty eradication. We believe that the most effective assistance that a country with a relatively short history of ODA and limited resources can provide would be human resource development programs involving technical cooperation and knowledge transfer. Also, in order to provide basic services targeted by the MDGs, the government of Korea has recently placed priority on education and health services, as well as the empowerment of women and protection of the environment.

Table 1. Official Development Assistance Provided by Korea (1993-2004)

able 1. Official Development Assistance Provided by Korea (1993-2004) (Unit: million USD)												
Classification	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004(p)
ODA	111.56	140.22	115.99	159.15	185.61	182.71	317.49	212.07	264.65	278.78	365.91	403.25
① Bilateral	60.12	60.07	71.46	123.31	111.34	124.70	131.35	131.19	171.54	206.76	245.17	311.63
- Grant	32.68	38.45	50.11	53.41	54.77	37.21	38.95	47.78	52.97	66.70	145.46	192.95
- Loan (EDCF)	27.44	21.62	21.35	69.90	56.57	87.49	92.40	83.41	118.57	140.06	99.71	118.68
② Multilateral	51.44	80.15	44.53	35.84	74.27	58.01	186.14	80.88	93.11	72.02	120.74	91.62
Grant	(10.25)	(12.88)	(14.82)	(30.08)	(29.06)	(33.59)	(67.70)	(25.27)	(60.10)	(50.69)	(84.92)	N/A
capital subscription	(25.67)	(25.65)	(22.68)	(5.76)	(35.53)	(28.32)	(129.46)	(68.34)	(35.03)	(34.45)	(52.53)	N/A
Other	(15.52)	(41.62)	(7.03)	(-)	(9.68)	(-3.90)	(-11.02)	(-12.73)	(-2.03)	(-13.14)	(-16.72)	N/A
GNI (\$100 million)	3,308	3,780	4,526	4,804	4,347	3,168	4,021	4,552	4,213	4,770	5,761	6,809
ODA / GNI (%)	0.034	0.037	0.026	0.033	0.042	0.058	0.079	0.047	0.063	0.058	0.064	0.059

Education and Training

Education enables developing countries to fulfill their potential and build self-help capacity that can become a driving force for national development. Human resources equipped with high-quality education are essential for tackling urgent issues such as poverty reduction, industrial development, regional development, and the organizational efficiency of public offices. Korea has experienced extraordinary growth in four decades during which the importance of high-quality human resources was felt firsthand. As a result, Korea possesses a wide range of Human Resource Development (HRD) experiences that can be utilized in developing countries. As part of such efforts, Korea has been conducting a variety of projects such as building education and training institutions, providing educational equipment and technical cooperation projects such as the development of teaching materials and curriculums as well as training for teachers.

Vocational Training Center in Tanzania

Despite the Tanzanian government's efforts to develop the mining, information and telecommunications industry through its mid- and long-term industrial development strategy and information and telecommunications policy, the lack of technical manpower has been a major obstacle. To respond to such needs, the Korean government decided to provide an EDCF loan in the amount of \$18 million in November 2004. The assistance included the provision of vocational training opportunities to Tanzania's youth at five vocational training centers built in its capital and major cities. Over 900 students (2,000 or more if non-credit students are included) are granted the opportunity to receive such training, which is expected to contribute to employment and poverty reduction - key policies implemented by the Tanzanian government.

Health care and Medicine

Leading healthy lives through quality medical care

is one of the basic human needs. Lack of health care services constitutes a direct threat to the social and economic development of a nation. Korea has been providing medical assistance to developing countries, and especially to the poor, by building hospitals and dispatching medical professionals, and volunteers, and supplying medical equipment.

Hospital Improvement Efforts in Kalimantan, Indonesia

As industrialization triggered an increase in cases of non-epidemic diseases such as cancer and accidents since the 1990s, the Indonesian government decided to shift its health-care policies from preventive care to treatment/rehabilitation services, investing in hospital facilities. The Korean government provided medical equipment as well as education and training to medical professionals through the EDCF in 1998 to 18 major hospitals in Kalimantan, in the southeast region of the country. As a result, there was a dramatic improvement in the quality of services and treatment systems provided by local hospitals. Increases in the labor force and productivity following the reduction of disease outbreaks are expected to contribute to strengthened economic growth potential as well as economic development in the long run.

Dispatching Medical Personnel

Dr. Deok Jong Yoo, who was dispatched to Uganda in 1992 as part of the KOICA Medical Team, has been with the Mulago Hospital in Uganda for the past 14 years. Dr. Yoo, who was guaranteed an affluent life as a medical specialist at the Kyungbuk National University Hospital, continues to serve the Ugandan community where essential medical supplies are often scarce.

Environmental Issues and Gender Equality

Environmental pollution is not only a localized issue, but an international issue that affects the entire global community. The poor living in LDCs tend to rely on natural resources for their livelihood,

which results in water pollution and soil deterioration. It is therefore imperative that the management of natural resources and environmental protection precede all other measures to reduce poverty and ensure sustainable development. The fact that women account for 70% of the population suffering from poverty also reflects the urgency of reducing poverty among women.

To help resolve environmental and gender equality issues, the Korean government has built processing facilities for polluted materials, conducted reforestation projects, held training sessions for women, and established women's education centers.

Project to Support Women's Advancement in Afghanistan

In November 2002, a group of 21 women from Afghanistan consisting of the presidential aide for women's affairs, representatives of NGOs, government officials and professors, paid a visit to Seoul. Women who were not even allowed to go to the under the Taliban regime participated in a variety of new activities during their stay, such as listening to lectures on women's issues, discussing the role of women in politics and society with the Korean Minister of Gender Equality, visiting a women's university, and discussing measures to expand educational opportunities for women.

Forestation Project in Western China

The desertification of western China, the origin of yellow dust, exercises adverse effects on the East Asian region including Korea. Through KOICA, the Korean government helped launch a forestation project in western China, which has been under way for the past three years. The aim of the project is to draw water from the Yellow River and replant trees in denuded areas of western China to prevent desertification and encourage local development. Young trees have already begun to form patches of woodland throughout the desert region.

Wastewater Treatment Facility Assistance Project in Jordan

Suffering from a severe lack of water resources, Jordan places policies for the efficient use and management of water resources at the top of its national agenda. The Korean government granted Jordan a \$10 million EDCF loan in 1992 and in 2000 respectively, to improve the wastewater treatment facilities for the sake of better health and hygiene of Jordanians and to protect underground water sources. The project has greatly improved the processing capacity of wastewater treatment facilities, delivering sewage services to more residents. Also, there has been a dramatic increase in the number of farmers receiving processed water to be used for irrigation.

Information and Telecommunications

Rapid growth in information and telecommunications technology has further widened the digital divide between industrialized and developing countries. Korea, as a leading country in the IT sector, has been actively participating in assistance efforts to narrow this gap through IT training centers, the transfer of IT technology, and consultations on related policies.

Upgrading the Telecommunications Network in Bangladesh

The dearth of telecommunications infrastructure in Bangladesh has posed numerous problems for the country's economic and social development. The Korean government decided in 2001 to grant an EDCF loan in the amount of \$30 million for the provision of digital telephone switchboards and related equipment to supplement the existing telecommunications infrastructure in Bangladesh. The project is expected to provide the much-needed supply of telecommunication infrastructure which, in this case, is all the more significant since the assistance will be provided in an industrial complex where key export manufacturing facilities are concentrated, creating even greater economic benefits for the nation.

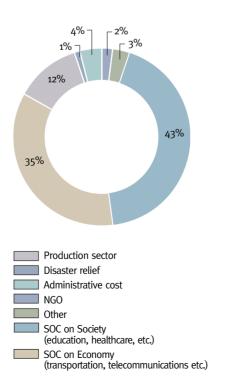
Dispatch of IT Volunteers to Paraguay

Choi In Seon was 54 years old when he was dispatched to the National Asuncion High School in Paraguay in August 2001. In just two years, he has brought about significant changes to the school. The computer lab, which had been equipped with only four computers with 486 processors at the time of his arrival, was transformed into a room full of cutting-edge equipment including Pentium 4 processor computers with Internet connection. The school came to boast the best computer equipment in the nation and now offers computer education classes.

Capacity Building and Knowledge Transfers

As the world's 12th largest economy, Korea pledges to contribute to the growth of the world economy by sharing experiences with developing countries. Korea's focus is on assisting developing countries in adapting to the rapidly changing global economic environment under the new WTO system, as well

Figure 1. Distribution of ODA in Bilateral Assistance (2003)



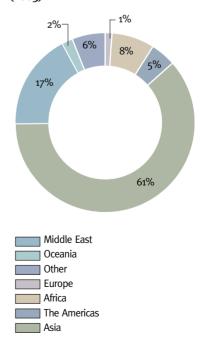
as resolving international trade disputes in an efficient manner. To this end seminars and conferences on WTO agreements and tariffs are held for trainees and financial experts are dispatched to enhance the trade capacity of developing countries.

Assistance in the Establishment of the Vietnam Stock Exchange

To lend support to the Vietnamese government's efforts to adopt a market economy and pursue industrial growth, the Korean government launched a project to assist Vietnam in the establishment of a stock exchange, providing \$1.6 million in financial support over three installments between 1996 and 2002. The project is considered to have contributed to the development of a market economy in Vietnam, and improved economic ties and collaboration between the two nations.

The distribution of Korean ODA as of 2003 shows that 43.4% of total bilateral ODA was directed to improving the social infrastructure of developing countries in areas such as education, health care and

Figure 2. Geographical Distribution of Bilateral Assistance (2003)



medicine, and water supply. 34.6% went to improving economic infrastructure, including the traffic system, telecommunications and energy facilities (see Figure 1).

Looking back on Korea's experience, human resources development seems to be the most critical factor for successful development that must precede all other needs. The invitation of trainees, dispatch of experts, and establishment of vocational training centers were introduced to support human resources development in developing nations. Basic health care and educational services were also provided to fulfill basic human needs and create a social safety net. Taking full advantage of Korea's advanced IT technology since 2000, the government has set goals to narrow the digital divide between the rich and poor countries and to lend support for their national economic growth. Actions include building IT education centers and conducting seminars for IT trainees. Establishing the Asian and Pacific Training Center for Informa-tion and Communication Technology for Develop-ment (APCICT) in Korea under the Economic and Social Commission for Asia and the Pacific (ESCAP) and providing \$10 million in financial support is part of the Korean government's efforts to narrow the digital divide among developing nations in the Asia-Pacific region.

Geographical Distribution

Each year, about 130 nations receive ODA from the Korean government. Between 1989 and July 2005, 38 nations received EDCF funds. Asian countries received the bulk of the assistance due to their close geographical and economic ties with Korea, accounting for 61.3% of ODA (See Figure 2). Under the principle of selective focus, 72.6% of ODA is provided to the 10 largest recipient countries (See Table 2). Although assistance to LDCs remains relatively small, the Korean government plans to expand financial support to African countries and other LDCs in the future.

Preferential Tariff Treatment to Least Developed Countries

Trade can play a major role in promoting economic growth and reducing poverty. Sustainable economic growth for the entire global community, therefore, can be achieved by securing an open and fair multilateral trade system. Expanding market access for LDCs can contribute to the economic growth of these nations. Following the agreement reached at the second WTO Ministerial Conference in 1996, since 2000 Korea has granted "Quota Free, Duty Free" market access to LDCs on 89 items out of the 116 recommended by WTO(as of July 2005).

Table 2. 10 Largest Recipients of Korea	(Unit: million USD, %)		
Rank	Country	Amount	Proportion
1	Iraq	40.57	16.5
2	Indonesia	30.17	12.3
3	Afghanistan	21.12	8.6
4	Sri Lanka	17.15	7.0
5	China	16.40	6.7
6	Vietnam	12.68	5.2
7	Ghana	12.38	5.0
8	Cambodia	10.76	4.4
9	Bangladesh	10.07	4.1
10	Myanmar	6.64	2.7
Total for top 10 recipients	-	177.94	72.6
Total bilateral ODA		245.16	100.0

To support trade-related capacity building efforts by developing nations, which has emerged as one of the keenest issues since the Doha WTO Ministerial Conference, the Korean government has continued to contribute to the DDA Global Trust Fund and provide training programs for personnel from developing nations. Between 2001 and 2003, Korea contributed \$740,000 to the DDA Global Trust Fund, invited 425 students to 23 programs between 1997 and 2004, and held seminars related to international trade and the WTO Agreement.

Growing Participation from Civil Society

Participation and interest among the general public with regard to development cooperation projects have led to successful overseas assistance projects despite the relatively short experience of Korea's development NGOs. Programs for refugee assistance and emergency relief have further expanded the partnership between the government and NGOs. Following the tsunami of 2004 that devastated South Asia and Southeast Asia, a Public-Private Assistance Partnership Forum was established to carry out active relief services.

8.3 Challenges

Recognizing the values and principles of the UN Charter and the Millennium Declaration, Korea is striving to establish a comprehensive partnership system to provide greater trade access, resolve debt problems, stimulate investment, and expand assistance to developing nations.

The first step is to substantially increase Official

Development Assistance to assist poverty reduction in developing nations and secure a base for continuous growth. In an effort to participate in the international movement to achieve the ODA/GNI target, the government is drawing a timetable to double the amount of assistance by 2009. A gradual and systematic increase in the assistance budget is underway.

Qualitative improvements including the reorganization of ODA system are also being made to ensure more systematic management. Based on the Paris Declaration on Aid Effectiveness agreed to by the OECD/DAC High Level Forum in March 2005, the government of Korea will pursue development policies consistent with the activities of other donors' and the national development strategies of developing countries, while enhancing demand-driven and results-based assistance programs.

For the program to achieve maximum impact, Korean assistance will focus on priority countries. The Korean government will prepare a country programming system to guarantee the sustainability of projects and ensure successful outcomes. The government will also respond flexibly to the changing situations and needs of recipient countries through a strengthened monitoring and evaluation system and the design for a mid to long-term project cycle. To ensure the transparency and accountability of Korean ODA, the government will introduce fair and objective program assessment methods and strengthen development education and public relations campaigns. These initiatives will help raise public awareness and support for development assistance.



Acknowledgements

Ministry of Foreign Affairs and Trade

Ministry of Environment

Ministry of Gender Equality and Family

Ministry of Health and Welfare

Ministry of Education & Human Resources Development

Presidential commission on policy planning

Presidential committee on social inclusion

Presidential commission on sustainable development

Presidential committee on ageing and future society



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