

Development in Southeast Asia: Opportunities for donor collaboration

Chapter 1. Policy

George Ingram

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About the project

This research project—**Development in Southeast Asia: Opportunities for Donor Collaboration**—entails six related papers exploring development opportunities in Southeast Asia and potential areas of collaboration among donors to increase and accelerate their impact. The analysis focuses on seven principal development partners in Southeast Asia—Cambodia, Indonesia, Laos, Myanmar, Philippines, Timor-Leste, and Vietnam.¹ The donor countries are principal donors to these seven countries—the United States, Korea, Japan, Germany, and Australia. As six of the seven countries are lower-middle-income countries (LMIC) according to World Bank categorization, and Indonesia only recently graduated from that status, the two benchmark references will be data on lower-middle-income countries (LMICs) and on Southeast Asia.²

The policy overview paper sets out the overall framework, reviewing relevant donor policies, and different modalities that donors might consider as ways to collaborate. It is accompanied by a set of five papers that analyze needs and opportunities in specific sectors. The topics of the sector papers are digital, education, health, women’s empowerment/gender equality, and governance/public administration. The sector papers address: why the sector is important to human and national development; how the seven countries rank on key indicators so as to identify gaps where assistance might be most relevant; levels of donor assistance and activities in the sector; and potential areas for collaboration.

An apparent shortfall in the five sector papers is the incompleteness of information on current donor assistance projects. While information on some projects is found through the International Aid Transparency Initiative (IATI), using the USAID portal Development Cooperation Landscape,³ the IATI platform does not report the full array of agency projects nor is it always up-to-date and does not reveal projects under consideration. For this study, this is not a significant limitation on the findings, as decisions on collaboration will be determined by the priorities of the specific donors at the point in time of such discussions, not by an independent study, and current projects (presented in the appendices of the sector papers) serve simply as useful, notional guides as to potential areas for collaboration.

These papers were written during the early phase of the COVID-19 pandemic when its manifestations were still emerging and yet to be fully understood, so the papers should be read with that caveat. Donors are still coming to terms with how programming needs to be adjusted

¹ Note, Thailand also is a development partner, but development assistance to Thailand has been declining in recent years, so is not included in the study.

² The list of countries of Southeast Asia varies, but generally includes, in addition to the seven developing partners listed, Brunei, Malaysia, Singapore, and Thailand.

³ <https://explorer.usaid.gov/donor>

in response to the pandemic⁴, beyond the obvious critical need for PPE and other health interventions. They are grappling with how to respond to the broad ramifications of the crisis—retraction in economic growth, increased poverty, rising food insecurity, and the loss of educational opportunities, especially impactful for women and girls. The crisis has brought to light the glaring need for enhanced resilience to future shocks—health, social, economic, political, and environmental.

There are both short-term and long-term impacts that are becoming clear. Fortunately, the negative impact on economic growth and poverty in the seven partner countries is projected to be short-lived. As projections by Brookings in Table 1 reveals, COVID-19’s negative impact on growth and poverty rates are likely to largely dissipate after 2020. These projections show that, after enduring negative or minimal economic growth and increased poverty rates in 2020, the seven countries will return in 2021 to positive economic growth and declining poverty rates, as they had prior to the crisis (with the exception of an essentially static poverty level in Timor-Leste and Philippines returning to lower poverty rates two years later in 2023).

Table 1. COVID-19 Growth and Poverty Impacts in Southeast Asia

Country	GDP growth (%)			Poverty (\$1.90) Headcount Rate		
	2019	2020	2021	2019	2020	2021
Cambodia	7.0%	-2.8%	6.8%	1,566	4,715	1,339
Indonesia	5.0%	-1.5%	6.1%	7,370,163	9,047,098	6,023,305
Lao PDR	5.2%	0.2%	4.8%	788,705	836,958	752,975
Myanmar	6.5%	2.0%	5.7%	554,074	520,103	404,468
Philippines	6.0%	-8.3%	7.4%	4,509,436	8,044,238	6,148,002
Timor-Leste	3.1%	-6.8%	4.0%	269,988	273,376	276,746
Vietnam	7.0%	1.6%	6.7%	998,576	988,960	850,240

Source: Brookings (2020) based on IMF World Economic Outlook (Oct. 2020) and World Bank PovCal (Sept. 2020). Poverty is defined as those living below \$1.90 per person per day in 2011 purchasing power parity (PPP) terms.

Longer term ramifications wrought by the pandemic are programmatic and vary by economic and social sector. It seems certain that considerably more attention will be paid to health policy and increased funding will be targeted toward disease surveillance and prevention, both to

⁴ USAID, for example, has recently reported the initial findings of its Over the Horizon project that seeks to adjust the Agency’s approaches to the realities of COVID-19 fallout.

resolve the current pandemic and to stem the next one so it is not as devastating as COVID-19. Some portion of children who have been locked out of school, especially girls, will not return and will live a life cut short of formal education. Hopefully on the positive side, education will deploy lessons from its hyper speed foray into digital learning and integrate digital into non-pandemic learning structures in actions to build back stronger.

COVID-19 has accelerated the essential role of digital connectivity in all aspects of social and economic life, prioritizing massive investment in digital infrastructure and the digitization of previously analog sectors, a trend likely to continue long after the pandemic is over. COVID-19 has demonstrated the value of digital for public services and communications, and leaders with foresight will understand that adoption of e-government can make governance and public administration more transparent, more accountable, more efficient, and less corrupt.

The burden of the pandemic is bearing down more heavily on women, girls, marginalized populations, and those at the lower levels of the economic pyramid. The pandemic has made more evident economic and social inequities that have long existed and in recent times become starker. This provides an opportunity for national and international bodies and institutions to respond forcefully and unequivocally to reduce these inequities, rather than restore the veil that too often hides them—but taking such action is not a certainty.

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Donor strategic interests in Southeast Asia

To understand donors' development engagement in Southeast Asia, it is important first to acknowledge their strategic interests.

The Indo-Pacific, one of the most dynamic regions in the world, has experienced decades of strong economic growth. It is a center of geopolitical positioning—shifting between cooperation and tension—by regional and world powers, specifically the U.S., China, Japan, and Russia. During the post-World War II period, Asia as a whole, with the exception of a few countries, did not identify unequivocally with either the Western or Soviet bloc.⁵ Today, the region is caught in the throes of what some speculate is a new Cold War, with most countries in the region trying to maintain a careful balance in the confrontation being played out on many fronts between the United States and China. The Pentagon in its Indo-Pacific Strategy Report declared the Indo-Pacific the “single most consequential region for America’s future.”⁶

In the center of the region sits Southeast Asia,⁷ with a combined population of 650 million and an average GDP growth of 5 percent. The countries have a history of seeking to promote their interests and stability through regional cooperation, specifically via the regional architecture of Association of Southeast Asian Nations (ASEAN). The 2019 statement “ASEAN Outlook on the Indo-Pacific” is based on a series of principles—openness, transparency, inclusivity, and rules-based framework—all of which are recognized as best practices for the topic of this research—development.

This research focuses on the five principal donors—Australia, Germany, South Korea, Japan, and the United States—to seven developing country partners in the region: Cambodia, Indonesia, Laos, Myanmar, the Philippines, Timor-Leste, and Vietnam. Figure 1 presents the most recent 10-year trend line of *net ODA* (Official Development Assistance) from each of the five donors to these seven recipients. Figure 2 presents the trend line for *gross ODA disbursements*. Both net ODA and gross disbursements are presented because of the unique nature of the Japanese aid program. Japanese assistance is largely concessional loans rather than grant assistance. The disbursement of loans is reflected in Figure 2 as a positive level of aid from Japan because sizeable levels of loan funds are extended in any single year. Figure 1 on net ODA shows negative flows of aid from Japan because of repayment on past loans that more than offset new loans.

The spike in Japanese assistance in 2013 is explained by a large debt cancellation on loans due from Myanmar (\$2 billion) and a \$1.8 billion loan disbursement after the reopening of relations with the country in 2012.

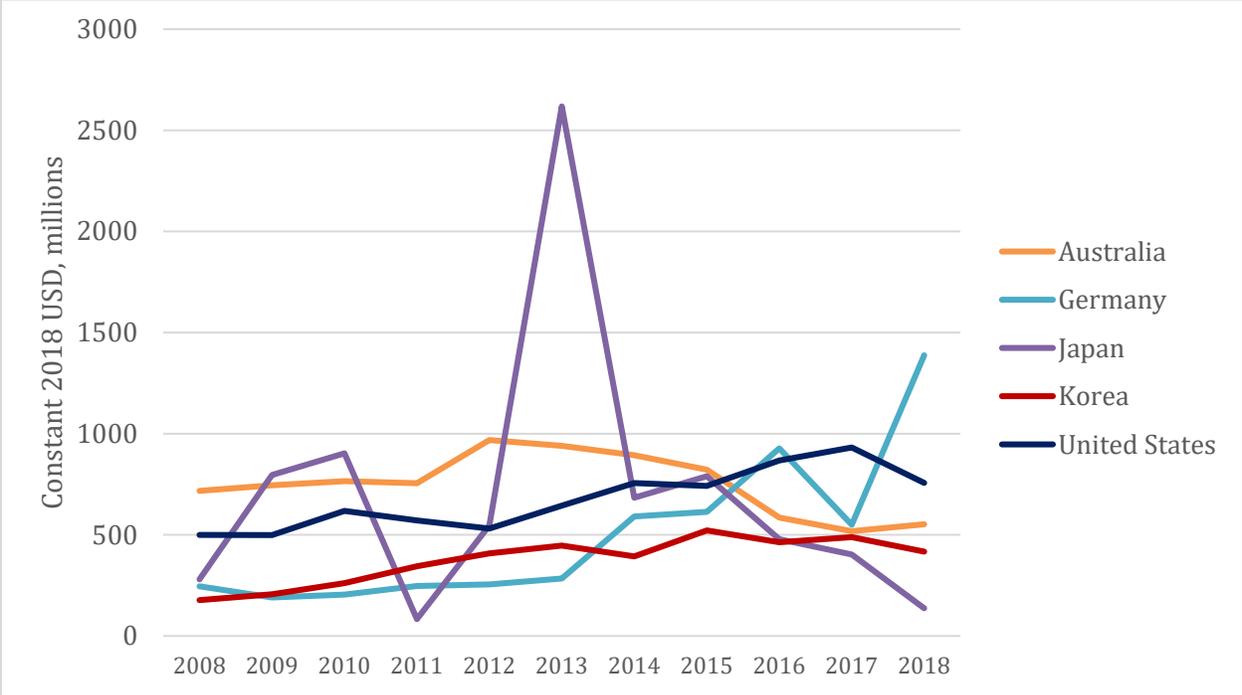
⁵ Germany, Tasks

⁶ Stromseth. 2019

⁷ Southeast Asia is comprised of: Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, Cambodia, Laos, Myanmar, Vietnam, and Thailand. This analysis also includes neighboring Timor-Leste.

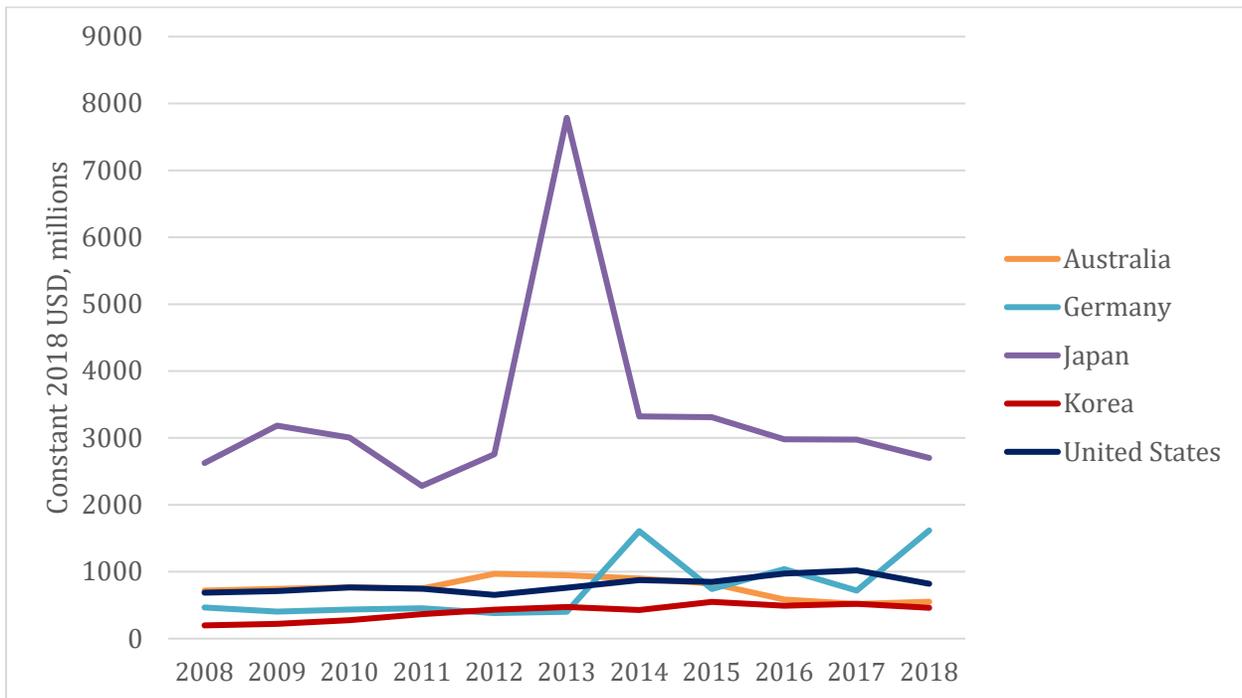
Japan is the largest donor by annual amount, but most of the assistance is in loans that have to be repaid, so recipient countries have a significant debtor relationship with Japan. Until 2015 Australia was the largest donor of net ODA but its resources are waning. The U.S. was the largest donor by net ODA in 2017, but its assistance declined in 2018 and was eclipsed by Germany. Korean assistance has been on a steady incline and now approaches Australia's.

Figure 1. Total net ODA to 7 Southeast Asian countries



Source: OECD DAC (2020). Negative values for Japan reflect concessional loan repayment. The spike in 2013 for Japan was driven by \$2 billion debt forgiveness for Myanmar.

Figure 2. Gross ODA disbursements to 7 Southeast Asian countries



Source: OECD DAC (2020). Spike in 2013 for Japan driven by \$2 billion debt forgiveness for Myanmar and \$1.8 billion in loan disbursement after the reopening of relations with the country in 2012.

South Korea

With the countries of Southeast Asia at both its back- and front-yard, South Korea, an important donor to the countries of its own region, has an existential interest in the prosperity, peace, and security of Southeast Asia. In 2018 Southeast Asia was Korea’s second largest trading arena, after China, and second largest destination for foreign investment, after the United States. With major world powers engaged in the region, maintaining the stability of the region is a core objective of Korean policy.

Table 2. South Korea Trade and Investment, 2018

Partner	Trade (Goods + Services, Imports + Exports)	FDI
China	\$269 B	\$6.3 B
US	\$132 B	\$7.5 B
SE Asia	\$160 B	\$7.1 B

Source: UNCTAD Stat (2018) and OECD Stat (2018).

South Korea plays a unique and respected role as a regional power and donor. South Korea has seen remarkable economic growth and regional positioning in just a few decades. Today, South Korea has the 12th largest economy in the world. Its ties to the United States have been particularly strong. Between South Korea's independence in 1945 and the late 1990s, the country received a total of \$12.7 billion in foreign assistance, \$5.5 billion of which was from the United States.⁸ During this 70-year alliance, the relationship has transitioned from being dominated principally by security of the Korean peninsula, to a 1960s-1980s aid relationship focused on the economic development of Korea, to now one of peers advancing common security, political, and economic interests.

South Korea's remarkable economic transition has allowed the nation to pivot from a recipient of development assistance to a donor. South Korea joined the Organization for Economic Cooperation and Development (OECD) in 1996 and the OECD Development Assistance Committee (DAC) in 2010. Korea hosted the 2010 G-20 meeting that produced the Seoul Development Consensus on Shared Growth, which endorsed proposals and guidelines to promote inclusive economic development and achievement of the MDGs. Busan, Korea, was the site of the 2011 Fourth High-Level Forum on Aid Effectiveness that produced the Global Partnership for Effective Development Co-operation. In 2018, South Korea was the 15th largest donor country, with \$2.4 billion in total official development assistance.

South Korea's transformation, today a first world player with a recent third world history, places it in a unique position as a bridge between global powers and emerging countries in ASEAN. South Korea's own use of aid is a model of how good economic policy and governance can drive growth and development, allowing it to leverage its own experience as a country that transitioned from aid recipient to donor. Its commitment to development, regional collaboration, and multilateralism make it a sought-after partner in regional and global affairs.

United States

The United States has a long-term, abiding interest in Southeast Asia, in both economic and security matters. The most recent articulation of the U.S. policy of promoting a strong, independent, prosperous, and resilient region is the "Indo-Pacific Vision", framed around upholding a free and open Indo-Pacific region based on: shared values, including respect for sovereignty and the independence of nations; the peaceful resolution of disputes; free, fair, and reciprocal trade; and adherence to international law⁹. Collectively, it is the U.S.'s fourth largest export market, at over \$100 billion, and a dominant investment destination for U.S. companies, totaling \$329 billion. Some 42,000 U.S. companies export to Southeast Asia. U.S. foreign assistance to the region totaled \$8 billion, \$7.4 billion to the seven countries covered by this study, over the decade 2008—2018.

⁸ OECD. (2008). "DAC Special Review of Korea"; Woo. (2015). "The Role of Aid In Korea's Development." In Stangarone (ed). *Korea's Economy Volume 30*. Korea Economic Institute of America and Korea Institute for International Economic Policy.

⁹ U.S. Mission to ASEAN. "The U.S. Vision for Indo-China".

Japan

Japan has a direct interest in the political stability and economic prosperity of the region. Like the United States, it uses the phrase “Free and Open Indo-Pacific”. In 2016 Prime Minister Abe laid out the Japanese version of a “Free and Open Indo-Pacific Strategy”. It is based on the vision of the Indo-Pacific region as “international public goods”. It is comprised of three elements, all of which are aspects of good development¹⁰:

- Promotion of the rule of law, freedom of navigation, and free trade
- Pursuit of economic prosperity through enhancing connectivity, including through investments in quality infrastructure in accordance with international standards
- Commitment to peace and stability that includes assistance for capacity building on maritime law enforcement and cooperation in areas such as disaster risk reduction and non-proliferation

The concept of a “Free and Open Indo-Pacific” was referenced as a foreign policy priority in the 2019 Diplomatic Bluebook.¹¹ Since first articulated in 2016, the phrase has been re-imagined as a concept rather than a strategy, largely so as to be perceived less as a challenge to China.¹²

Australia

Australia is an important factor in the region. In 2016 Australia couched its foreign policy toward the Pacific region in what it terms the “Pacific Step Up”. The key elements of this policy are:

- Supporting a stable and prosperous Papua New Guinea
- Promoting economic cooperation and integration
- Tackling security challenges
- Strengthening people-to-people links, skills, and leadership
- Strengthening responses to climate change, resilience, and disasters

The focus is on both bilateral and regional partnerships, and on improving opportunities for growth, jobs, and resilience.¹³

In 2020 Australia issued a report outlining its response to COVID-19. The report is targeted principally on the Indo-Pacific region and focuses on strengthening health security, maintaining social stability, and stimulating economic recovery as the underpinnings of a shared prosperity

¹⁰*Diplomatic Bluebook 2019*

¹¹ Szechenyi

¹² Szechenyi; Discuss Japan

¹³ Australian Government; Australian Department of Foreign Affairs and Trade.

and the foundations to allow the region to emerge from the crisis¹⁴. The government has pledged more than \$550 million to help the countries of Southeast Asia recover from the pandemic¹⁵.

At the strategic level, Australia is realigning its development programs, shifting from the delivery of services to supporting economic reform and policies that will catalyze economic development.¹⁶

Germany

Germany has had several decades of interest in Southeast Asia, having laid out objectives as early as 2002. More recently the region has become of even greater focus. Among the priorities established in a detailed 2020 policy paper¹⁷ that are relevant to this study are: democracy, rule of law, and human rights; peace and stability; environment; and development cooperation.

¹⁴ Department of Foreign Affairs and Trade, Government of Australia. 2020. "Partnerships for recovery: Australia's COVID-19 Development Response".

¹⁵ <https://www.abc.net.au/news/2020-11-14/australia-canberra-new-aid-south-east-asia-scott-morrison/12883088>

¹⁶ From presentation by Ray Marcelo, Assistance Secretary, Southeast Asia Regional Engagement Branch, Department of Foreign Affairs and Trade, Government of Australia, at the November 8, 2020, Brookings public Roundtable on Opportunities and Challenges for Donor Collaboration in Southeast Asia.

¹⁷ German Federal Foreign Office. "Tasks of German Foreign Policy SOUTH-EAST ASIA"; German Federal Government. September 2020. "Policy guidelines for the Indo-Pacific Region".

Donor development policies for Southeast Asia

Three of the five countries—Korea, Germany, and the United States—have issued specific policies that articulate in some detail their priorities and programs to support the peace and stability and the economic and political development of Southeast Asia.

Korean New Southern Policy

Korea under the leadership of President Moon Jae-in is actively seeking to balance its traditional relations with the major actors in the region—the United States, China, Russia, Japan, Australia—with stronger, elevated engagement with the countries of Southeast Asia and India. It is endeavoring to avoid undue economic dependence on any single country and expand its trade and investment relations with countries with which it has been less involved, specifically other countries in Southeast Asia. It is positioning itself as a “middle power” that can play a pivotal and guiding role in economic, political, and security affairs in the region.

This strategy, reflected in the 2017 New Southern Policy (NSP), is designed around the “three Ps”—People, Prosperity, and Peace—which roll up into the concept of a “People-Centered Community of Peace and Prosperity”. The goal of the policy is to enhance cooperation and partnership with the 10 countries of ASEAN plus India. The “People” aspect deals with Korea’s political and diplomatic relations with countries in the region; “Prosperity” with economic relations and development cooperation that ground Korea’s development priorities in the region; and “Peace” with security. The strategy articulates the concept of “mutual prosperity” of Korea and its Southeast Asian partner countries that is detailed as covering expanding trade and investment, infrastructure that provides for greater connectivity, enhanced market access for small & medium enterprises, and cooperation in innovative industries, all designed around a cooperative model tailored to each partner country.

In November 2020 the government announced an update of the strategy – the New Southern Policy Plus. It targets seven actionable areas – health and medical cooperation to address COVID-19, education and human resource development, cultural exchanges, trade and investment relations, agriculture and urban infrastructure, future industries, and non-conventional security.¹⁸

A special inter-ministerial Presidential Committee on New Southern Policy, designed to mainstream the policy, is responsible for monitoring and coordinating implementation. The implementation strategy set forth by KOICA (Korea International Cooperation Agency) calls for doubling ODA¹⁹ by 2025 from the level in 2017 (\$210 million) and is the subject of an MOU²⁰ with five of the countries—Cambodia, Laos, Myanmar, Philippines, and Vietnam²¹. The MOU

¹⁸ https://www.koreatimes.co.kr/www/nation/2020/11/356_299218.html

¹⁹ The strategy covers grant assistance not loans.

²⁰ Korean Ministry of Foreign Affairs. “Korea and Key Southeast Asian Partners to Implement New Southern ODA”; conversation with Cheolbeom Shin, First Secretary, Ministry of Foreign Affairs, September 17, 2020.

²¹ Indonesia and India also are covered by the implementation strategy but are not parties to the MOU.

prioritizes digital partnerships, higher education, smart cities, transportation, and Korean-Mekong Future Peace Communities. In addition, KOICA subsequently in 2020 committed to prioritize health responses to COVID-19.

U.S. Indo-Pacific vision/strategy

The United States has been on a decade-long “pivot” to Asia. The current iteration, motivated among other factors by the perceived challenge from China to the interests of the United States and its partners in the region, was articulated by President Trump in a visit to Vietnam in November 2017 as a “free and open Indo-Pacific”. The June 2019 *Indo-Pacific Strategy Report* by the Department of Defense lays out a strategy for security preparedness and partnership in a networked region. The Department of State’s Indo-Pacific Vision was articulated in the 2019 report *A Free and Open Indo-Pacific: Advancing a Shared Vision* that sets forth a policy framed along three pillars—governance, economic, and security. The governance pillar outlines an Indo-Pacific region in which nations are free from coercion and uphold fundamental human rights and democratic values. The economic pillar envisages open trade, investment, and connectivity that drives regional integration and economic growth. The security pillar is designed to ensure that the U.S. has a flexible, resilient network of security partners in the region.

Much of the governance and economic elements of the policy deal with development and so fall under the purview of the U.S. Agency for International Development (USAID), which issued a companion Indo-Pacific Strategy.²² USAID’s approach to implementation of the Indo-Pacific Strategy is the advancement of three objectives—strengthen democratic systems, foster private sector-led economic growth, and improve the management of natural resources. The goals of the democracy objective include promoting the integrity of electoral processes, independent media and information, human rights, accountability and transparency, rule of law, and strengthened civil society. The economic growth objective is structured around leveling the playing field for trade, improving competitiveness, creating an enabling environment for infrastructure, and strengthening the digital economy and connectivity. The USAID strategy includes human capacity development through programs in health and education as cross-cutting foundational priorities. The natural resources objective seeks to accelerate energy transformation, advance environmental and social safeguards, and combat environmental crime. The Indo-Pacific region receives one of the few plus-ups in the Administration’s proposed FY 2021 budget, to a level of \$1.49 billion.

These Korean and U.S. policy priorities are the background for a Memorandum of Understanding (MOU) signed in September 2019 by the Ministry of Foreign Affairs and USAID as a framework for Korean/U.S. development cooperation. The MOU notes the mutual interest of Korea and the U.S. to advance governance, civil society, and the private sector in the Journey

²² USAID also contributes to the security pillar.

to Self-Reliance²³ and sustainable development, and identifies Indo-Pacific as a specific area for cooperation.

German policy

In September 2020 the German cabinet adopted a broad policy paper on Indo-China.²⁴ The policy notes “the political and economic balance that is increasingly shifting towards the Indo-Pacific region.” The paper lays out a series of German interests in the region covering peace and security, economic relations, climate change, and connectivity. The policy highlights the importance of reliable partnerships and the interdependence of national economies and complexity of global challenges. Among approaches set forth is engaging ASEAN in development cooperation to promote regional integration and vocational training. It gives specific attention to expanding “digital connectivity both to and within the Indo-Pacific region”

Comparable policy priorities

Opportunities for collaboration among the five donors can be identified most clearly and in more detail for the United States and Korea from the overlap in priorities in KOICA’s ODA implementation strategy for the New Southern Policy and USAID’s implementation strategy for the U.S. Indo-Pacific Vision, and the intersection of those priorities with the stated interests of Japan, Australia, and Germany. The South Korean and U.S. policies explicitly target governance, economic growth, and infrastructure.

Governance

In governance, the South Korean NSP focuses on enhancing public administration competencies and humanitarian assistance, and on training government employees and strengthening public services. From analysis of its funding allocations and project focus,²⁵ South Korea is engaged principally in the technical side of public administration rather than the more political aspects of governance, which is often the focus of U.S. and Australian development programs, such as human rights, media, and political party strengthening. While not engaged in civil society capacity building, South Korea has a strong commitment to women’s rights. The U.S. IPS focuses on strengthening democratic systems, including electoral integrity, media independence, human rights, and civil society, and overlaps with the NSP in the areas of strengthening accountability and transparency, and rule of law. Japan highlights rule of law in its foreign policy priorities and development strategy, targeting basic laws and regulation, democratic systems strengthening, public safety, and public administration. The Australian strategy focuses on support for effective institutions, and its funding prioritizes public administration, democratic participation and civil society, human rights, and peacebuilding. German funding is targeted heavily on public financial management.

²³ A stated USAID policy to help countries become more self-reliant and less dependent on assistance.

²⁴ German Federal Government. “Policy guidelines for the Indo-Pacific Region”.

²⁵ For the bases of this and other analysis in this paragraph see figure 2 and analysis in the companion paper on Governance and Public Administration.

Economic growth

In both the Korean and U.S. strategies, economic growth is targeted for improving the rules and procedures for trade and investment. The NSP pillar is built around strengthening the institutional framework for trade and investment and prioritizes both industrial and rural development. The IPS is focused on (1) “leveling the playing field” through legal and policy reform, specifically on meeting and enforcing contractual agreements and international standards for intellectual property, labor, and sanitary rules; (2) improving competitiveness through reducing barriers to market access, streamlining business procedures, and promoting competition; and (3) expanding fiscal capabilities by strengthening public financial management and improving tax administration.

Infrastructure

The NSP focuses specifically on connectivity through digital partnership, transportation, smart cities, and water resources. The IPS prioritizes creating an enabling environment for infrastructure development. It specifically targets open and transparent procurement systems, feasibility studies and bid documents, public-private partnerships, environmental and safety safeguards, and domestic resource mobilization. Australian, German, and Japanese programs all cover infrastructure, specifically digital and transport.

Memorandum of Understanding

KOICA and USAID have a history of bilateral cooperation on development and have signed several bilateral MOUs to facilitate collaboration.

In the mid-1970s, USAID closed its operations in South Korea and the country ceased being a donor recipient. The establishment of KOICA in 1991 marked Korea’s transition from a recipient to a donor. In 2014, KOICA and USAID signed an MOU on global development cooperation and in 2015 an MOU on cooperation in Southeast Asia. The latter covered collaboration on science, technology, and innovation, including mobile solutions, and education. KOICA placed one of its staff members at USAID to experience USAID’s approach to engaging the private sector in order to help build this expertise within KOICA.

In 2016, the USAID Mission Director in Indonesia and the KOICA country representative signed an MOU on cooperation with Indonesia. It emphasizes capacity building and sharing knowledge and lessons learned, especially reaping Korea’s experience in transitioning from a recipient to a donor nation. It also focuses on assisting Indonesia with ICT and e-government and strengthening Indonesian think tanks and universities. KOICA and USAID also signed an MOU for cooperation in Cambodia on the U.S. Global Health Security Agenda.

In September 2019 USAID and the Ministry of Foreign Affairs (with KOICA as the implementing agency) signed a second three-year MOU that is global in scope but prioritizes the Indo-Pacific region and the Korean New Southern Policy and the U.S. Indo-Pacific Strategy. The MOU highlights working with the private sector and NGOs to address development challenges and

employing the respective development skills of the two countries to leverage the comparative advantage of each. Illustrative activities that might be carried out under the MOU include staff exchanges, sector alignment (such as women's economic empowerment, the digital economy, youth, health, and education), and expanded engagement with the private sector.

Donor assistance

Table 3 presents total funding for 2016-2018 for the five donors to the seven countries. By amount of funding, Japan is the largest donor, followed by Germany, United States, Australia, and South Korea. By proportion of its total ODA portfolio, South Korea is first with assistance to the seven countries representing 27 percent of its ODA, followed by Australia (22 percent), Japan (21 percent), Germany (5 percent), and the United States (3 percent).

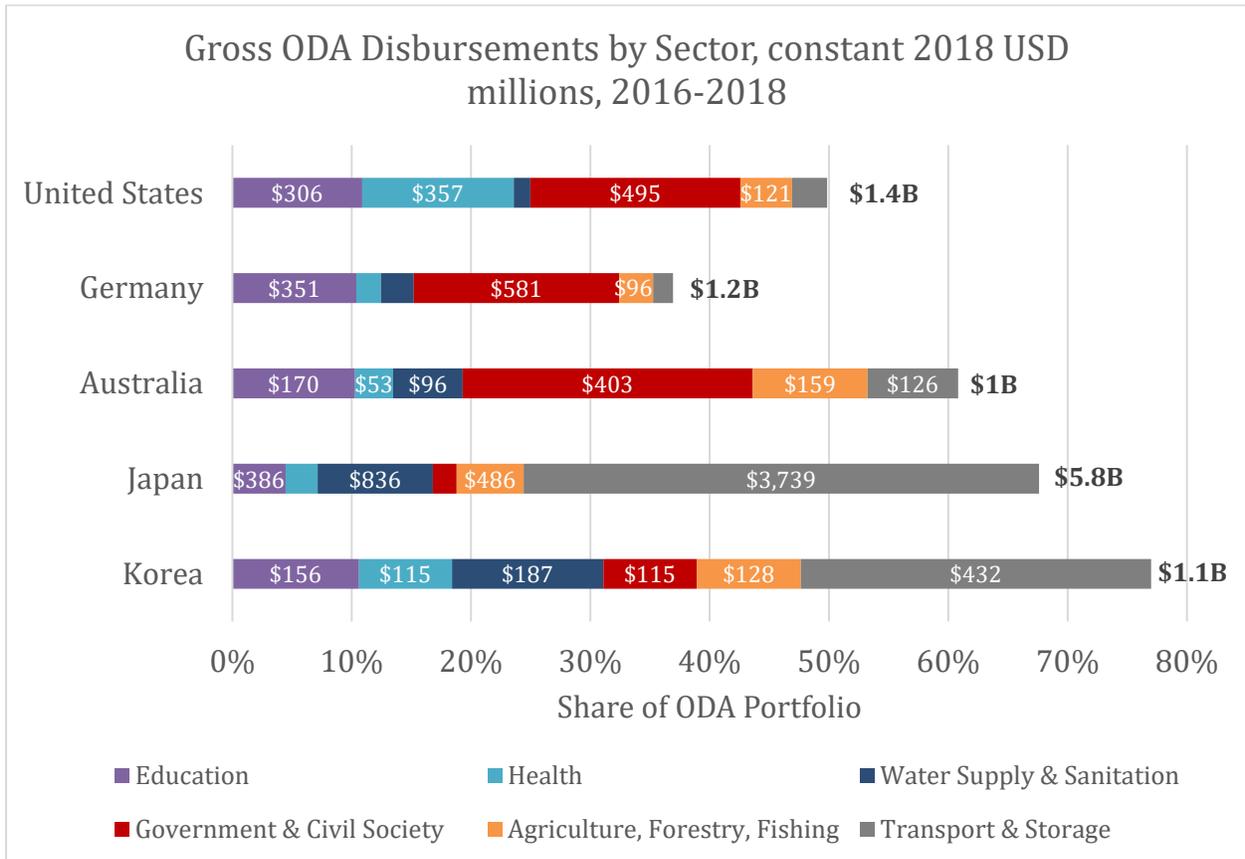
Table 3. Gross ODA disbursements to 7 Southeast Asian countries, 2016-2018

Donor	Amount (millions \$)	% total ODA portfolio
Australia	\$1,655	22%
Germany	\$3,376	5%
Japan	\$8,656	21%
South Korea	\$1,471	27%
United States	\$2,810	3%

Source: OECD CRS (2020). All prices in constant 2018 USD.

Figure 3 presents the sectors in which there is the greatest commonality in assistance funding across the five donors. (A table of funding for all sectors is in the appendix). Overall, these sectors represent the majority of funding by the five donors. The areas where there is the greatest overlap are: education; health; water and sanitation; government and civil society; agriculture, forestry, and fishing; and transportation and storage. Korea and Japan invest heavily in transportation and storage. Four of the donors, the exception being Japan, invest in government and civil society. All are engaged in health programs, the strongest overlap being between Korea and the United States. All five donors have modest programs in education. Korea, Japan, and Australia provide somewhat more funding for the sector agriculture, forestry, and fishing than do the United State and Australia.

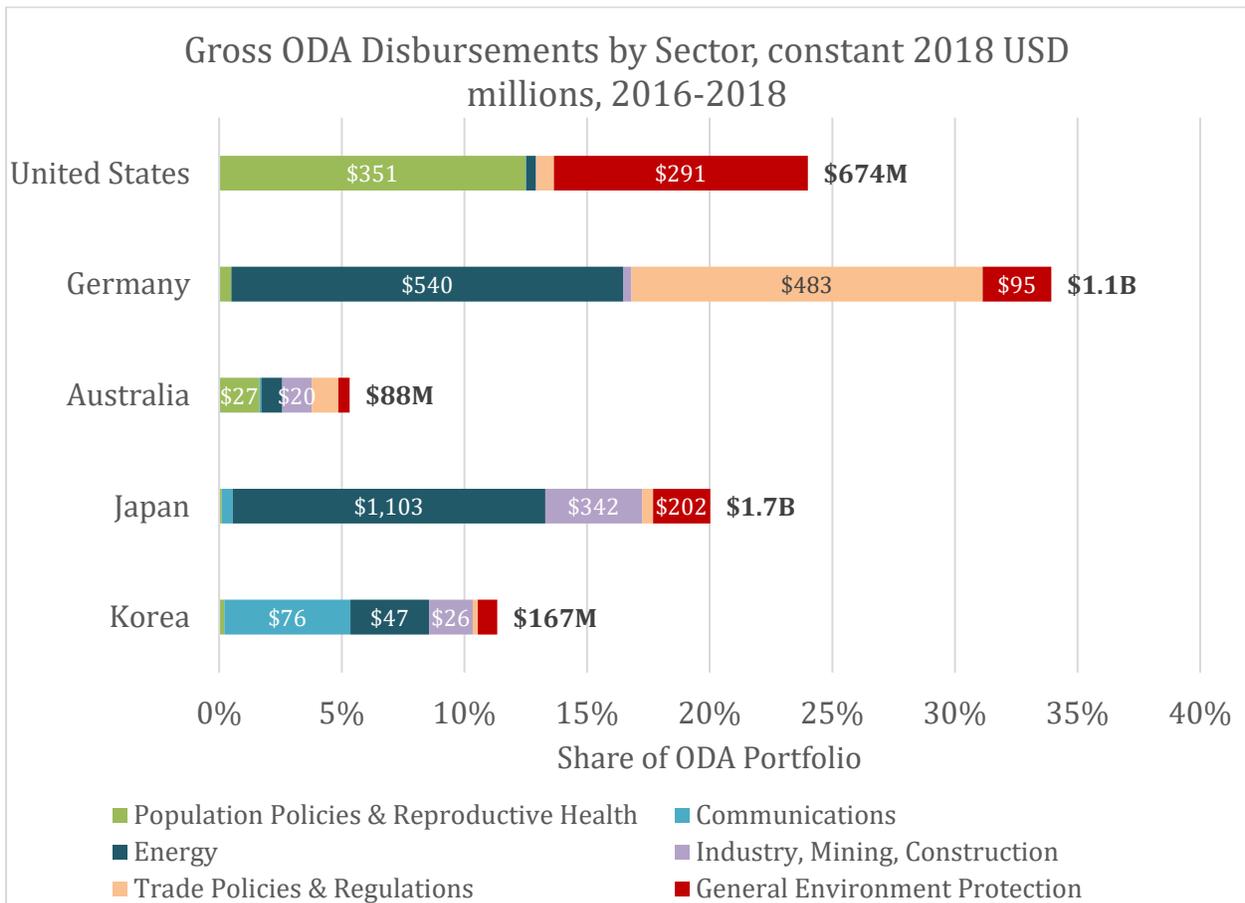
Figure 3. Overlap in donor funding



Source: OECD CRS (2020). All prices in constant 2018 USD, millions

Figure 4 identifies sectors in which there is minimal overlap in donor funding but one or several have concentrated funding. The U.S. spends 12 percent of its portfolio on population and reproductive health services, and 10 percent on environmental protection. Korea spends 5 percent of its portfolio on communications projects and another 3 percent on energy projects. Japan spends 13 percent on energy projects and 4 percent on industry, mining and construction. Germany directs 16 percent of its spending towards energy projects and another 14 percent towards trade policies and regulations.

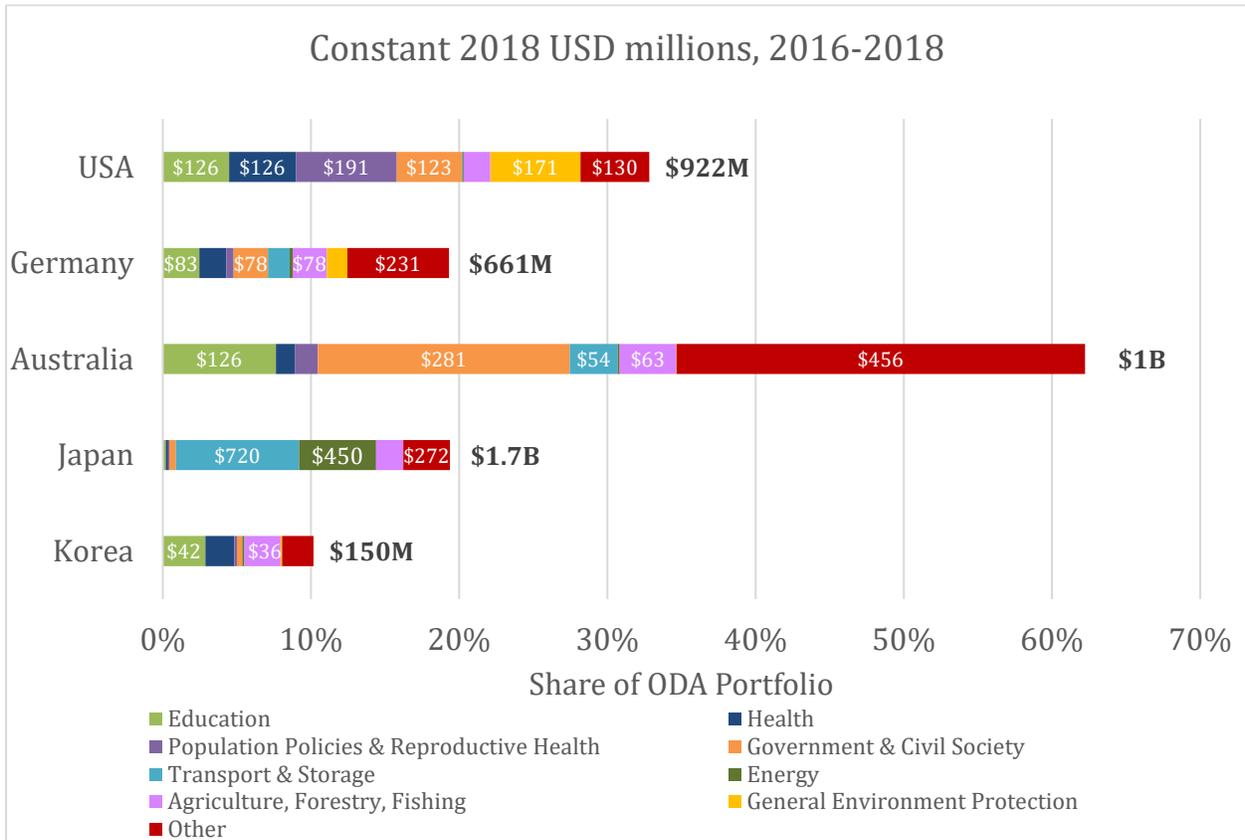
Figure 4. Singularity in donor funding



Source: OECD CRS (2020). All prices in constant 2018 USD, millions

There is considerable divergence in projects that are tagged with having a gender component (Figure 5), accounting for 63 percent of Australia’s assistance, 33 percent of the U.S.’s, 20 percent of Germany’s and Japan’s, and 10 percent of Korea’s portfolio. Australia and the U.S. integrate gender into a variety of sector programs, especially education and governance for Australia and for the U.S. health, population and reproductive services, education, governance, and environmental programs. Japan focuses its gender spending on transportation and energy projects.

Figure 5. Gross ODA disbursements for gender



Source: OECD CRS (2020). All prices in constant 2018 USD, millions

Table 4 presents data for each of the seven recipient countries on the level of funding from each of the five donors and the proportion that funding represents of the donor’s global ODA portfolio. Japan is the largest bilateral donor to five of the countries—Cambodia, Laos, Myanmar, Philippines, and Vietnam. Germany is the largest donor to Indonesia. Australia is the largest donor to Timor-Leste. With percentage of its global ODA portfolio representing a proxy for how a donor prioritizes the seven recipient countries, Indonesia is the largest recipient for three of the countries—Australia (10 percent of its portfolio), Germany (3 percent), and the U.S. (1 percent). Vietnam is the top recipient for two of the donors—Korea (10 percent) and Japan (9 percent).

Table 4. Gross ODA disbursements, 2016-2016, to 7 Southeast Asian countries
(in millions and as share of total ODA portfolio)

Donor	Total	Cambodia	Indonesia	Laos	Myanmar	Philippines	Timor-Leste	Vietnam
Australia	\$1,655	\$171	\$738	\$81	\$167	\$165	\$188	\$145
	22%	2%	10%	1%	2%	2%	3%	2%
Germany	\$3,376	\$145	\$2,185	\$93	\$159	\$128	\$22	\$645
	5%	0%	3%	0%	0%	0%	0%	1%
Japan	\$8,656	\$499	\$1,559	\$231	\$1,419	\$1,216	\$92	\$3,639
	21%	1%	4%	1%	3%	3%	0%	9%
Korea	\$1,471	\$201	\$168	\$171	\$170	\$176	\$32	\$553
	27%	4%	3%	3%	3%	3%	1%	10%
United States	\$2,810	\$288	\$968	\$135	\$424	\$564	\$67	\$364
	3%	0%	1%	0%	0%	1%	0%	0%

Source: OECD CRS (2020). All prices in constant 2018 USD.

Donor development assistance structures

Understanding and accounting for differences in decisionmaking processes and locus are critical to forming effective bilateral collaboration. Coordination among donors must account for how agencies are structured and their comparative advantages.

South Korea

In South Korea, decisionmaking on foreign assistance starts at the very top of government. Authority to coordinate development policies is centralized under the prime minister and the high-level Committee for International Development Cooperation (CIDC), chaired by the prime minister and comprised of a maximum of 30 members, including 14 cabinet ministers.

The Ministry of Foreign Affairs (MOFA) sets development policy for grant assistance and manages a sizeable portion of the grant program. The Ministry of Economy and Finance allocates the assistance budget and controls loan funds. The Korean EXIM Bank manages loan programs through the Economic Cooperation Development Fund (EDCF).

KOICA, the principal entity responsible for grant assistance, is a government agency under MOFA, but not part of the civil service, and is responsible for grant program/project implementation, not policy. It receives approximately one-quarter of the Korean aid budget totaling \$2.4 billion (2018). KOICA has minimal staff in recipient countries, and programs/projects are principally managed from headquarters. The Korean assistance budget is built on specific projects recommended by the field. Forty-one government agencies are involved in delivering foreign assistance.²⁶

Australia

Australian development assistance and foreign policy became fully integrated in 2013 with the merger of AusAID into the Department of Foreign Affairs and Trade (DFAT). Management of aid programs and foreign affairs are co-located in the same DFAT bureaucratic units and overseas in embassies. Development policy is housed in the Development Policy Division and the Contracting and AID Management Division. As of 2018, DFAT was responsible for 93 percent of Australia's ODA budget. Considerable autonomy and responsibility are delegated to the field, with 48 percent of staff responsible for assistance located in the field. DFAT does not have deep specialized staff expertise.²⁷

Germany

German development cooperation consists of multiple actors. While responsibility for overall political direction lies with the Federal Foreign Office (FFO), BMZ (Ministry for Economic Cooperation and Development), a cabinet ministry, has responsibility for policy and development cooperation oversight as well as for development-oriented emergency and transitional aid. The FFO is responsible for humanitarian assistance and stabilization efforts within the German

²⁶ OECD DAC: Korea 2017

²⁷ OECD DAC: Australia 2018

government. BMZ does not have the substructure of government agencies and works with implementing organizations to ensure the execution of its projects. GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), a federally owned enterprise, has principal responsibility for technical assistance implementation. KfW (KfW Development Bank) and DEG (Deutsche Investitions- und Entwicklungsgesellschaft), a subsidiary of the KfW Group, are responsible, respectively, for financial cooperation and financing private sector investments. Other government ministries also carry out modest levels of technical cooperation. BMZ and the Federal Foreign Office second staff to work in partner countries and international organizations. Currently, over 130 BMZ employees are working in this capacity either in German foreign missions or at international organizations. Field staff of all agencies working on development cooperation collaborate through in-country teams. Authority is centralized rather than delegated to the field.²⁸

The European aspect to German development cooperation must be taken into account, too. The European Union (EU) collectively is the world's largest donor in international development cooperation, contributing a share of around 55 percent²⁹. Responsibility for development cooperation is shared between the European Community and its member states. As the largest EU member country and contributor, Germany has both a special responsibility and special opportunities. In a number of European bodies, the German government actively contributes to shaping the development policy of the EU. The German government is also involved in every phase of the implementation of EU development cooperation. All measures are prepared, implemented, and monitored in consultation with EU member states and the pertinent EU institutions in Brussels. Coordination of the aid programs of the Community and of EU member states aims at avoiding unnecessary overlaps and duplication of efforts.³⁰

Japan

The Ministry of Foreign Affairs (MOFA) has the authority for setting development policy. The Japanese International Cooperation Agency (JICA), operating through grants, loans, and technical cooperation, is the government agency principally responsible for development implementation, covering about 60 percent of Japanese ODA. MOFA and JICA coordinate in-country through joint task forces. Japanese development programs are informed by Country Assistance Policies and Country Analysis Papers. Policy and decision-making are highly centralized.³¹

United States

USAID, operating under the foreign policy guidance of the Secretary of State, is the agency principally responsible for development assistance policy and implementation. The Department of State oversees security assistance and assistance principally designed to achieve foreign

²⁸ OECD DAC: Germany 2015

²⁹ https://ec.europa.eu/commission/presscorner/detail/en/IP_20_674

³⁰ OECD DAC: Germany 2015

³¹ OECD DAC: Japan 2014

policy objectives, but much of the economic portions of the latter is implemented by USAID. USAID manages about 60 percent of the foreign aid budget—about \$20 billion of a total budget of some \$35 billion. USAID country missions are relatively large compared to other donors and are staffed by American Foreign Service Officers and local nationals. While there is broad direction from headquarters (through geographic and functional bureaus), country missions have considerable authority in setting programs, although sector allocations are driven by the budget as formulated at USAID headquarters, the Department of State, and the Congress. The size of the USAID country mission and budget frequently give USAID considerable influence within the donor community and with the host government. USAID mission programs are guided by five-year country strategies (Country Development Cooperation Strategy—CDCS), drafted by the USAID country mission, after consultation with local stakeholders, and approved by USAID headquarters.

Diversity of development structures

What this diversity of structures and decisionmaking means for donor collaboration is that the process of coordination is not always simple and straightforward. For all agencies, it is headquarters that set the overall frame and policy for collaboration and may direct collaboration in areas such as exchange of personnel and research. Beyond that, key decisions are made by some donors at headquarters, by others in the field—and some by the foreign affairs ministry and others by the development agency.

For South Korea, the Ministry of Foreign Affairs and the Ministry of Economy and Finance set policy for grant and loan assistance, respectively, with the CIDC providing the coordinating function. The Ministry of Foreign Affairs plays a role in aligning the ODA policy with the government's foreign policy. For Australia, the development function is integrated into the foreign ministry. For Japan and Germany, policy is housed in one ministry and development implementation in other ministries and agencies. USAID has responsibility for development policy and program implementation, but with foreign policy guidance from the Department of State which operates security/foreign policy programs and has responsibility for interagency coordination. Korea and Japan have centralized decisionmaking, whereas the U.S. and Australia delegate considerable authority to field missions. For collaboration on specific projects, for Japan and Korea, headquarters will be the principal decisionmaker, but for Australia and the U.S., it will be country missions that have the prime role in making decisions and managing projects. This brings in a complex mix of decisionmaking and will affect the speed and complexity of project approval.

One mechanism for donor collaboration in many countries is the donor forum/committee where donors meet on a regular basis to share information, identify areas for partnership, improve understanding of the political environment, and in various ways work together. Sometimes the donor forum is convened by a key donor in-country, sometimes by the recipient government. Donor coordination efforts are particularly relevant and important in lower income developing countries as they have less capacity to do that themselves.

Mechanisms of donor collaboration

As part of the development effectiveness agenda, and to leverage their assistance, donor countries are collaborating in providing development assistance to lower and middle-income countries. Donor collaboration is noted for complementarity, cost-effectiveness, and learning. The advantages include: additional financial and technical resources; synergies that can spur innovation; opportunity to leverage the comparative and complementary assets of partners; exchange of knowledge and mutual learning; tapping into additional partners; resources for scaling up; linking into and building networks; and enhancing trust.

The dynamics between established and new donors is particularly powerful. The traditional donor (U.S., Japan, Australia, Germany) brings resources and long experience in the practice of managing development assistance. The new development assistance donor (South Korea), often sharing economic, geographic, and historical commonalities with the recipient country brings recent experience dealing with similar development challenges at home and relevant cultural and regional knowledge and savvy.

From the perspective of the new development donor, the benefits of collaborating include enhancement of its technical capacity, strengthened policy and institutional frameworks, acquisition of development know-how, and enhanced credibility and reputation. From the perspective of the established donor, the advantages are access to the partner's local and regional knowledge, the partner's ability to operate locally and scale-up, and its general knowledge of development as built up over several decades by an entity such as the Korea Development Institute.

The challenges of donor cooperation are increased transaction costs and lengthy timelines due to more complex negotiations and decisionmaking processes. Donors each have their own discrete processes and norms that often are difficult to sync as required for reaching agreement on common reporting standards, measurements, and modes of monitoring and evaluation.

Guidelines for effective cooperation among donors are the same as for all development assistance, as established by the 2005 Paris Declaration and restated in the Busan Partnership for Effective Cooperation at the 2011 Fourth High Level Forum on Aid Effectiveness:

- Ownership and alignment of development priorities—recipient countries should define priorities
- Focus on results—sustainable impact should be the driving force behind development policies and investments
- Partnerships for development—development depends on the participation of all actors and recognition of the diversity and complementarity of their functions
- Harmonization—donors should harmonize their standards and reporting requirements in order to minimize transaction costs on recipients

- Transparency and shared responsibility—development cooperation must be transparent and accountable to all citizens

It is particularly important that partners be transparent with each other and clear on the intended results and the specific role of each partner. Goals should be realistic and focused on specific targets.

Donor collaboration can take a variety of forms along a continuum: from loose coordination to full integration; collaborating at the level of policy, program, and project; working at the global, regional, national, and subnational levels. The nature of collaboration depends on the degree of commonality among donors' foreign policies and development objectives, the degree to which their development policies and programs are aligned and compatible, and the extent to which they operate in the same countries, geographic regions of a country, and sectors.

Collaboration is not restricted to government donors. It can be multiparty and include foundations, the private sector, and civil society organizations.

Policy-Program-Project-Trust Fund

Policy

At the broadest level, collaboration can involve joining forces to promote shared or compatible policies—in global and regional forums with respect to overall development objectives and operating guidelines; at the country level, advocating similar concepts and theories of development; at the sector level, adopting similar or compatible strategies and approaches. Donors can work together to advocate for similar policies in regional and international forums and at the national level. Regional meetings, such as various meetings of ASEAN,³² provide opportunities for donors to promote coordinated policy agendas.

Program

At the program level, collaboration can involve common initiatives—from jointly developing and implementing a specific initiative, to taking responsibility for separate aspects of the same program, to one of the donors providing funding for a program of another donor. As part of the same initiative, one donor could work at the policy level and another donor at the project level; one donor could provide financing and the other grant and technical assistance; one could bring in the private sector and the other public financing and expertise.

³² List of ASEAN meetings is found at <https://asean.org/storage/2015/05/ASEAN-Notional-Calendar-2020-as-of-20-December-2019.pdf>

Project

At the project level, collaboration can involve a wide range of activities—jointly developing a project, adding funding to a project of another donor, donors taking responsibility for a project in different locales of a country, and donors implementing different aspects of the same project.

Trust funds

Multilateral channels can be easier mechanisms for collaboration than bilateral arrangements. Specifically, donor collaboration can take place through multi-donor trust funds. A trust fund is targeted on a specific issue or geography, takes on its own brand, and may be managed by an international entity such as the World Bank or UNOPS. For larger trust funds, donor staff may have a seat at the board or other governing structure. The advantages of a trust fund are that it puts a larger scale of funding behind a common strategy and it has a single point of contact that is easier for the local partner to deal with, while donors still have a hand in the oversight of the trust fund.

As noted earlier in this paper, at the regional level ASEAN has multiple instruments through which the donors have and can work collaboratively to advance development in the region. Finding synergies within those instruments may be a more straight forward path to collaboration.

Coordination or integration

Loose coordination is the easiest to bring about as it can be implemented in an ad hoc fashion without involving multiple layers of decisionmakers and bureaucracies. It often can be accomplished by staff in-country working formally or informally on a simple issue involving their respective programs for which they have the authority and flexibility to make decisions, or at a regional meeting coordinating on a policy issue. But the impact of loose coordination is likely to be minimal.

The more extensive the integration, for example, pooled funds and shared governance and accountability, the more difficult is the task to bring about due to often divergent policies and complex decision making and procurement processes, but the greater is the likely impact. Most donors have differing multi-layered and lengthy policymaking and procurement processes that create hurdles and require considerable political will to maneuver through, often a shifting maze without a clear guide, to create a framework for close collaboration.

Global—Regional—Country

Governments frequently engage in extensive coordination in preparation for global and regional meetings. Coordination is made easier where governments have comparable policies and interests and their agencies and officials have worked together over a period of time. Establishing an agreed upon strategy for coordination with another donor for regular regional or international meetings can be an effective means of facilitating cooperation.

Donors frequently coordinate in-country either before meetings with the host government, or together with host government officials. This is most common by donors who operate in the same sector and have comparable policy objectives. This coordination can facilitate impact through multiple donors speaking with one voice with the host government, donors avoiding conflicting policies, and donors acting to ensure that their efforts build on each other's. This can be effective where donors operate in the same sector, in the same area of a country, or take responsibility for comparable activities in different regions of a country.

Figure 1. Modes of collaboration



Areas and venues for potential collaboration

It is important to have realistic expectations for donor development cooperation. The history of effective donor collaboration is neither extensive nor rich. Donors have different decision-making and management processes and requirements, different sector priorities, and different interests in a country and region. Most have exacting stakeholders not attuned to the benefits of collaboration among donors and to the imperative to alter modes of operation for effective collaboration.

On the other hand, the case for donor development collaboration in Southeast Asia is compelling. It is a dynamic and increasingly important region of the world; the donor countries covered in this paper have a history of working together; they have similar interests in the region; collaboration can magnify the impact of their development efforts; and the development needs of the lower-middle-income countries in the region have been made even more urgent by COVID-19. An overarching incentive for collaboration in Southeast Asia and the broader Indo-Pacific region is to counter China's opaque, debt-strapping programs. Not so starkly articulated by most donors, but that is a prime motivation behind their collective promotion of a "free, open, and transparent Indo-Pacific" and far outweighs any differences in their specific approaches.

Donor collaboration can commence at several levels and phases. Initial collaboration might be modest but useful—hold regular teleconferences to share information, exchange of personnel, fund joint research, and coordinate policy positions at the partner country level and at regional meetings. It could involve delegated cooperation, one donor putting funding into another's project, as Korea has done in situations where it found USAID projects compatible with its development objectives and as USAID recently did in transferring funds to Australia in support of a digital connectivity project in Palau. A next step might be joint design and funding of projects, as is being done with a joint U.S./Korean project in Timor-Leste.

An example of dynamics that can undergird and drive collaboration is the strong relationship between Korea and the United States, grounded in unique and historically close ties, overlapping strategies for the Indo-Pacific region, and MOUs that provide frameworks for cooperation. Their comprehensive alliance was formed upon the signing of the Mutual Defense Treaty in 1953. The relationship has since been strengthened and expanded based on shared values and interests. Korea and the U.S. have collaborated to advance common economic interests and combat global threats, such as geopolitical stability in the Asian South Pacific region and denuclearization of the Korean Peninsula. Today, with growing U.S. interests in Southeast Asia and South Korea positioned as an important regional economic and political power, the U.S.-Korean partnership has advanced to include collaboration in areas such as development, space exploration, cyber concerns, and climate change. Stemming from its experience fighting pandemic outbreaks, such as H1N1 and SARS, Korea has been a strong partner in the U.S.-initiated Global Health Security Agenda.

But the U.S./Korean relationship is not the only one. These five donors have all worked together in the region in various combinations and with ASEAN. Australia and Japan are major regional players and have extensive relations with the other donors and ASEAN. Germany has the potential to bring not only its own enhanced focus on the region but also the European Union and specific European partners given the expanding EU interest in the Indo-Pacific. Australia, South Korea, Japan, and Germany have joined together on pooled funding for health in Cambodia. Australia and South Korea have collaborated in pooled funding in the mining sector in Cambodia. Australia has participated in ASEAN mechanisms and worked on activities with the World Bank and UN. The U.S. has collaborated with South Korea on projects involving digital, health, education, and women's empowerment, with Japan on digital, health, and energy, and with Australian and Japan on infrastructure.³³

Concreteness can be brought to the conceptual approaches of (1) policy-program-project, (2) global-regional-country, and (3) convergence-complementarity by drawing on the data presented above and in the appendix and in the companion papers on health, education, digital, women & gender, and governance & public administration to create examples of possible collaboration:

- Given Australian, Japanese, and the U. S. priority and extensive experience integrating a *gender* approach into programs, paired with KOICA's interest in women empowerment, the donors could develop a common approach and strategy to enhance the advancement of women and girls empowerment and could combine their voices in ASEAN forums to push for a stronger gender approach in programming. (see companion paper on women and gender)
- Various donors put priority on *education* and its intersection with workplace opportunities and Korea specifically on economic infrastructure and services; they could collaborate in the area of facilitating the school-to-work transition, the urgent need to ensure that all students return to school post-COVID, and that schools and learning are digitally savvy. (see companion paper on education)
- With donors heavily invested in *health*, especially the United States; Korea's strong record in managing its own response to COVID-19; and the urgency that COVID-19 is putting on pandemic prevention, KOICA would be a logical partner for traditional donors to double down on their existing collaboration through the Global Health Security Agenda. (see companion paper on health)
- Again, with the growing urgency for effective *health* systems in developing countries, donors could join forces on WASH infrastructure, a sector that COVID-19 has made all the more important and in which KOICA is heavily invested in the region. Traditional

³³ These examples came from several presenters at the November 8, 2020, Brookings public Roundtable on Opportunities and Challenges for Donor Collaboration in Southeast Asia.

donor ODA programs could provide grant and technical assistance and their respective development finance sister agencies could provide the finance.

- In the area of *digital* development, the five donors, all having advanced digital capabilities and strong development and foreign policy interests in how digital evolves in the region, would be natural partners in contributing to the development of digital infrastructure, skills development, capacity building, and the supportive enabling environment. Collectively their efforts would provide the breadth and scale required to bring the lower-middle-income countries into the digital readiness required for the economic and social dynamics of the 21st century and to better respond to the COVID pandemic and better deal with the next one. (see companion paper on digital).
- The five donors all have an overwhelming interest in the *democratic* development of Southeast Asia, increasingly under constraints in some countries. Stable, long-lasting democracy requires both good governance and accountable public administration. The donors could operate under a common coordinated framework to advance democratic practices with each targeting those areas of their specific strength and interest—effective public administration, accountability through transparent governance and strong civil society, e-government, and rule of law. (see companion paper on governance and public administration).

Moving in one or several of these areas would be an effective way to commence collaboration. At the same time, donors might search for a big idea—a big initiative that would be so compelling as to grab the attention and support from donor development and foreign policy stakeholders, and collaboration from countries in the region and a broader set of donors—that would make a measurable contribution to advancing economic progress in Southeast Asia and the interests of all participants. Donors are increasingly understanding and emphasizing the important role of the private sector in development, so an initiative involving business partners would play to this priority. Such a concept is presented in the final section of the companion paper on digital development.

Appendix

Table 1

Gross ODA Disbursements to Cambodia, Indonesia, Laos, Myanmar, Philippines, Timor-Leste and Vietnam, 2016-2018, millions										
Sector	Korea		Japan		Australia		Germany		United States	
	Disbursements	Share								
Total Aid, All Sectors	\$1,471		\$8,656		\$1,655		\$3,376		\$2,810	
<i>Social Infrastructure & Services</i>	\$599	41%	\$1,744	20%	\$794	48%	\$1,136	34%	\$1,605	57%
• Education	\$156	11%	\$386	4%	\$170	10%	\$351	10%	\$306	11%
• Health	\$115	8%	\$233	3%	\$53	3%	\$70	2%	\$357	13%
• Population Policies & Reproductive Health	\$3	0%	\$9	0%	\$27	2%	\$17	0%	\$351	12%
• Water & Sanitation	\$187	13%	\$836	10%	\$96	6%	\$93	3%	\$39	1%
• Gov't & Civil Society	\$115	8%	\$172	2%	\$403	24%	\$581	17%	\$495	18%
• Other Social Services	\$23	2%	\$108	1%	\$44	3%	\$25	1%	\$58	2%
<i>Economic Infrast. & Services</i>	\$571	39%	\$4,933	57%	\$191	12%	\$718	21%	\$140	5%
• Transport & Storage	\$432	29%	\$3,739	43%	\$126	8%	\$56	2%	\$83	3%
• Communications	\$76	5%	\$39	0%	\$1	0%		0%	\$1	0%
• Energy	\$47	3%	\$1,103	13%	\$14	1%	\$540	16%	\$11	0%
• Banking & Finance	\$11	1%	\$39	0%	\$12	1%	\$90	3%	\$9	0%
• Business Services	\$5	0%	\$14	0%	\$38	2%	\$33	1%	\$36	1%
<i>Production Sectors</i>	\$159	11%	\$874	10%	\$198	12%	\$591	18%	\$142	5%
• Agriculture, Forestry, Fishing	\$128	9%	\$486	6%	\$159	10%	\$96	3%	\$121	4%
• Industry, Mining, Construction	\$26	2%	\$342	4%	\$20	1%	\$11	0%	\$1	0%
• Trade Policies	\$3	0%	\$38	0%	\$18	1%	\$483	14%	\$20	1%
• Tourism	\$2	0%	\$8	0%	\$1	0%	\$0	0%		0%

<i>Multi-Sector / Cross-Cutting</i>	\$113	8%	\$774	9%	\$375	23%	\$809	24%	\$506	18%
• Environment	\$12	1%	\$202	2%	\$8	0%	\$95	3%	\$291	10%
• Other Multisector	\$101	7%	\$572	7%	\$368	22%	\$714	21%	\$215	8%
Sector	Korea		Japan		Australia		Germany		United States	
	Disbursements	Share	Disbursements	Share	Disbursements		Disbursements	Share	Disbursements	Share
<i>Commodity Aid / General Program Assistance</i>	\$0	0%	\$144	2%	\$7	0%	\$17	0%	\$19	1%
• Budget Support		0%	\$100	1%		0%		0%		0%
• Food Assistance		0%	\$2	0%	\$7	0%	\$17	0%	\$19	1%
• Commodity Assistance	\$0	0%	\$43	0%		0%		0%		0%
<i>Action Relating to Debt</i>		0%		0%	\$11	1%		0%	\$25	1%
<i>Humanitarian Aid, Total</i>	\$26	2%	\$186	2%	\$67	4%	\$105	3%	\$207	7%
<i>Administrative Costs of Donors</i>		0%		0%	\$4	0%		0%	\$164	6%
<i>Unallocated / Unspecified</i>	\$3	0%	\$0	0%	\$9	1%		0%		0%
<i>Gender (total across all sectors)</i>	\$150	10%	\$1,705	20%	\$1,049	63%	\$661	20%	\$922	33%

Source: OECD CRS (2020). All prices in constant 2018 USD, millions.

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