The Republic of Korea's Country Partnership Strategy for the Islamic Republic of Pakistan

The Government of the Republic of Korea

March 2021

Table of Contents

I. Assistance Plan 3
II. Proposed Assistance by area
(1) Water Management and Health/ Hygiene
(2) Energy
(3) Regional Development
(4) Transportation
III. Performance Monitoring Guidelines 14
IV. Implementation Strategy

I. Assistance P	an			
CPS Goal for Pakista	To improve the quality of life for the Pakistani people by supporting Pakistan's sustainable economic and social development and achievement of the SDGs			
Pakistan Vision 2025	 Develop human and social capital Achieve sustained and inclusive growth Implement governance, institutional reforms and public sector modernization Ensure energy, water and food security Achieve growth led by the private sector and entrepreneurship Develop a competitive knowledge economy through value addition Modernize the transport infrastructure and strengthen regional connectivity 			
Korea's Assistance Objectives	 Improve water security through the provision of safe drinking water and strengthen the capacity of inclusive health care Establish a foundation for economic growth by creating the infrastructure for electricity and energy Strengthen social services through regional development and support vulnerable groups Strengthen the transport infrastructure and transport operation capacities 			
Water Management and Health/ Hygiene	I I I Nupport policy-making in the water sector and enhancement of			
Energy	 Improve access to energy for all through the expansion of renewable energy Promote industrialization and innovation through the expansion of the energy infrastructure 			
Regional Developmen	 Support income increases through the expansion of the agricultural infrastructure and assistance for agricultural technologies Support vulnerable groups such as farmers and women through regional development Alleviate poverty by strengthening agricultural production capabilities and economic capabilities 			
Transportatio	 Enhance regional accessibility through the expansion of transport infrastructures Improve the efficiency of transport operation by strengthening the capacity of workers in the transport sector 			

□ Assistance Goal

- Support Pakistan's achievement of Pakistan Vision 2025, its long-term development objective, in addition to the SDGs, in order to improve the quality of life for the Pakistani people and contribute to expanding exchanges and cooperation between Korea and Pakistan.
- □ Reasons for the Selection of Priority Areas
- 1. (Water Management and Health and Hygiene) Pakistan suffers from chronic water scarcity due to the fact that 92 percent of the entire country consists of arid or semi-arid regions, and faces severe water scarcity and health and hygiene problems due to the depletion of water resources caused by excessive usage of underground water and deterioration of water quality caused by inadequate water and sewage facilities.
 - → Support the expansion of water and sewage facilities, water resources management capacity, related policy capacity, etc.
- 2. (Energy) Chronic electricity shortage due to insufficient supply impedes industrial development, and the quality of life of the Pakistani people has deteriorated since the power distribution disparity between urban and rural areas has widened due to the inadequate power transmission and distribution infrastructure.
 - \rightarrow Establish the foundation for sustainable economic growth by strengthening the capacity of workers in the energy sector and building infrastructure and systems for electricity and renewable energy.
- 3. (Regional Development) Agriculture in Pakistan accounts for 19.3 percent of its GDP, and 60 percent of the population work in agriculture, resulting in the vital importance of the agricultural sector. However, Pakistan is facing a food security crisis from low agricultural productivity due to its arid climate, insufficient irrigation facilities, and inadequate agricultural technologies.
 - \rightarrow Improve agricultural productivity and support the impoverished population through the expansion of the agricultural infrastructure,

consultations in relation to agricultural technologies and systems, and enhancement of the capacity of specialized workers.

- 4. (Transportation) Poor roads and inadequate transport infrastructures including railways impede industrial development and cause safety issues such as traffic accidents.
 - \rightarrow Strengthen regional connectivity through the expansion of the transport infrastructure and enhancement of workers' capacity in the transport sector.
 - ♦ (Criteria for the Selection of Priority Areas) Key considerations include Pakistan Vision 2025, the severity and urgency of problems in each area, Korea's comparative advantages, possible ripple effects of assistance, dissemination of outcomes through the linkage of different areas, expected budget scale, aid coordination with other donor countries, etc.
 - ◇ (ODA Plan) The plan will be determined considering Pakistan's development needs, Korea's aid capacity, effects of completed ODA programs, and cooperation with other donor organizations, subsequently committing over 70 percent of the total aid amount to priority areas.

II. Proposed Assistance in Each Area

[1] Water Management and Health and Hygiene

□ Basic Direction of Korea's Assistance

- Provide safe drinking water by securing water and sewage facilities and enhancing the capacity for water treatment.
- Support the enhancement of policy-making and administrative capacities in the water sector.
- Strengthen the health care capacity to respond to communicable diseases including COVID-19 and improve child nutrition.

* Related SDG Targets

- (SDG 6.1) Achieve universal and equitable access to safe and affordable drinking water.
- (SDGs 6.4, 6.5) Increase water-use efficiency across all sectors and ensure the sustainable withdrawal and supply of freshwater to address water scarcity.
- (SDG 3.3) End tropical diseases and combat other communicable diseases including water-borne diseases.
- (SDG 2.2) End all forms of malnutrition for children under five years of age.

□ Area-specific Development Needs

- (Primary Goal) To ensure universal access to water by addressing the supply and demand imbalance (Pakistan Vision 2025 IV: Energy, water, and food security).
 - Provide sufficient water for the entire population of Pakistan.
 - Introduce proven methods and technologies to minimize the amount of sewage and preserve water resources.
 - Establish the systemic structure to efficiently manage water resources such as surface water, underground water, and rainfall, and to adequately utilize such resources for agricultural, industrial and

everyday usage.

- Improve the quality of health and hygiene and medical services.

Detailed Tasks in Water and Health Under Pakistan Vision 2025

- Ensure access to clean drinking water for the entire population.
- Reduce the infant mortality rate (from 74 per 1,000 to less than 40).
- Reduce the maternal mortality rate (from 276 per 1,000 to less than 140).
- (Relevant Organizations) Ministry of Climate Change, Public Health Engineering Department (PHED), Pakistan Council of Research in Water Resources (PCRWR), and Ministry of National Health Services, Regulations, and Coordination.

- (Expansion of Drinking Water Supply) Expand the stable provision of clean drinking water by securing water and sewage facilities and enhancing the water treatment capacity.
 - Establish drinking water supply facilities using surface water and underground water, expand water and sewage facilities, and support capacity-building for water treatment-related infrastructure and workers.
 - Continue to monitor completed projects in the water sector and promote the enhancement of efficiency by linking new projects to existing projects.
- (Enhancement of Administrative Capacity in the Water Sector) Support the establishment of water policy based on Korea's example and enhance Pakistan's administrative capacity to strengthen its capacity for reporting under SDG 6.

- Support capacity-building to establish water-related administrative statistics, ensure coordination between central and local governments, and enhance the capacity to report to the international community.
- (Enhancement of the Health-related Capacity) Strengthen Pakistan's health-related capacity for responding to communicable diseases such as COVID-19, and improve child nutrition.
 - Support the enhancement of health infrastructure and the capacity of health workers.
 - Support the infrastructure for the improvement of basic nutrition among children and the capacity of nutrition-related workers.

[2] Energy

D Basic Direction of Korea's Assistance

- Improve energy access for the Pakistani people through the expansion of renewable energy.
- Promote industrialization and innovation through the expansion of the energy infrastructure.
- * <u>Related SDG Targets</u>
 - (SDG 7.1) Ensure universal access to reliable energy services.
 - (SDG 7.b) Expand infrastructure and upgrade technology to supply sustainable energy services.

□ Area-specific Development Needs

- (Primary Goal) To provide affordable eco-friendly energy for the entire population of Pakistan (Pakistan Vision 2025 IV: Energy, water, and food security).
 - Expand the supply of electricity in order to address absolute power

shortages.

- Establish renewable energy facilities and expand their supply capacity with the aim to adapt to climate change.
- Narrow power supply gaps between rural areas and cities such as Islamabad and Karachi.
- Increase the efficiency of facilities and transmission and distribution systems.

Detailed Tasks in Energy

Under Pakistan Vision 2025

- Double power generation to over 45,000 MW to provide uninterrupted and affordable electricity, and increase electricity access from 67 percent of the population to over 90 percent.
- Reduce the average unit price of power generation by 25 percent through the expansion of power generation (15 percent) and reduction of the loss rate (10 percent) when transmitting and distributing power.
- Increase the proportion of domestic power production to over 50 percent.
- Increase the usage of energy-efficient devices to 80 percent in order to manage power demand.
- (Relevant Organizations) Ministry of Energy, Water and Power Development Authority (WAPDA), Pakistan Council of Renewable Energy Technologies (PCRET), and Alternative Energy Development Board (AEDB).

- (Expansion of Renewable Energy) Support consultations on improving policies and legal systems, infrastructure, and capacity of human resources with the aim to expand renewable energy.
 - Support the development of the solar power industry by strengthening the relevant infrastructure, establishing a certification system and enhancing the capacity of human resources.
 - Improve the standard of living for residents in power-neglected

regions through support for the solar power industry.

- Support the expansion of alternative energy such as water and solar power, and secure industrial energy in consideration of the Pakistani government's plan to reduce thermoelectric power generation and diversify the country's energy sources.
- (Improvement of Power Supply Rates) Improve power supply rates through the expansion of generation facilities and the improvement of transmission and distribution grids.
 - Support transmission and distribution grids in order to increase power access in rural and isolated areas.

* Korea's power loss rate in transmission and distribution is less than four percent, which comprises a comparative advantage for Korea as one of the lowest rates in the world.

[3] Regional Development

□ Basic Direction of Korea's Assistance

- Support income increases through the expansion of agricultural infrastructure and assistance for agricultural technologies.
- Support vulnerable groups such as farmers and women through regional development.

* Related SDG Targets

- (SDG 2.1) End hunger by ensuring access to safe and sufficient food for vulnerable groups.
- (SDG 2.3) Double agricultural productivity and incomes through secure and equal access to land, other productive resources and financial services and markets.
- (SDG 2.4) Ensure sustainable food production systems that increase productivity and production.

□ Area-specific Development Needs

- (Primary Goal) To improve the quality and quantity of agricultural production to ensure food security (Pakistan Vision 2025 IV).
 - Increase productivity and reduce crop loss rates through advanced technologies.
 - Promote agricultural modernization and diversification with the aim to improve the quality of agricultural products and ensure the stable supply of basic agricultural products.

Detailed Tasks in Regional Development Under Pakistan Vision 2025

• Reduce the food insecure population from 60 percent to 30 percent.

• (Relevant Organizations) Ministry of National Food Security and Research, Pakistan Agricultural Research Council.

- (Increase in Agricultural Productivity) Increase incomes of farmers and support vulnerable groups including women by supporting the improvement of agricultural productivity through assistance to agricultural production infrastructure and sharing of agricultural technology.
 - Support infrastructure such as agricultural and livestock production facilities and irrigation facilities in order to increase production.
 - Support agricultural technology sharing and research assistance with the aim to improve productivity.
- (Strengthening of the Agricultural Value Chain)) Strengthen the value chain of agricultural products and improve the quality competitiveness of agricultural products in order to increase incomes of farmers.

- Increase quality competitiveness through the improvement of storage and distribution technology for harvested crops.
- Create a business model capable of strengthening the value chain, including securing distribution channels.

[4] Transportation

□ Basic Direction of Korea's Assistance

- Ensure regional accessibility through the expansion of transport infrastructure.
- Improve the efficiency of transport operation by strengthening the capacity of transport workers.

* Related SDG Targets

- (SDG 9.1) Develop quality and sustainable economic and social infrastructure for all.
- (SDG 11.2) Provide access to safe, accessible and sustainable transport systems for all.

□ Area-specific Development Needs

- (Primary Goal) To modernize transport infrastructure and strengthen regional connectivity (Pakistan Vision 2025 VII).
 - Reduce transport costs and improve the stability of movement.
 - Strengthen connectivity between urban and rural areas and between provinces.
 - Transform Pakistan into a trade corridor and expand exports using its geopolitical advantage of connecting Northeast Asia, the Commonwealth of Independent States, the Middle East, and the Indian Ocean.

Detailed Tasks in Transport Under Pakistan Vision 2025

- Increase the road density from 32km/100km² to 64km/100km², and the proportion of railroads among the total freight transport from 4 percent to 20 percent.
- Increase the annual export amount from USD 25 billion to USD 150 billion.

• (Relevant Organizations) Ministry of Communications, Ministry of Railways.

- (Establishment of Transport Infrastructure) Support the construction of transport-related infrastructure.
 - Support increases in overall industrial productivity by promoting the construction of tunnels and roads.
 - Support the construction of transport infrastructure to reduce traffic accidents, decrease travel time, enhance logistics and human resource exchanges, and vitalize local economies.
- (Capacity-building) Support capacity-building in relation to the establishment of transport policies and the improvement of relevant systems.
 - Develop infrastructure, establish transport-related systems, provide consultations on the operation and management of airports and ports, and transfer technologies.

III. Performance Monitoring Guidelines

Recipient Country's Development Goal (Pakistan National Development Strategy)

: To create a knowledge-based, resource-intensive economic system by improving productivity and securing the necessary governance capacity

CPS Goal

: To improve the quality of life for the Pakistani people by supporting Pakistan's sustainable economic and social development and achievement of the SDGs

Priority Areas	Goal(s)	Limitation(s)	Outcome(s)	Performance Indicator(s)
Water Management and Health/Hygiene	 To provide safe drinking water by securing water and sewage facilities and strengthening water treatment capacity To support the enhancement of policy-making and administrative capacities in the water sector SDGs 6.1, 6.4, 6.5 To strengthen health capacity to overcome COVID-19 and improve child nutrition SDGs 2.2, 3.3 	 Lack of basic infrastructure, including water and sewage facilities, and insufficient management capacity Inadequate health infrastructure and lack of workers in the nutrition sector 	 Expanded supply of safe drinking water through the expansion of water-related projects Enhanced the capacity of workers of water sector including relevant policies and water quality analysis Enhanced the capacity of nutrition sector workers such as dietitians 	 Establishment of water and sewage facilities Number of workers who received training relevant to the water sector such as water quality analysis Number of workers who received training relevant to the nutrition sector for the improvement of child nutrition
Energy	 To improve access to energy for the Pakistani people through the expansion of renewable energy To promote industrialization and innovation through the expansion of energy infrastructure SDGs 7.1, 7.b 	 Low access to electricity and severe power supply disparity between urban and rural areas Lack of infrastructure to expand renewable energy 	 Enhanced renewable energy policies and capacity of workers Improved power supply rates 	 Infrastructure to expand renewable energy Number of workers who received training relevant to the energy sector
Regional Development	• To support income increases through the expansion of agricultural infrastructure and agricultural technology assistance	 Low productivity caused by poor infrastructure and lack of agricultural technologies 	 Improved agricultural productivity and incomes of vulnerable groups such as women Enhanced the 	 Increased agricultural productivity Increased incomes of vulnerable groups such as women

	 To assist vulnerable groups, including farmers and women through regional development SDGs 2.1, 2.3, 2.4 		capacity of workers in the agricultural sector	 Number of workers who received training relevant to the agricultural sector such as the use of agricultural technology
Transportation	 To ensure regional access through the expansion of transport infrastructure To increase the efficiency of transport operation by strengthening the capacity of workers in the transport sector SDGs 9.1, 11.2 	 Inadequate transport infrastructure 	 Improved transport infrastructure and enhanced the capacity of workers in the transport sector 	 Infrastructure for improving transport Number of workers who received training relevant to the transport sector

IV. Performance Monitoring Guidelines

□ Aid Coordination with Other Donor Organizations

- Proactively participate in consultations and identify methods of cooperation with donor organizations when conducting consultations in a priority area in the absence of regular consultations with donor countries in Pakistan.
- Share project information and identify methods of cooperation through bilateral consultations with major international organizations and donor organizations, including the United Nations Office for Project Services (UNOPS) and Japan International Cooperation Agency (JICA).

Enhancement of Linkages between Loan and Grant projects and between Grant Projects

- Review projects with the potential for grant-to-loan linkages as a priority in order to enhance project effectiveness.
- Continue to monitor completed grant projects and strengthen linkages with completed projects to improve the sustainability and effectiveness of projects when promoting a new project in the same area, such as water and regional development.

□ Public-Private Partnerships

• There are restrictions on public-private partnership projects since most of Pakistan has been placed under Red Alert (travel canceled or delayed) under the Travel Warning System of the Ministry of Foreign Affairs, and very few Korean NGOs or companies are currently operating in Pakistan. Korea plans to review the promotion of public-private partnership projects with a focus on regions with stable governance such as Islamabad and Faisalabad.

□ Contribution to the SDGs

- (Contribution to the SDGs) Korea has established its ODA policies with a mainstream focus on the SDGs, which represent the shared goals of the international community.
- Korea is making strategic contributions to the achievement of the SDGs by reflecting them across the various target areas, methods and systems of ongoing projects, as well as implementing new joint development projects initiated by the Korean government in accordance with each beneficiary nation's circumstances following the UN SDG Summit.
- Based on the overarching principle of "Leave no one behind" in the 2030 Agenda for Sustainable Development, Korea is working towards reducing inequality by incorporating considerations of gender equality in all proposed ODA programs (See the Recommendations for the Application of a Gender-Sensitive Perspective below).

<Recommendations for the Application of a Gender-Sensitive Perspective>

- 1. At the project identification stage, conduct a gender analysis^{*} as a rule.
 - * Survey and analyze gender-based labor activity patterns, gender relationships and women's participation in decision-making, etc.
- 2. At the project designing stage, consider and reflect gender analysis outcomes as specifically as possible in performance indicators and project plans.
 - * For example, include targets reflecting women's priorities and set gender-based target values.
- 3. At the evaluation and monitoring stage, assess the gender-based impacts on outcomes and performances.
 - * Describe the beneficiaries and scales of a project by separating them by gender up to a reasonable degree.

* For further information, refer to Guidelines for the Application of Gender-Sensitive Perspective for ODA Projects, as published by the Office for Government Policy Coordination (August 24, 2015).