







# Introduction to financing instruments in the Land and Transport Sector:

with Land and Transport ODA & International GHG mitigation

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[Annex] K-City Platform for Cross-sectoral Cooperation for Urban Development



## 1. Introduction and history about ICAK

- ICAK was established in 1976 as **the nation's only promotion agency** for the overseas construction industry under the **Overseas Construction Promotion Act** and **MOLIT(Ministry of Land, Infrastructure and Transport)**
- Moreover, ICAK serves as <u>executing agency</u> for <u>Land and Transport ODA and International GHG Mitigation</u>, helping developing countries build the foundation and creating an <u>enabling environment for Korean companies</u>' by sharing <u>our development experience</u>
  - The nation's only overseas construction promotion agency in accordance with Overseas Construction Promotion Act
     Playing a role as a bridgehead for overseas construction under MOLIT(Ministry of Land, Infrastructure and Transport)
     The largest infrastructure cooperation Conference GICC organizer
     Land and Transport ODA & International GHG Mitigation executing agency





### 2.1 Land and Transport ODA

#### **Background & Objectives**

- Providing official development assistance based on the Korean development model for land, infrastructure & transport aimed at the economic development and social welfare of partner countries.
- Supporting sustainable and effective development of land and transport infrastructure in partner countries
  and creating a basis for bilateral/multilateral cooperation with the Korean public and private sectors

Government Body & Designated Agency





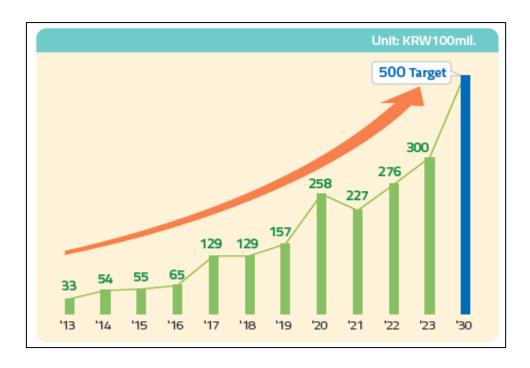


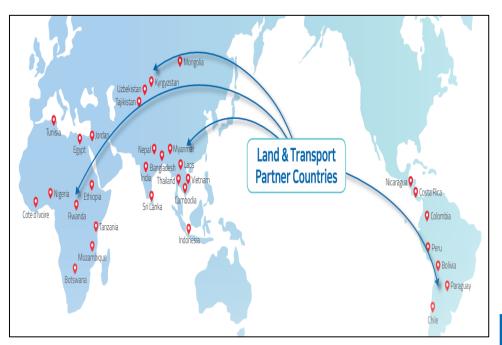
### 2.1 Land and Transport ODA

**Budget Status and Estimated Expenditure** 

\* 1USD=1,200KRW

- KRW 195.3bil.(approx. 162.5mill. USD) provided to 33 partner countries from 2013 to 2024
- Approx. 400 thousand USD TO 4mil. USD for each ODA Project(Subject to change depending on the project content)

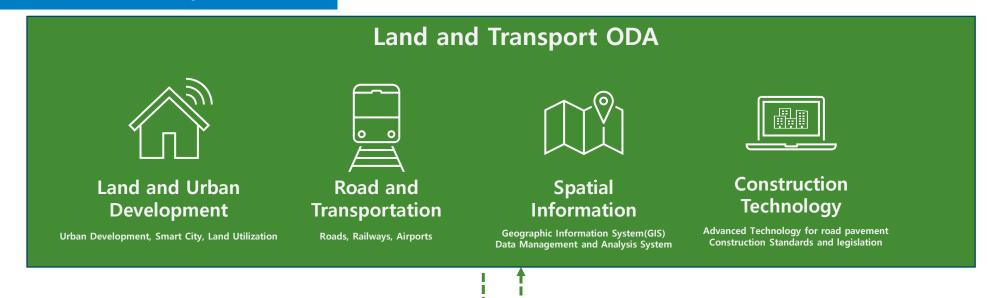






## 2.1 Land and Transport ODA

**Project Types and Project Areas** 





## Development Consulting

Master Plan and Financial Consulting Services



## Project Implementation

Infrastructure Development,
Provision of hardware, Tech-transfer



## Training Program

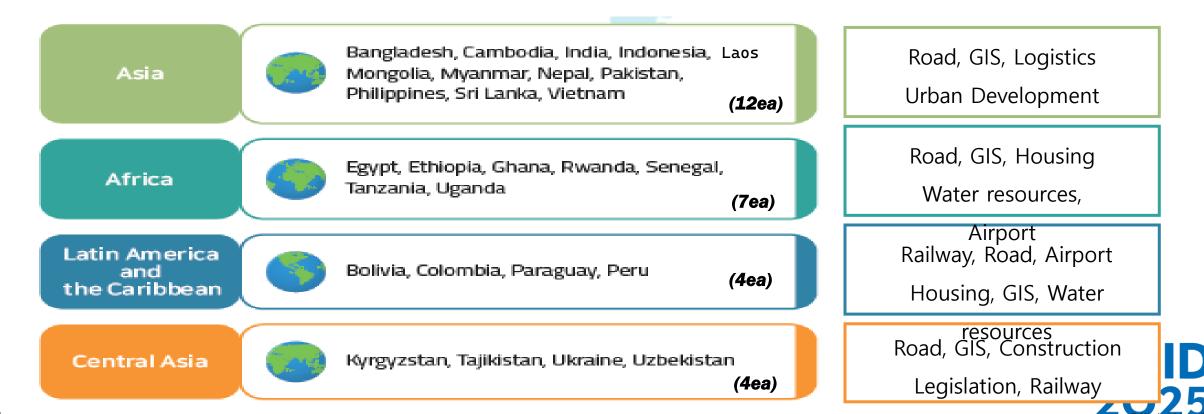
Experience and Knowledge Transfer in Land and Transport

ctor

## 2.1 Land and Transport ODA

#### Eligible Countries and Assistance Sector

- The 3<sup>rd</sup> ODA Priority Partner Countries(27ea) selected by the Korean government(2021-25)
- \* Other countries(included DAC list of aid recipients and Countries under 4<sup>th</sup> ODA Strategic Plan('26-30))



### 2.1 Land and Transport ODA

Assistance Scale by Region

\* 1USD=1,200KRW, Disbursement('13~'24) Cumulative



Asia



Latin America



Central Asia



**Africa** 



**MENA** 

47ea, 96mil. USD

21ea, 29mil. USD

11ea, 24mil. USD

10ea, 11mil. USD

3ea, 2mil. USD

## 2. Financing Instruments in Land and Transport Sector 2.1 Land and Transport ODA

Assistance Scale by Country \* 1USD=1,200KRW / Million USD

구분	Cumulative Disbursement('13~'24)			Major Projects	
	Amount	Number	Share(%)	Name	Cost
Indonesia	24.6	11	15.1	Establishment and Operation of Smart City Cooperation Center for Indonesia's New Capital City	8.2
Colombia	21.3	9	13.1	K-ITS Traffic Information Integrated Center in Colombia(total)	4.1
Cambodia	20.6	10	12.6	Establishment of Comprehensive Plan of Cross Border Checkpoint Facility at International Border Trapeang Srae	1.4
Vietnam	20.1	11	12.4	Capacity Development of Smart Maintenance Technologies for Old Bridge in Quang Nam Province	4.0
Laos	19.2	8	11.8	Study for M/P for Development of Surrounding Areas for Vitalization of Luang Prabang Airport	0.8
Uzbekistan	11.7	6	7.2	Master Plan for Forming Smart Urban Transport System in Tashkent	2.0
Mongolia	8.5	3	5.2	Mongolia's Railway Development Strategy in Connection with the Establishment of East Asia Railway Community	2.5
Peru	6.1	7	3.8	Feasibility Study for the Construction of the Chinchero Airport Railway Project in Peru	2.6

## 2.1 Land and Transport ODA

#### **ODA Process**

Announcements are made between May and June each year through the International Development Ministry of Land,

Cooperation Center(IDCC) website



**Proposing** Agencies



Infrastructure and Transport



Call for Proposals

**For New Projects** In the 2027



Writing & **Application** of Proposals



Review & Expert Evaluation of Project Proposals



Preliminary Selection by ODA committee on Land and Transport

Jun. 2025

Sept. 2025

Feb. 2026

Mar. 2026

Jun.- Sept. (Every year)

**Budget review by Ministry of Economy and Finance** 



Consultation & Selection by GD **Ministry of Foreign Affairs** 

## 2.2 International GHG(Greenhouse Gas) Mitigation

#### **Project Overview**

Legal basis

Article 74 of Enforcement Decree of the Framework Act on Carbon Neutrality

**Objectives** 

Reduce GHG emissions by 40% compared to 2018 by 2030 and Respond to Climate Crisis \* (2018) 727.6 million tons -> (2030) 436.6 million tons of emissions

Areas

Building, Transportation(excluding shipping and ports), Construction

Building	

- 1. Improvement of residential environment (LED street light replacement + low carbon brick)
- 2. Changing the heating method by installing heat pumps
- 3. Compound project to introduce high-efficiency consumption devices and utilize renewable energy in building
- **Transportation**
- 1. Supply of E-Mobility (electric vehicles, electric motorcycles, etc.)
- 2. Replacing transportation through shared bicycles
- 3. Mass Rapid Transit (MRT) Project
- Construction
- 1. Construction of incinerators for incinerating landfill gas from waste
- 2. Purifying drinking water by installing water purification facilities from burning wood chips
- 3. Construction using low-carbon construction materials

## 2.2 International GHG(Greenhouse Gas) Mitigation

Support types

#### Implementation and Consultation(ICAK)

#### (Implementation)

- Lays foundation for supporting legal framework, policies guidelines and institution cooperation
- Identifies potential projects through meetings, consultations, and partnerships
- Promotes and communicates sector's initiatives to domestic and international stakeholders

#### (Consultation)

- Provides tailored advisory services aligned with each project stage from initial planning to implementation
- Shares lessons learned and best practices from successful international mitigation projects to ensure sustainable outcomes

#### Financial Support to achieve NDC(KIND)

#### (Preliminary or main F/S)

• Supports feasibility studies(up to USD 0.4m) to ensure alignment with national climate goals and international transferred mitigation outcomes(ITMOs)

#### (Facility and Equipment)

 Provides up to 50% financial support for facility and equipment acquisition to strengthen implementation capacity and promote tangible project outcomes

#### (Investment Support)

 Facilitates investment directly(KIND) and indirectly (Green Infra Export Support Fund) to accelerate international mitigation as PPP, ITMOs purchase contract



## 2.2 International GHG(Greenhouse Gas) Mitigation

**Current Status of Bilateral Agreements** 

\* Under Paris Agreement Article 6.2

Bilateral Framework
Agreement for
Cooperation on
Climate Change



Establishing
Joint Committee



Adoption of Annexes

### **Signed Countries(9)**

Vietnam, Mongolia Gabon, Uzbekistan UAE, Morocco, Perú Laos, Kyrgyz Republic

#### **Joint Committee(2)**

Vietnam('24.4) Mongolia('25.5) International GHG Mitigation Cooperation through Consulting, F/S, Investment Support

## 3. Land and Transport Sector Collaboration with MDBs and Other ODAs

Case Study 1 : Consulting -> MDB's TA

2015







Logistics System Development Strategies for Cambodia

2020











Cambodia Master Plan of Logistics System Modernization and Pilot Project of Logistics Computer System for Logistics Information Systems (2022~24) Establishment of Comprehensive Plan of Cross Border Checkpoint Facility at International Border Trapeang Srae

ODA Support budget

\$1.4m

**Entities** 

SamooCM, Arquitect group Gen, Incheon University, The Incheon Institute

Areas

F/S, Design(Basic, detailed), Capacity building and Proposal for linked project

- Plan of International Customs and Logistics Facilities
- Detailed Plan to Meet Logistics Demand
- Framework for Follow-up Project

#### Milestones

- Basic design report to MPWT
- Meeting with K-EXIM for financing
- Detailed design with VE reviews
- Final F/S and design report to MPWT and linking with 3CEP

Scope of Services
 An American Services
 An American Services
 To achieve the above objectives, the following main tasks are envisaged:

Task 1. Identification and Finalization of CBF Sites and Road Alignment(s)
 Task 2. Conducting Feasibility Studies and Developing Preliminary/ Concepts

These are distinct activities with separate deliverables but in practice, there will be overlap in data and knowledge to perform these tasks. It is important, however, to hold on to the sequence of these activities, to reach an effective result in an efficient way and the Consultant should come up with an approach to held to achieve the assignment objective.

Of the proposed 4 CBFs, Trapang Sre CBF (Kratie Province) is currently undergoing studies by the General Department of Logistics (GDL) under MPWT, with support from the Ministry of Land, Infrastructure and Transport (MOLIT).<sup>5</sup> The studies, with a duration of 26 months,

The print (and) the 's Statement of Comprehense that it is not if the State State Content Early at print (and State Sta (2024) Cambodia-Crossborder Connectivity Enhancement (3CEP) Project



Areas

F/S, Design, E&S assessment

- 160km of national highways improved
- 4 cross-border logistics facilities constructed
- 60km new road from Phnom Penh to Vientam

#### Milestones

- Request for Expressions of Interest ('24.10.23)
- Contract award Notice ('25.10.7)



## 3. Land and Transport Sector Collaboration with MDBs and Other ODAs

Case Study 2 : EDCF supported by project

(2021~25) Capacity Development of Smart Maintenance Technologies for Old Bridge in Quang Nam Province, Vietnam

ODA Support budget

\$3.9m

#### **Entities**

DAUM eng., Woori eng., KICT, KALIS, Ex

\* KICT(Korea Institute of Civil engineering and Building Technology)
KALIS(Korea Authority Land & Infrastructure Safety)
Ex(Korea Express Corporation)

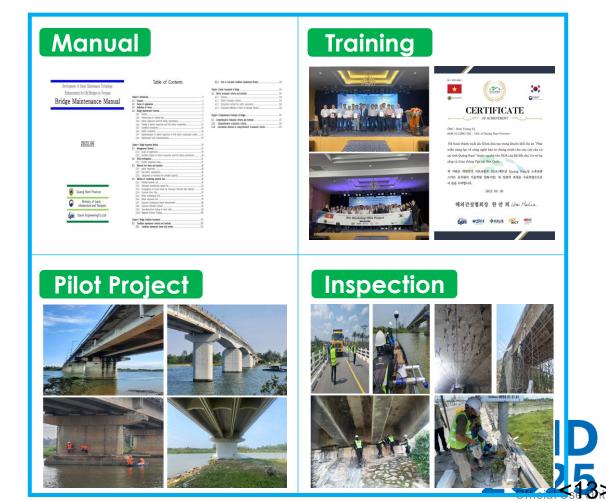
#### Areas

- Technical manual for maintenance and management
- Capacity-building training for local experts and training programs
- Pilot program and technology transfer for self-reliance
- Contribution of equipment and materials for inspection and repair

#### Milestones

- Technical manual and On-site and domestic workshops
- Training on repair methods and SHMS verification
- Pilot project for bridge rehabilitation
- Performance evaluation and initial inspection of EDCF Bridges
- EDCF(Economic Development Cooperation Fund) (Korean ODA Loan)

#### **Project Outcomes**



## 3. Land and Transport Sector Collaboration with MDBs and Other ODAs

Case Study 3: Project and future prospect

(2022~24)K-ITS Traffic Information Integrated Center in Colombia

(Design, Establishment, Project management and Supervision)

ODA Support budget

\$4.1m

**Entities** 

(Detailed Design) Ezensys, Ex, PEC (Establishment) Easy Traffic Technology (PM and Supervision) ITS Korea, Ezensys, Ex

#### Areas

- \* Ex : Korea expressway Corporation
- Detailed and final Design of the Center
- System establishment of the Center and ATMS
- \* ATMS: Advanced Traffic Management System
- \* ATMS's Spatial scope : Bogota Guaduas section(L=119km)
- Capacity building program for O&M
- Project monitoring and management

#### Milestones

- Request and discuss project during capacity building of other ODA
- Detailed design and Follow-up project Framework
- Design support and technical supporting
- Final design and system construction

Establishment of Technical Standards for Implementing ITS Solutions in Infra, Transit and Transportation projects in Colombia (T/A by MOEF)

ODA Support budget

\$0.2m

**Entities** 

ITS Korea, Ezensys, Ex

\* Ex : Korea expressway Corporation

Areas

- 1. AS-IS Analysis on ITS Deployment and Frameworks
- 2. Case study of domestic and International Standard
- 3. Selection and Standarization of national ITS standard

**\** 

Feasibility Study of establishment of ITS-based Smart Road Safety Management System (EDCF T/A by MOEF)



Establishment of ITS-based Smart Road Safety Management System (EDCF by MOEF) (in discussion)



## 4. Future Collaboration Strategies with KGGTF

#### Leverage TA linkages

KGGTF TA ↔ Land and Transport ODA TA ↔ MDB or other ODA T/A

#### **Strengthen institutional cooperation**

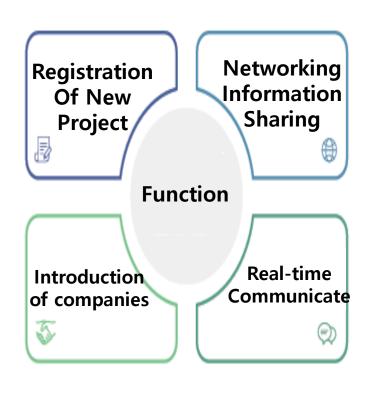
Facilitate Policy dialogues and organize joint thematic seminars and workshops

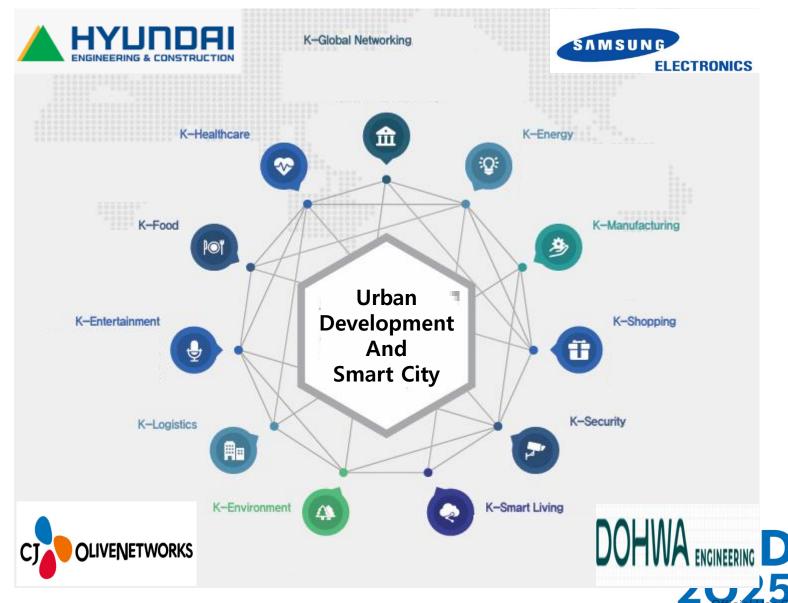
#### Share project pipelines early among institutions

Establish an Early-involvement cooperation framework among institutions



## [ANNEX] K-City Platform for Cross-sectoral Cooperation for Urban Development











KGID Green Growth:
The Path to
Sustainable Jobs

## Thank you very much for your attention

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