

**International Workshop with the World Bank and OECD**

**Developing a Performance Evaluation  
System in Korea**

September 17-18, 2002

**KDI Conference Hall**

**Korea Development Institute**

## **I. BACKGROUND**

After the 1997 financial crisis in Korea, the Korean government has been trying to reform the public sector and enhance the overall efficiency of public finance. The Ministry of Planning and Budget (MPB) has specifically focused not only on control of the input but also on control of the outcome of expenditure, as well setting a new goal for budget management. The MPB has adopted a series of integrated (ex-ante, intermediate, and ex-post) quality control efforts for public expenditure management during the past several years.

On ex-ante level, the MPB has been carrying out preliminary feasibility studies to raise efficiency in the decision-making process of major public investment projects since 1999. In order to mandate as well as conduct research and operational management in implementing pre-feasibility studies, the MPB established the Public Investment Management Center (PIMA) at the Korea Development Institute (KDI), and has thus far carried out pre-feasibility studies of approximately one hundred projects with PIMA.

However, the introduction of an ex-post evaluation system is still at its early stage in Korea. Although the government has been developing new architectures/frameworks of ex-post evaluation system such as performance-based budgeting and inspection of implementation completion, there are several areas where more effective and efficient evaluation of public projects and/or programs can be implemented. In response to the need to improve the effectiveness and efficiency of projects and/or programs by evaluating their goals and achievements, this is a timely opportunity to introduce a more systematic and integrated performance evaluation system in Korea.

This particular workshop, “Developing a Performance Evaluation System in Korea,” is aimed at providing directions and strategies for the introduction of performance evaluation system in Korea, with an opportunity to share experiences and methodologies of the World Bank and OECD member countries. It is hoped that this symposium will contribute to introducing and developing a new performance evaluation culture in Korea to achieve the essential goal of enhancing the effectiveness and the efficiency of public finance.

## **II. OBJECTIVES**

The main objectives of the international workshop on “Developing a Performance Evaluation System in Korea” are as follows:

- i) To draw lessons from the experiences and methodologies of the World Bank

that has been carrying out ex-post evaluation projects for the past several decades.

- ii) To follow up on the global trend of public expenditure management by assessing the current issues related to evaluation system of the OECD member countries.
- iii) To provide practical strategies in order to adopt a new evaluation system for Korea and to develop new evaluation methodologies
- iv) To introduce and spread ‘a new evaluation culture’ in Korea through in-depth discussions with international specialists, related government officials, and opinion-leaders in the academia and research institutions.

### **III. TOPIC, CONTENTS, AND PARTICIPANTS OF THE WORKSHOP**

**A. Topic:** Developing a Performance Evaluation System in Korea

#### **B. Main Contents**

*The international workshop on **Developing a Performance Evaluation System in Korea** will focus on the introduction of the performance evaluation system of the World Bank and OECD member countries, addressing the following issues:*

- Experiences on Performance Evaluation of the World Bank and OECD
  - Lessons Learned from Experiences of the World Bank
  - OECD Experiences on Evaluation and Decision Making
  - Results from Implementation of Ex-post Evaluation
  - Implications for the Introduction of Ex-post Evaluation System
  
- Evaluation System and Methodologies
  - Evaluation System of the World Bank: the World Bank Project Cycle, etc.
  - Basic Principles of the World Bank’s Evaluation System
  - Methodologies of Project Implementation Assessment
  
- Global Trends on Performance Evaluation
  - Current Issues related to Evaluation System of the Advanced Countries.

· The case-studies of Australia, Netherlands and Denmark; Experiences and Development of Evaluation System

● Challenges and Directions

- The Emerging Evaluation Architecture/framework for Korea
- Evaluation Needs and Future Directions
- Future Agenda

· **WORKSHOP PLAN**

**A. Date and Venue**

- Date: September 17-18, 2002
- Venue: Seoul, Korea (KDI Conference Hall)

**B. Conference Schedule**

**September 17, 2002**

**Opening Session**

- 10:00-10:05 Introduction: Mr. Jay-Hyung Kim, Director, PIMA, KDI
- 10:05-10:15 Opening Remarks: Mr. Bong-Heum Park, Vice Minister, Ministry of Planning and Budget
- 10:15-10:25 Welcoming Remarks: Mr. Choongsoo Kim, President, KDI
- 10:25-10:45 Keynote Address: Mr. Gregory Ingram, Director, The World Bank
- 10:45-11:00 Coffee break

**Session 1**

Moderator: Mr. Kwang Choi, Professor of Hankuk University of Foreign Studies

- 11:00-11:40 OECD Experiences on Evaluation and Decision Making  
Mr. Alex Matheson, OECD

- 11:40-12:20 The World Bank Approach to Evaluation and Evaluation Capacity Development  
Mr. Osvaldo Feinstein, The World Bank
- 12:20-12:40 Discussants:  
Mr. Chong-Bum An, Sung Kyun Kwan University  
Mr. Ilho Yoo, KDI School of Public Policy and Management
- 12:40-2:00 Lunch

## **Session 2**

Moderator: Mr. Kun-Young Yun, Professor of Yonsei University

- 2:30-3:10 The Australian Experience  
Mr. Derek Russell, Department of Finance and Administration, Australia
- 3:10-3:50 The Dutch and Danish Experiences  
Mr. Jens Kristensen, Ministry of Finance, Denmark
- 3:50-4:10 Discussants:  
Mr. Yoon-Shik Lee, Soongsil University  
Mr. Hyeon Park, KDI
- 4:10-4:30 Informal Discussion

## **September 18, 2002**

### **Session 3**

- Moderator: Mr. Dong-kun Kim, Chairman of the Presidential Commission on Government Innovation and Professor of Seoul National University
- 9:30-10:00 The Emerging Performance Evaluation Architecture for Korea  
Mr. Jay-Hyung Kim, KDI
- 10:00-10:30 A Cost-Benefit Analysis of Vocational Training Program in Korea  
Mr. Tackseung Jun, Korea Institute of Public Finance

10:30-11:00 A Framework of Financial Statement Analysis under the Accrual-Based Government Accounting  
Mr. Yunhi Won, University of Seoul

11:00-11:30 Discussants:  
  
Mr. Dae-II Kim, Seoul National University  
Mr. Sung Il Lim, Korea Research Institute for Local Administration  
TBA, Ministry of Planning and Budget  
Mr. Young-sun Koh, KDI

11:30-11:45 Coffee break

#### **Session 4**

Moderator: Mr. Choongsoo Kim, President, KDI

11:45-12:35 Round Table Discussion

12:35-12:50 Rapporteur ' s Summary and Conclusions  
Mr. Kyu Sik Lee, Visiting Fellow, KDI

12:50-2:00 Lunch

#### **V. COMMUNICATIONS**

Please address communications regarding this particular conference or other related administrative matters to:

Jay-Hyung Kim, Director, PIMA, KDI, jaykim@kdi.re.kr  
Yook Jang, Research Associate, PIMA, KDI, jyook@kdi.re.kr

Public Investment Management Center  
Korea Development Institute  
P.O. Box 184, Cheongnyang, Seoul, Korea 130-012  
Tel : 822-958-4153, Fax : 822-962-9143

or  
Conference Coordinator:  
Audrey Rhee, Program Officer, IDEP, KDI  
Tel: 822-958-4237, Fax: 822-959-2715  
Email: arhee@kdi.re.kr