

**Ex-Post Project Evaluation 2015: Japan Center
(Cambodia, Vietnam, Mongolia, Kyrgyz,
Laos, Uzbekistan, Kazakhstan, Ukraine)**

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Kingdom of Cambodia

FY 2015 Ex-Post Evaluation of Technical Cooperation Project
“Cambodia-Japan Cooperation Center”
“Cambodia-Japan Cooperation Center (Phase 2)”

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0. Summary

This project¹ was implemented to contribute to Cambodia’s transition into a market economy, human-resource development for the private sector, and information exchange and mutual understanding between Japan and Cambodia through establishment of an operation and management system of the Cambodia-Japan Cooperation Center (hereinafter, CJCC), and implementation and strengthening of business courses, Japanese language courses, and mutual-understanding programs².

This project was consistent with Cambodia’s development plan, which focused on private-sector development, employment creation, capacity building, and human-resource development, as well as with Cambodia’s development needs during the marketization process and deepening its economic and cultural relationship with Japan. The project was also consistent with Japan’s ODA policy at the time of ex-ante evaluation; this policy recognized sustainable economic growth and poverty reduction as top-priority issues in Cambodia and focused on improving business climate for economic promotion and educational enhancement. Therefore, its relevance is high.

In the two phases, the total number of participants for the business courses, Japanese language courses, and mutual-understanding programs was about 4,000, 3,000, and 144,000, respectively. The project’s purpose—CJCC becoming a center of human-resource development and information exchange for private-sector development—was achieved. After the completion of Phase 2, the three programs continued, and the cumulative number of participants for each of the business courses, Japanese language courses, mutual-understanding programs was about 6,000, 5,000 and 215,000 respectively by the end of FY2015. In addition, there have been many positive impacts of the project, such as business networking among an economic group of Japanese and Cambodian business owners, new businesses created by the graduates of business courses, and the promotion of Japanese language education through Japanese seminars. Therefore, its effectiveness and impact are high.

¹ In this report, this project indicates Phase 1 and Phase 2, the target of current ex-post evaluation, and two phases were evaluated as one project. After completion of Phase 2, Phase 3 was implemented (see 1.1 Background).

² Japanese cultural events such as Shodo and Ikebana, big festivals, study-abroad fair, and so on.

Although the project period was as planned for both phases, the project cost exceeded the planned amount for the total of the two phases. Therefore, efficiency of the project is fair.

CJCC is positioned clearly by a government ordinance. It works on strengthening and diversifying its income sources. On the other hand, it seems necessary to clarify the direction of Japanese cooperation for CJCC including future strategies and share the future vision of self-sustained CJCC, and further strengthen the organization towards these objectives. It also seems necessary to further develop CJCC's capacity for maintaining and improving its business courses, Japanese language courses and achieving its strategic operation and management. Therefore, the sustainability of the project effects is fair.

In light of the above, this project is evaluated to be satisfactory.

1. Project Description



Project Location



Cambodia-Japan Cooperation Center

1.1 Background

In Cambodia, infrastructure, human resources, social systems, and many other things were lost because of a civil war that lasted more than twenty years. The influence of the civil war remained in the wake of the disturbance caused by the communist regime's radical policies during the 1970s. Although the government made an effort toward marketization after the peace agreement of 1991, soft support such as human-resource development and the establishment of government systems was required in addition to hard support. In particular, systems and human resources were recognized as necessary for the market economy.

Concurrently, the idea to establish the "Japan Center"³ as the base for training the practitioners who promote transition to a market economy and realize "aid with a Japanese flag"

³ At the time of the ex-post evaluation, ten Japan Centers were established in nine countries: Southeast Asia (Cambodia, Vietnam (Hanoi and Ho Chi Minh), Myanmar and Laos), East and Central Asia (Mongolia, Uzbekistan, Kazakhstan and Kyrgyz) and Ukraine.

in Asian and the former Soviet Union countries on the road to a market economy was emerging as Japan policy.

In Cambodia, the “Cambodia-Japan Cooperation Center” (hereinafter, Phase 1) was implemented from April 2004 to March 2009. CJCC was initially operated at the Royal University of Phnom Penh (hereinafter, RUPP) and the building was constructed in November 2005 with funds from Japan’s ODA grant. After the completion of Phase 1, the “Cambodia-Japan Cooperation Center (Phase 2)” (hereinafter, Phase 2) was implemented from April 2009 to March 2014.

In Cambodia, influenced by the continuous foreign direct investment inflow and by the economic integration in ASEAN region, the needs for human-resource development in business were high after the completion of Phase 2. Many Japanese companies also invested in Cambodia. To utilize the assets attained in the projects and to strengthen CJCC’s function as a center for the development and networking of business human resources, the “Project for Institutional Capacity Development of CJCC for a Center of Development and Networking for Business Human Resources” (hereinafter, Phase 3) was implemented in April 2014; it is scheduled to last until March 2019⁴.

1.2 Project Outline

Table 1. Project Outline

		Phase 1	Phase 2
Overall Goal		To enhance consistent human resources development to promote market economy and to further strengthen the mutual understanding and cooperation between Cambodia and Japan.	CJCC contributes to human resource development to promote economic development in Cambodia and mutual understanding between Cambodia and Japan.
Project Purpose		To establish a management system and a framework of CJCC.	CJCC becomes the human resource development and information center to promote private sector development in Cambodia.
Outputs	Output 1	To establish efficient and effective management, planning and operation system of CJCC.	Management of CJCC is further strengthened to be a sustainable service-providing organization.
	Output 2	(1) Management, planning and operation system for HRD (business) course are established. (2) HRD course including Seminar Series, Entrepreneurship Course, and Corporate Management Course on market economy and business management skill are provided.	(1) Business Training Course further contributing to private sector is implemented. (2) Management and implementation of Business Training Course is strengthened with more initiatives and utilization of local resources.

⁴ Japanese Language Courses were implemented by JICA Technical Assistance Project in cooperation with The Japan Foundation in Phase 1 and 2. Starting Phase 3, The Japan Foundation is supporting independently.

		(3) The systems for information sharing and collaborative activities among Cambodian business community, education and training institutions, international organizations, public organizations and CJCC/HRD course are established.	
	Output 3	To provide high-quality Japanese language education (intermediate level).	(1) High-quality Japanese language courses for career development are implemented, which complements needs and activities of other Japanese educational institutions. (2) Management system with local resources is strengthened.
	Output 4	To provide exchange activities to contribute to human resources and information networks between Cambodia and Japan.	Function to provide and to facilitate services of exchange activities and information between Cambodia and Japan is strengthened.
	Output 5	To promote the Center through its website and other promotion activities, to provide information, to do networking with outside organizations both in Cambodia and Japan.	
	Total Cost (Japanese Side)	1,180 million yen	631 million yen
	Period of Cooperation	April 2004 – March 2009	April 2009 – March 2014
	Implementing Agency	Ministry of Education, Youth and Sport: MoEYS Royal University of Phnom Penh: RUPP	
	Other Relevant Agencies / Organizations	N/A	
	Supporting Agency / Organization in Japan	Japanese Language Course: The Japan Foundation Business Course: Phase 1: International Development Center of Japan, Inc. / Japan Economic Research Institute Inc. Phase 2: International Development Center of Japan, Inc.	
	Related Projects	[Grant Aid] The Project for Construction of Cambodia-Japan Cooperation Center (E/N signed in 2004) [Technical Cooperation Project] Project for Institutional Capacity Development of CJCC for a Center of Development and Networking for Business Human Resources (April 2014 – March 2019)	

1.3 Outline of the Terminal Evaluation

1.3.1 Achievement Status of Project Purpose at the Time of the Terminal Evaluation

At the time of the terminal evaluation for Phase 2 (September 2013), each indicator of the

project's purpose had been approximately 70% to 100% achieved. Through the activities of Phase 2 (subsequently to Phase 1), CJCC's organizational development as the center of human-resource development and information exchange has progressed.

1.3.2 Achievement Status of Overall Goal at the Time of the Terminal Evaluation (including other impacts.)

Two indicators, "The number of CJCC course graduates who work in private sector exceeds 10,000" and "Awareness of CJCC in Phnom Penh and major cities increases to more than 20%" were set as the overall goals of Phase 2. The Terminal Evaluation Report for Phase 2 mentioned that the total number of students in the business courses and Japanese language courses during Phase 1 and Phase 2 was less than 4,000⁵. In addition, CJCC's activities were implemented mostly in Phnom Penh. Activities outside Phnom Penh were not commenced in earnest, although there were a few cases of specific activities in other cities. Therefore, additional time is required to satisfy those indicators after the terminal evaluation of Phase 2.

1.3.3 Recommendations at the Time of the Terminal Evaluation

1. Continue to make an effort to enhance financial independence.
2. Make the contents of the Japanese-style business courses consistent with local needs.
3. Make an effort to improve course contents, the timing of advertisements about the opening of courses, and sales activities.
4. Make an effort to recognize and respond to customer needs through the operation and management of courses and services.
5. Review the scoring method used in the student course evaluations and introduce an evaluation of lecturers' capacity that is to be conducted by responsible local staff members.
6. Work on local staff members' capacity development by means of deepening their participation in business courses, such as through facilitation or assistance in the implementation of business courses

2. Outline of the Evaluation Study

2.1 External Evaluator

Masaaki Hamada, Foundation for Advanced Studies on International Development

⁵ Although the basis of the number (4,000) as of the terminal evaluation of Phase 2 is unknown because the information source is unavailable, the total number of students during Phase 1 and Phase 2 verified in this ex-post evaluation study is more than 7,000, based on the documents prepared by JICA until mid-term review of Phase 2 and CJCC's annual report.

2.2 Duration of Evaluation Study

For the current ex-post evaluation, following study was conducted.

Duration of the Study: January 2016 – March 2017

Duration of the Field Study: April 17, 2016 – April 29, 2016 and August 7, 2016 – August 13, 2016

2.3 Constraints during the Evaluation Study

This ex-post evaluation study focuses on Phase 1 and Phase 2. These phases were consecutive with regard to the substance of the projects. The logic behind the achievement of the project's purpose for each output has basically not changed. It is possible to understand that strengthening the management of CJCC (Output 1) as well as improving the contents and strengthening the management of the business courses (Output 2), Japanese language courses (Output 3), and mutual-understanding programs (Output 4) will lead to establishing a system within CJCC for human-resource development and mutual understanding (Project Purpose, Phase 1). Thus, the project aims to make CJCC a center for both private-sector and human-resource development, as well as for the promotion of mutual understanding and information exchange (Project Purpose, Phase 2).

Based on the above, Phase 1 and Phase 2 were evaluated as a single project in this ex-post evaluation. To be specific, the evaluation of the effectiveness and impact of the two continuous projects was based on the degree to which the indicators for the outputs, project purpose, and overall goal of Phase 2 were achieved.

3. Results of the Evaluation (Overall Rating: B⁶)

3.1 Relevance (Rating: ③⁷)

3.1.1 Relevance to the Development Plan of Cambodia

At the time when Phase 1 was planned, human-resource development was recognized as one of the highest-priority issues in Cambodia's development policies, such as the "Second Five Year Socioeconomic Development Plan (SEDP II)." Thereafter, the "National Strategic Development Plan (NSDP)" (initially for 2006-2010 and revised for 2009-2013⁸) indicated four principles: "enhancement of agricultural sector," "further rehabilitation and construction of physical infrastructure," "private-sector development and employment generation," and "capacity development and human-resource development" as part of a rectangular strategy. Investment promotion, enhancement of small and medium-sized enterprises (SMEs), and

⁶ A: Highly satisfactory, B: Satisfactory, C: Partially satisfactory, D: Unsatisfactory

⁷ ③: High, ②: Fair, ①: Low

⁸ The next revised version (for 2014-2019) was formulated in July 2014 after the completion of Phase 2 (see. 3.4.1 Related Policy and Institutional Aspects for the Sustainability of Project Effects).

improvement of education quality were positioned as the tactics. The NSDP is the most significant national development policy in Cambodia, so the project was consistent with Cambodian development policy from the ex-ante evaluation of Phase 1 through the completion of Phase 2.

3.1.2 Relevance to the Development Needs of Cambodia

In Cambodia, few training institutes for studying business existed before 2004, when CJCC was established. The period of Phase 1 and Phase 2 (from 2004 to 2014) matched the stage when Cambodia shifted to a market economy and achieved rapid economic growth. There was demand for human-resource development in business, and CJCC's business courses aligned with Cambodia's development needs. Japanese investment in Cambodia has drastically increased particularly since the 2010s. Large manufacturing and retail companies have moved into Cambodia, and the membership of the Japanese Business Association of Cambodia reached 152 in 2014, when Phase 2 was completed. In parallel with the Cambodia's strengthening economic relationship with Japan and the boosting presence of Japanese companies, the need for studying Japanese-style business management grew. In addition, Japanese companies in Cambodia also required workers who knew Japanese and who understood Japanese-style management and Japanese culture. Supported by the national character of Cambodian people, who have an affinity for Japan, deepened relationship between the countries heightened the demand for studying the Japanese language and Japanese culture. As stated above, the project was consistent with Cambodia's development needs from the time of the ex-ante evaluation of Phase 1 through the completion of Phase 2.

3.1.3 Relevance to Japan's ODA Policy

In Japan's Country Assistance Policy for Cambodia (February 2002), "improvement of foundation for socio-economic development" was indicated as the main issue for development in Cambodia. This program stated that "advancement of industry which has international competitiveness is urgent challenge"; "the effort for basic socio-economic development such as education, vocational training and health service is essential"; and so on. As stated above, the project was consistent with Japan's ODA policy at the time of the ex-ante evaluation of Phase 1.

This project was highly relevant to the country's development plan and development needs, as well as Japan's ODA policy. Therefore, its relevance is high.

3.2 Effectiveness and Impact⁹ (Rating: ③)

3.2.1 Effectiveness

3.2.1.1 Project Output

(1) Establishment and Strengthening of CJCC's Operation and Management System (Output 1)

CJCC's operation and management were evaluated as having been strengthened because the indicators (such as meeting execution, plan and report preparation, and the implementation of staff trainings) were mostly satisfied by the completion of Phase 2.

Regarding the indicator "Formulated annual management plan becomes more detailed and integrated every year," Annual Strategic Plan and Annual Report were prepared every year from 2011 onward through the initiative of counterparts, and activity plans and implementation reports were systematically organized by each program and department. The indicator "The number and contents of both networking activities and established CJCC database on human resource" had not been satisfied as of this ex-post evaluation. The database is intended to control student information and is to be utilized for follow-up and marketing. JICA is supporting the establishment of a database in Phase 3, and it is planned to be completed and to be operated in 2016.

(2) Strengthening Business Courses (Output 2)

CJCC provides business courses that focus on Japanese-style business management; the course deals with contents that can be used in practice in the real world. A variety of topics are covered, such as entrepreneurship, business management, business manners, marketing, and SMEs finance. The students' business types vary and include manufacturing, transportation, communication, finance, property management, and government¹⁰.

The indicators for Phase 1 and Phase 2 were mainly the number of courses held, the number of students attending, and those students' degree of satisfaction. Few of the indicators had specific targets, and each course differed in terms of length and graduation requirements. The contents of the business courses were evaluated as being improved, and the management was evaluated as being strengthened, as over 15,000 students participated in the business courses or seminars during two phases and their degree of satisfaction was high¹¹. In the beneficiary survey¹², 87.7% of the respondents answered that the contents and level of the business courses

⁹ Sub-rating for Effectiveness is to be put with consideration of Impact.

¹⁰ Results of the beneficiary survey

¹¹ In the Terminal Evaluation Report for Phase 2, the average degree of satisfaction, as measured in the post-course questionnaire, was greater than 3 on a scale of 1 to 4.

¹² Survey targets were randomly selected from the student list prepared by CJCC, and 92 answers were collected through an email and telephone survey. In addition, during the field survey, interviews were conducted with 14 respondents who were students in the Japanese language courses or participants in the mutual-understanding programs by the introduction of CJCC. The breakdown of the total 106 respondents is as follows: 49 from business courses (male: 41; female: 8) and 57 from Japanese language courses or mutual-understanding programs (male: 27, female: 30).

were “very much” or “to some extent” satisfactory. The number of business courses and number of students are stated in Table 2.

Table 2. Achievement of Business Courses

	FY	2004	2005	2006	2007	2008	Total
Phase 1	Business Courses	N/A	16	16	18	30	80
	Students	N/A	126	191	344	554	1,215
	(Entrepreneurship Courses)	N/A	15	19	25	22	81
	Graduates	N/A	96	159	310	591	1,156
	Business Seminars	N/A	9	9	13	6	37
	Participants	N/A	1,051	1,914	1,867	889	5,721
	FY	2009	2010	2011	2012	2013	Total
Phase 2	Business Courses	37	38	37	43	78	233
	Students	680	544	626	390	656	2,896
	(Entrepreneurship Courses)	16	26	16	28	79	165
	Graduates	585	402	519	375	642	2,523
	Business Seminars	13	14	12	8	17	64
	Participants	1,486	1,169	1,406	769	795	5,625

Sources: The number of courses and number of students are extracted from the Terminal Evaluation Report for Phase 1 (FY2005 - FY2008, with the data for FY2008 being as of the terminal evaluation), the Mid-term Review Report for Phase 2 (FY2009 - FY2010), and CJCC’s Annual Reports (FY2011 - FY2013). CJCC provided the number of graduates.

Regarding “The number and contents of networking activities,” there were no specific activities other than regular alumni meetings. In the beneficiary survey, respondents provided different answers, and 25% answered that the network among students was “to some extent,” “medium,” or “not so much” organized; one respondent also mentioned launching a new joint business by utilizing a network formulated in the business courses. The indicator “The share of teaching time by local trainers exceeds 50% of the total in 2014” was not satisfied because the share was 43% at the completion of Phase 2. However, the share is increasing every year (starting from 27% in FY2010¹³, the oldest figure that could be verified), and local resources have been found to be proactively utilized. The share reached 94% in FY2015.

(3) Strengthening Japanese Language Courses (Output 3)

The indicators were mainly the number of courses held, the number students attending, the courses’ contents, and the students’ degree of satisfaction. Few of the indicators had specific targets, but the contents of the Japanese language courses were evaluated to have improved, and the management was evaluated to have strengthened because over 6,000 students participated in courses or seminars during two phases and because their degree of satisfaction¹⁴ was high. In the beneficiary survey, 91.3% of respondents answered that they were “very much” or “to some

¹³ Fiscal year of CJCC is from 1st April to 31st March.

¹⁴ In the Terminal Evaluation Report for Phase 2, the results of the post-course questionnaire stated that most students were “very much satisfied” or “satisfied” with the courses.

extent” satisfied with the contents and level of the Japanese language courses.

Regarding “The number and contents of networking activities,” although no specific activities were found, students engaged in constant voluntary networking, and many students answered in the beneficiary survey that they were “very much” or “to some extent” satisfied with the network among students. CJCC also held networking and collaborative activities, such as seminars and events with external organizations. Although no specific target was indicated for the indicator “Number of developed Japanese Language teachers at TOT course,” 16 Japanese language teachers were trained during Phase 2 (from FY2009 to FY2013). CJCC was found to have contributed to local Japanese language education not just through the Japanese language courses but in many ways.

Table 3. Achievement of Japanese Language Courses

FY		2004	2005	2006	2007	2008	Total
Phase 1	Japanese Courses	2	4	6	6	7	25
	Students	32	153	203	335	195	918
	Japanese Seminars	0	0	1	1	2	4
	Participants	0	0	450	320	115	885
FY		2009	2010	2011	2012	2013	Total
Phase 2	Japanese Courses	8	10	11	14	25	68
	Students	225	237	269	462	935	2,128
	Japanese Seminars	5	1	10	6	4	26
	Participants	360	40	718	1,013	608	2,739

Sources: FY 2011 CJCC Annual Reports (FY2004 – FY2013), CJCC Annual Reports of correspond year (FY2014 – FY2015)

(4) Strengthening Mutual-Understanding Programs (Output 4)

Although few indicators had specific targets, the contents of the mutual-understanding programs were evaluated to have improved, and management was evaluated to have strengthened, as shown in the stakeholders’ answers to the questionnaires, the interviews during the field survey, and the results of the beneficiary survey. The findings show that over 600 activities were implemented and over 140,000 people participated in the program during two phases. The program was operated through the initiative of local staff members, and the participants’ degree of satisfaction was high. In the beneficiary survey, 80.7% of respondents answered that they were “very much” or “to some extent” satisfied with CJCC’s events to promote mutual understanding. In addition, 86.0% of respondents answered that their understanding and impression of Japan had “positively” changed.

Regarding the indicator “Number of services for Japanese companies and universities,” some activities were implemented for Japanese universities, including exchange activities with RUPP,

a study tour, and a joint study-abroad fair¹⁵. In addition, Japanese companies cooperated in holding the job fair and joint seminar and in providing training for the work-abroad experience.

Table 4. Achievement of Mutual-Understanding Programs

FY		2004	2005	2006	2007	2008	Total
Phase 1	Mutual-Understanding Activities	7	44	65	63	29	208
	Participants	377	8,405	5,935	11,532	14,024	40,273
FY		2009	2010	2011	2012	2013	Total
Phase 2	Mutual-Understanding Activities	140	127	N/A	95	84	446
	Participants	15,541	8,169	20,779	23,847	35,967	104,303

Sources: The Terminal Evaluation Report for Phase 1 (FY2004 – FY2008, with the data for FY2008 being as of the terminal evaluation), the Mid-term Review Report for Phase 2 (FY2009 – FY2010), and the CJCC Annual Report (FY2011 - 2013)

(5) Publicity (Phase 1 Output 5) (Reference¹⁶)

According to the record, as of the completion of Phase 2, the number of visitors and website accesses had steadily accumulated. The number of visitors during Phase 1 was 150,000, compared to the target number of 25,000. The total number since the start of Phase 1, as of the end of FY2014, had reached 575,829. The number of website accesses was 166,678, compared to the target number of 50,000; there were 254,565 website accesses during Phase 2¹⁷.

3.2.1.2 Achievement of Project Purpose

In Phase 2, the project's purpose was to make CJCC a center of private-sector development, human-resource development, and information exchange. The achievement, as stated in Table 5, indicates that the project purpose was largely achieved as of the completion of Phase 2.

During Phase 1 and Phase 2, the activities under Output 1 were to establish and strengthen the operational and management system of the entire CJCC in terms of planning, financing, human-resource management, and so on. The activities under Outputs 2 through 4 were to strengthen the CJCC's three pillars: business courses, Japanese Language courses, and mutual-understanding programs. The strengthening of the three pillars was considered to lead to an increased number of people trained by CJCC and gathered at CJCC, as well as improved awareness of CJCC; hence, each output was connected to the project's purpose. Therefore, the project largely achieved its purpose.

¹⁵ In FY2013, Kyoto University, Meiji University, Kyushu University, Nagoya University, International University of Japan, Kanazawa University, Niigata University, and Tokyo University of Science participated.

¹⁶ Because this output was not included in Phase 2, the facts have been verified only for reference and it was taken into account for the evaluation of effectiveness and impact.

¹⁷ JICA provided the number of visitors. The CJCC verified the number of website accesses from the data stated in the answers to the questionnaire in this ex-post evaluation study.

Table 5. Achievement of Project Purpose

Project Purpose	Indicator	Actual
Phase 1		
To establish a management system and a framework of CJCC	1. Number of the membership has increased to 900	CJCC Membership: 1,083 (Source: Terminal Evaluation Report for Phase 1)
	2. 15% of the Center's local expenditures is covered by the Center's own income	Percentage of CJCC's local expenditures covered by its own income from April to August 2008: 28% (Source: Terminal Evaluation Report for Phase 1)
	3. Name of the Center is more recognized in Phnom Penh	According to the results of the Public Awareness Assessment ¹⁸ , the awareness of CJCC increased from 14% in FY2007 to 24% in FY2008. In particular, awareness of CJCC was relatively higher among young adults aged 18 – 25 (29% in 2008). (Source: Terminal Evaluation Report for Phase 1)
	4. Number of exchange activities such as exchanging program among universities in both countries	The exchange program between universities in Japan and Cambodia was realized. There were 26 study tours from Japanese universities to CJCC during Phase 1. (Source: Terminal Evaluation Report for Phase 1)
	5. All stages of HRD (Business) courses are done by the counterpart's initiative	All stages of business courses gradually were transferred to the counterpart's initiative. (Source: Terminal Evaluation Report for Phase 1)
	6. 6 of ex-participants of HRD courses have started a new business	Number of new businesses started by graduates of business courses: 10 (22% of 45 total graduates started businesses) (Source: Terminal Evaluation Report for Phase 1)
	7. 70% of ex-participants of HRD courses have improved management in their current environment	The percentage of graduates who improved the management in their current environments out of all graduates: 65% (Source: Terminal Evaluation Report for Phase 1)
	8. All stages of Japanese language courses are done by the counterpart's initiative	All stages of Japanese language courses were gradually transferred to the counterpart's initiative. (Source: Terminal Evaluation Report for Phase 1)
	9. Number of ex-participants (including Yomiuri Scholarship students and the twinning program) who goes to Japan for his/her study has increased	17 graduates of Japanese language courses went to Japan to study after receiving scholarships from Japan's Ministry of Education, Culture, Sports, Science and Technology or from other resources. (Source: Terminal Evaluation Report for Phase 1)
	10. All stages of Exchange Program are done by the counterpart's initiative	All stages of the exchange programs were gradually transferred to the counterpart's initiative. (Source: Terminal Evaluation Report for Phase 1)

¹⁸ The CJCC entrusted this survey to a private research company. The surveys were conducted in 2007, 2008, and 2013; they measured awareness of CJCC's logo, name, and so on. The survey in 2013 targeted 100 students, 500 businesspeople, and 100 business owners.

Phase 2		
CJCC becomes the human resource development and information center to promote private sector development in Cambodia	1. More than 3,000 certificates are issued for the participants of BT (Business) courses (except for seminars)	The number of graduates during Phase 2 was 2,523 (achievement ratio indicator: 84.1%). The total number of students was 2,896 (see Table 2).
	2. More than 400 certificates are issued for the participants of Japanese language courses	The data on the number of graduates is not available. The number of students during Phase 2 was 2,128. If the target number is 400, the achievement ratio would be 507% (see Table 3). Due to the interview with the expert from the Japan Foundation, recent rate of graduation was about 50%.
	3. Total number of participants for both organized and facilitated events in the project period exceeds 100,000	The number of participants in mutual-understanding programs during Phase 2 was 104,303; the achievement rate for the target number of 100,000 was 104% (see Table 4). The number of participants during Phase 1 was 40,273.
	4. Number and contents of both networking activities and established CJCC database on human resource	Although the database was created, it was not well-managed at the time of the completion of Phase 2. JICA is still supporting the establishment of the database during Phase 3. (Source: Field Survey, April 2016)
	5. Awareness of CJCC in Phnom Penh increases to more than 35% in 2014	The awareness of CJCC in Phnom Penh is stated below. (Source: Public Awareness Assessment, August 2013) [Students] Logo mark: 52%; Name: 66% [Businesspeople] Logo mark: 51%; Name: 69% [Business owner] Logo mark: 59%; Name: 73%



An office in the CJCC building (with a layout introducing “Wai Gaya”¹⁹)



Classroom for Japanese language courses



The “Business Show” exhibition booth for companies at the CJCC. Companies need to pay to be part of the display. This functions as a base of networking and publicity.

3.2.2 Impact

3.2.2.1 Achievement of Overall Goal (Phase 2)

The timing for achieving the overall goal was not indicated, so the degree of achievement as

¹⁹ This communication method (short for “Waiwai Gayagaya”) involves frank discussions with others in the same organization regardless of their positions.

of this ex-post evaluation was identified in the study. The overall goals of Phase 2 were to contribute to Cambodia’s human-resource development to ensure economic development and to promote mutual understanding between Japan and Cambodia. However, some indicators seemed to be insufficient for making evaluation judgement, so supplemental data was taken into account in the evaluation.

Regarding indicator 1 “The number of CJCC course graduates who work in private sector exceeds 10,000”, the total number of CJCC graduates might be in the 8,000 to 9,000 range, as of FY2015, and the number is increasing. However, it is difficult to know how many graduates are actually working in the private sector. Regarding indicator 2 “Awareness of CJCC in Phnom Penh and major cities increases to more than 20%”, the awareness of CJCC in Phnom Penh (as stated in the Public Awareness Assessment of FY2013) was around 70%, which greatly exceeded the target, but the awareness in other major cities is impossible to determine with existing information. Although awareness of CJCC in Phnom Penh significantly improved from its 24% level in 2008, CJCC focuses on activities in Phnom Penh where 10% of population and 20% enterprises concentrate²⁰ and has not conducted activities in other cities in earnest.

The project has achieved, at a limited level, its overall goal based on evaluations of the results for the above two indicators.

Table 6. Achievement of Overall Goal

Overall Goal	Indicator	Actual
Phase 1		
To enhance consistent human resources development to promote market economy and to further strengthen the mutual understanding and cooperation between Cambodia and Japan	1. Number of the membership has increased to 1,500	CJCC Membership: 1,083 (Source: Terminal Evaluation Report for Phase 1) There have been 3,283 new membership registrations for library service and 151 for facility service as of the middle of 2016 since 2009. (Source: Answers to the CJCC questionnaire)
	2. Certain amount of the local expenditure is covered by the Center’s own income	A certain amount of local expenditures are covered by CJCC’s own income. The percentages of expenditures covered by CJCC’s own income in terms of total local expenditures were 34.6% as of the completion of Phase 1 (FY2009), 60.3% as of the completion of Phase 2 (FY2014), and 61.8% in FY2015. (Source: Documents provided by JICA)
	3. All courses and programs are operated by the Cambodian side with some assistance from Japan	All the courses and programs are now implemented by the Cambodian side, with Japanese assistance.

²⁰ Data by the National Institute of Statistics under the Ministry of Planning as of FY2014

Phase 2		
CJCC contributes to human resource development to promote economic development in Cambodia and mutual understanding between Cambodia and Japan	1. The number of CJCC course graduates who work in private sector exceeds 10,000	<p>The numbers of graduates from the business courses are stated below.</p> <p>FY2004 – FY2008 (Phase 1) subtotal: 1,156 FY2009 – FY2013 (Phase 2) subtotal: 2,523 FY2014 – FY2015 (Phase 3) subtotal: 836 Total: 4,515 (Source: Answers to the CJCC questionnaire)</p> <p>(Reference) The numbers of students in the business courses were 1,215 in Phase 1, 2,896 in Phase 2, and 1,875 in Phase 3, for a total of 5,986.</p> <p>The number of graduates from Japanese language courses was not available. The total numbers of students are stated below. According to an interview with a Japan Foundation expert, the recent rate of graduation is about 50%.</p> <p>FY2004 – FY2008 (Phase 1) subtotal: 918 FY2009 – FY2013 (Phase 2) subtotal: 2,128 FY2014 – FY2015 (Phase 3) subtotal: 2,171 Total: 5,217 (Source: CJCC Annual Report)</p> <p>Therefore, the total number of graduates from business courses and Japanese language courses by FY2015 is thought to be approximately 8,000 to 9,000; 92%²¹ of the employment is in private sector in Cambodia; thus, many of graduates would be working in the private sector, but the exact share is unknown.</p>
	2. Awareness of CJCC in Phnom Penh and major cities increases to more than 20%	<p>The awareness of CJCC in Phnom Penh is stated below. (Source: Public Awareness Assessment in August 2013; the survey has not been conducted since then.)</p> <p>[Students] Logo mark: 52%; Name: 66% [Businesspeople] Logo mark: 51%; Name: 69% [Business Owner] Logo mark: 59%; Name: 73%</p> <p>CJCC has not implemented major activities outside Phnom Penh, and the survey on public awareness has not been conducted in other cities as of this ex-post evaluation.</p>

3.2.2.2 Continuation of the Output's Effect and the Project's Purpose

(1) Establishment and Strengthening of CJCC's Operation and Management System (Output 1)

The activities for strengthening CJCC's operation and management system continued after the completion of Phase 2. The formulation of annual strategic plans and reports and the management of the budget and expenses have been maintained through the initiative of counterparts since the completion of Phase 2 until this ex-post evaluation. The process of

²¹ 「Private Sector Assessment」 ADB (2003)
<https://www.adb.org/sites/default/files/institutional-document/32209/psa-cam.pdf>

creating the “PDCA²² Budgetary Sheet,” including a budget plan and expense report for each activity, so as to obtain approval, was introduced for management improvement. In FY2015, the format of the annual report was modified to better compare the actual expenses with the planned budget.

(2) Strengthening Business Courses (Output 2)

The half-year Entrepreneurship Course²³, several-day management courses to meet busy businesspeople’s needs, tailor-made courses corresponded to individual companies’ needs, and business seminars continue to be provided. In the satisfaction survey that was conducted by CJCC in FY2015, the degrees of satisfaction were 3.21 at the lowest and 4.83 in the highest; the average was greater than 4 (80%) on a scale of 1 to 5. In addition, many business services, such as a mentoring (consulting and coaching) service for local SMEs, a consultation and visitor service for Japanese companies (run by CJCC’s Japan Desk), a job fair for students, and Japanese study tour arrangements, are being provided. According to the results of the beneficiary survey, most students in the business courses did not have any experience studying business other than at the CJCC. Although private training institutes seem to be increasing in number as of this ex-post evaluation, CJCC still plays an important role as one of the few business training institutes in Cambodia.

(3) Strengthening Japanese Language Courses (Output 3)

In Phase 3, the experts from the Japan Foundation are supporting the operation and management of Japanese language courses. The teaching method uses the *Marugoto* textbook and is based on the Japan Foundation’s Japanese language training standards²⁴; it was introduced in Phase 3. To improve local Japanese language education, experts from the Japan Foundation held a Japanese language education seminar; a Japanese language teacher-training course is also being implemented. In addition, CJCC works as a secretariat for the Japanese Language Proficiency Test (JLPT) in Cambodia, and the test is held at CJCC.

(4) Strengthening Mutual-Understanding Programs (Output 4)

The Kizuna Festival²⁵ began in 2012, and it has expanded every year; 18,000 people

²² This stands for Plan, Do, Check, and Act; it is an approach to repeat these process for continuous management improvement.

²³ The midterm course is for students who want to become entrepreneurs or small-business owners. Currently, two half-year courses are provided each year, and classes are held on weekday evenings. Students learn topics such as entrepreneurship, marketing, and risk management, and they formulate their own business plans.

²⁴ This is a tool for thinking about how to teach, learn, and evaluate the study outcomes in Japanese language education.

²⁵ The CJCC organized the festival in cooperation with the Embassy of Japan, and it was held during Japan Week (which takes place every year in February). Various events are held to introduce Japanese culture and promote cultural exchange.

participated in February 2016. A variety of mutual-understanding activities are being implemented, such as festivals, student-exchange activities, and events for introducing aspects of Japanese culture, such as Ikebana and tea ceremonies.

(5) To Become a Center of Private-Sector Development, Human-Resource Development, and Information Exchange (Project Purpose)

In FY2015, the total numbers of students and graduates of the business courses (cumulative since Phase 1) reached 5,986 and 4,515 respectively. The total number of students of the Japanese language courses reached 5,217. Because a two-semester system was introduced in FY2013, the number of students is steadily changing. The total number of participants in mutual-understanding programs reached 215,028 in FY2015.

Table 7. Achievement after the Completion of Phase 2

FY	2014	2015	Total	Total since Phase 1
Business Courses	87	N/A	87	N/A
Students	1,331 ²⁶	544	1,875	5,986
Graduates	435	401	836	4,515
Business Seminars	9	7	16	117
Participants	1,248	623	1,871	13,217
Japanese Language Courses	47	48	95	188
Participants	1,021	1,150	2,171	5,217
Japanese language Seminars	11	13	24	54
Participants	1,097	1,055	2,152	5,776
Mutual-Understanding Activities	86	76	162	816
Participants	34,210	36,242	70,452	215,028

Source: The number of courses and the numbers of students and participants are from CJCC Annual Report. CJCC also provided the number of graduates.

3.2.2.3 Other Impacts

Related to the business courses, the Cambodia Japan Business and Investment (hereinafter, CJBI) was inaugurated in April 2016 as a platform for networking among private companies in Japan and Cambodia. In Phase 3, JICA is supporting the inauguration of CJBI, and CJCC is the secretariat. Utilizing CJCC's network in Cambodian business society developed so far, CJBI implemented exchange activities with the Kansai Association of Corporate Executives and Cambodian local companies in February 2016.

In Phase 2, the selected students in business courses participated in a training in Japan. This opportunity was highly appreciated because participants could directly learn to practice Japanese-style business management. In response to the usefulness of the training, CJCC is

²⁶ In FY2014, the number of students was larger than in other years because there was large, tailor-made course for an individual company.

operating its own training program in Japan for Cambodian business owners and practitioners with JICA support in Phase 3. More active involvement of the Cambodian counterpart is being seen. This is a positive impact of the progress in the Phase 1 and Phase 2 activities.

Regarding the impact on skills improvement and effect on students' current businesses, 77.6% of respondents in a beneficiary survey answered that the business courses improved their skills in management, planning, marketing, and so on. In addition, 30.6% of respondents answered that business courses influenced the improvement of business operations in their companies in terms of quality management, human-resource management, and so on.

One student in the Entrepreneurship Course owns a business that imports medical and baby goods based on a vision of contributing to health promotion in Cambodia since 2006. He originally did not have sufficient business knowledge, and his business was small. However, his business has grown drastically since his graduation from the course in 2007. Another student of the Entrepreneurship Course in 2007 started up a hotel business in 2008. His business is considered socially responsible as he hires street children to train to work in the hotel. His business has rapidly expanded, and he now owns seven hotels and has 300 employees as of this ex-post evaluation.

The purpose of Phase 2, namely "to be the center of human-resource development and information exchange for promoting private-sector development," was largely achieved. Although some of the indicators of overall goals have not yet been achieved (or it is impossible to see the degree of achievement), continuity of the effects of the project purposes of Phase 2 has been perceived by this ex-post evaluation, and there are many other positive impacts.

Based on the comprehensive set of factors, effectiveness and impact of the project are high.

3.3 Efficiency (Rating: ②)

3.3.1 Inputs

Table 8. Inputs

Inputs	Plan	Actual
Phase 1		
(1) Experts	Long-term experts: 5 (1 for chief advisor, 1 for coordinator, 1 for business courses, 1 for Japanese language courses, and 1 for mutual-understanding program) Short-term experts: some (Necessary number for lecturers of business courses, etc. Necessary number for third country experts)	Long-term experts: Total 7 (Chief advisor, coordinator, Japanese language courses, and mutual-understanding programs) Short-term experts: 46 short-term experts for business courses for a total of 158 times. 5 short-term experts for publicity and other fields for a total of 11 times.
(2) Trainees received	Country training was planned for C/P, local staff, lecturers, students of some courses * No specific number indicated	Training in Japan: 8 people

(3) Equipment	Furniture for seminar room, equipment, books for library, PC and office materials, audiovisual equipment, etc.	Copy machine, vehicle, hardware like PC and related software, books, DVDs, and CDs
(4) Others	Support for local expenses for the project (local operating expenses)	Salaries for about 40 local staff members employed by CJCC was covered by local expenses.
Japanese Side Total Project Cost	700 million yen	1,180 million yen
Cambodian Side Inputs	Counterpart: Director, manager for business courses, manager for Japanese language courses, manager for mutual-understanding program, office staff, etc. Land and Facilities: Facility for the project before the completion of the CJCC building, land for the CJCC building constructed by Japan's ODA grant	Counterpart: Originally 5 RUPP staff members, including the director, were exclusively located in CJCC. Land and Facilities: the CJCC building was completed in November 2005 by Japan's ODA grant (Land was prepared at RUPP by Cambodian side). From 2004 to November 2005, the Cambodian side provided necessary rooms and facilities at RUPP.
Cambodian Side Operational Expenses	Expenses of running the CJCC operation	Basic salary of counterparts and utilities were covered by the Cambodian side.
Phase 2		
(1) Experts	Long-term experts: 4 (Chief advisor, coordinator, Japanese language courses, mutual-understanding program/publicity) Short-term experts: No specific number indicated (operation and lectures for business courses)	Long-term experts: 4 (chief advisor, coordinator, Japanese language courses, senior advisor/program coordination) Short-term expert: Total 104
(2) Trainees received	C/P training was planned for director, management staff, and staff * No specific number indicated	Training in Japan: Total 36 people
(3) Equipment	Not listed	33 items including audiovisual equipment
(4) Others	Local operation cost * No specific number indicated	Local operation cost: In total about 127 million yen
Japanese Side Total Project Cost	949 million yen	631 million yen
Cambodian Side Inputs	Counterparts: 5 (CJCC director, manager for general affairs, manager for business courses, manager for Japanese language courses, manager for mutual-understanding program) Land and Facilities: CJCC	Counterparts: 3 managers of CJCC (Government officials) Land and Facilities: CJCC
Cambodian Side Operational Expenses	Running expenses of CJCC operation and maintenance (especially for utilities)	Utilities were covered by RUPP. Total payment was about 21 million yen from FY2009 to FY2013.

3.3.1.1 Elements of Inputs

The total project cost to the Japanese side in Phase 1 greatly exceeded the planned cost, while the calculation of the integrated estimation as of ex-ante evaluation is not available. Most of the project cost was for dispatching experts (long-term experts and short-term experts (business course lecturers, expert on publicity, etc.)), and there was no major difference from the plan in dispatches of long-term experts; hence, dispatches of short-term experts may have been the reason for the difference between planned and actual project cost. This may be associated with the expansion of business courses and the increase of dispatch of lecturers in business courses after the establishment of CJCC in response to local needs.

The local cost covered by RUPP for basic salaries of counterparts and CJCC utilities was disbursed as planned.

3.3.1.2 Project Cost

In Phase 1, the actual project cost was 1,180 million yen, which greatly exceeded the planned cost estimated at 700 million yen (169%). In Phase 2, the actual project cost was 631 million yen, within the planned cost estimated at 949 million yen (66%). To sum up, actual project cost of the two phases was 1,811 million yen and exceeded the planned cost, estimated at 1,649 million yen (110%).

3.3.1.3 Period of Cooperation

The project period was from April 2004 to March 2009 (5 years) in Phase 1 and from April 2009 to March 2014 (5 years) in Phase 2 as planned.

Although the project period was as planned for both phases, the project cost exceeded the plan in total of Phase 1 and Phase 2. Therefore, efficiency of the project is fair.

3.4 Sustainability (Rating: ②)

3.4.1 Related Policy and Institutional Aspects for the Sustainability of Project Effects

The revised “National Strategic Development Plan (NSDP)” (2014-2019) formulated in July 2014 continues focusing on private-sector development and human-resource development.

Government order No. 123 (Sub Decree on Establishment of Cambodia-Japan Cooperation Center, October 2005), which is the legal grounds of CJCC, states that CJCC is an organization under RUPP (Article 1), CJCC holds an account for its own budget management (Article 3), CJCC is managed by Cambodian director and deputy directors (Article 4), and so on. This government order clearly identifies the position of CJCC in Cambodia and strengthens the sustainability of CJCC. The principle that CJCC is one of the centers in RUPP has not changed since its establishment, and CJCC’s institutional position is sustained.

As stated above, political and institutional sustainability is high.

3.4.2 Organizational Aspects of the Implementing Agency for the Sustainability of Project Effects

CJCC places importance on the principle that counterparts take the initiative on management, and Japanese experts (JICA experts (Chief advisor and coordinator) and Japan Foundation experts (Japanese language education expert and coordinator) provide support. As of this ex-post evaluation, the roles of counterparts and Japanese experts are clearly identified and the communication in the organization is also good.

In Cambodia, counterplanning for employee turnover is a challenge in general. CJCC positively recognizes staff's turnover accompanied with his/her career development. For example, there was a case of a young CJCC staff member who was headhunted by a Japanese company and is now serving in a managerial position. According to the interview during the field survey, smooth operation of CJCC is sustained by the operation manual and constant capacity building of the staff through OJT even in the situation where the staff turnover is difficult to avoid. CJCC has enough staff members for its operation as of this ex-post evaluation.

The challenge in an organizational aspect is that the sustainable image CJCC wants to achieve has not been clarified among the two countries, such as the long-term direction of Japan's cooperation including the strategy for the future, areas of responsibility, and shared obligations of the Cambodian and Japanese sides, as well as the perspective on income management—in other words, how to maintain CJCC's own income for future activities. Japanese cooperation plays a big role for CJCC's operation, and Japan also utilizes CJCC as a base of economic and cultural exchange in Cambodia. Hence, it is necessary to share a common understanding of the future image of CJCC in both countries in order to strengthen organizational sustainability.

As stated above, organizational sustainability is fair.

3.4.3 Technical Aspects of the Implementing Agency for the Sustainability of Project Effects

(1) Operation and Management of CJCC

The Annual Strategic Plan and Annual Report are prepared by counterparts and local staff. The mindset that CJCC is operated and managed by the initiative of counterparts supported by Japanese experts is deeply rooted in CJCC. At the beginning of Phase 1, counterparts and local staff were not involved in finance management. As of this ex-post evaluation, CJCC's income and expenses are managed by counterparts and local staff.

Japanese long-term experts in Phase 3 mentioned in the interview that they recognize as a challenge that CJCC's Annual Strategic Plan is just the integration of each activity and is not formulated as "strategy," so they will work on the capacity building of CJCC for the formulation of medium- and long-term strategy, plan of actions based on the strategy, and establishment of a

system for monitoring the implementation.

(2) Business Courses

The share of Cambodian local lecturers in business courses is increasing. In FY2015, Entrepreneurship Course was completely localized and there was only one Japanese lecturer (in charge of new product development, production launching, etc.) even in other courses. Local lecturers delivered 368 hours of classes and reached 94% of the total hours of business courses except seminars, up from 43% in FY2013. Therefore, the localization proceeded drastically in the last three years. Lectures on Japanese business manner and Japanese-style business management are also provided by local lecturers with the support of Japanese experts. The local lecturers are mainly actual businesspeople, including many CJCC graduates. While Japanese lecturers who also worked on course planning and operation were dispatched by JICA in FY2014 until March 2015, Japanese lecturers have been dispatched only for individual courses since April 2015, and the number of dispatches has been significantly reduced.

In recent years, the total number of students in business courses has been around 500 in a year. The courses that are repeatedly provided or that deal with contents implemented by other institutes have difficulty attracting students. An increasing number of companies are also conducting in-house training. It is not easy to respond to local needs in such a changing environment, and increasing demand is recognized for more specific and special contents such as logistics and SME finance. Since Japan has an advantage especially in content related to the manufacturing industry, such as 5S²⁷, Kaizen²⁸, and productivity improvement, the courses that can express Japan's advantage and characteristics are thought to be important. CJCC is trying to concentrate more on such courses.

The main focus of business courses is educating entrepreneurs in Cambodia. However, in the interview with Japanese companies, it was found that there are also needs for talented human resources working in Japanese companies as middle management staff. The courses or services in response to such needs are worth consideration. It is a challenge for strengthening technical sustainability to respond to the changing environment and various local needs. Further capacity building to deepen the business knowledge of staff and enhance marketing toward potential customers is necessary for CJCC.

(3) Japanese Language Courses

It is thought in CJCC that Japanese language teachers from Japan are necessary for sustaining

²⁷ 5S is a method for improving rationality and efficiency by practicing sorting, setting in order, standardizing, shining and sustaining the discipline.

²⁸ Kaizen is a series of activities for reviewing work at production sites. Workers at the sites actively discuss measures for improvement and address the issues to improve productivity and secure safety. The concept applies not only to the manufacturing industry but also to the service industry.

the quality of courses. In Phase 3, one Japanese language education expert and one coordinator are being dispatched from the Japan Foundation, and other Japanese language teachers are being locally recruited. Among locally recruited Japanese language teachers, 3 are from Japan and 14 (5 full-timers and 9 part-timers) are Cambodians. The share of class hours taught by local teachers, including locally recruited teachers from Japan (class hours by Japanese language teachers except Japan Foundation experts), was 97% as of FY2015.

Counterparts lead the operation and management of Japanese language courses with the support of Japan Foundation experts. They try to identify local needs and improve courses by distributing questionnaire surveys and holding staff meetings and study meetings. In recent years, the number of students in Japanese language courses per year has been around 1,000, which is the number necessary to fill up the classrooms. The number of students is steadily changing as the presence of Japanese companies and popularity of Japanese culture increase. The result of the beneficiary survey shows that many students in Japanese language courses have a strong interest in Japan and Japanese language and wish to study in Japan or get a position in a Japanese company.

The level of Cambodian Japanese language teachers is mainly N3²⁹ level of JLPT. According to Japan Foundation experts, the N3 level is not entirely sufficient for providing lectures. Although there seems to be no specific problem in the courses at the moment, further capacity building of Cambodian teachers is a challenge with regard to advancement of the level of students and diversifying local needs in the future.

(4) Mutual-Understanding Programs

A variety of events, such as festivals, student exchange events, and cultural events like Ikebana and tea ceremonies are implemented by the initiative of local staff. According to the result of the beneficiary survey, the degree of satisfaction with these events is high, and many respondents answered that their impression toward Japan positively changed after the participation in the events. While there is no specific technical problem in mutual-understanding programs, a counterpart in Japanese language courses and mutual-understanding programs mentioned in the interview that he wishes to expand the mutual-understanding programs but that he still needs knowledge and cooperation from Japan.

In summary, local human resources are well utilized, and the initiative of the Cambodian side for operation and management is being maintained.

On the other hand, in terms of operation and management, capacity building on strategy

²⁹ The levels are divided from N1 (high) to N5 (low) on the scale of 1 to 5. N3 is the level “able to partially understand Japanese in daily situation”

formulation, planning, and monitoring implementation is still thought to be necessary. In business courses, the number of students is a little stagnating in recent years. There is a need for more special courses, and services contributing to the supply of talented human resources for Japanese companies are also needed. It is necessary to work on further capacity building for responding to diverse local needs and enhancing information activity. In Japanese language courses, further capacity building of Cambodian Japanese language teachers is important for sustaining and improving the quality of courses.

As stated above, technical sustainability is fair.

3.4.4 Financial Aspects of the Implementing Agency for the Sustainability of Project Effects

Overall CJCC's income is composed of the center's own income, RUPP contribution, JICA local operation cost, and other sources.

The share of expenses from the center's own income in relation to all expenses (operational cost) is increasing year by year and reached 61.8%³⁰ as of FY2015. Since FY2013, the amount of JICA local operation cost has been decreasing. While most of the JICA local operation cost is used for staff salaries, the coverage by CJCC's own income is increasing every year. RUPP as the implementing agency covers utilities and the basic salaries of counterparts.

Table 9. Actual of Income and Expense of CJCC (FY2011 – FY2015)

(Thousand yen)³¹

	FY	2011	2012	2013	2014	2015
Income	CJCC's own income	16,022	26,266	43,498	62,325	60,057
	(Business courses)	3,896	3,087	5,439	14,294	8,144
	(Japanese courses)	1,929	4,214	9,394	12,777	22,657
	(Mutual-understanding programs)	10,197	18,965	5,826	4,721	3,588
	(Facility rental, etc.)			20,730	28,005	25,499
	Interest			2,108	2,529	168
	RUPP contribution	3,708	4,528	5,523	7,395	10,555
	JICA local operation cost	21,315	24,108	33,277	20,423	17,985
	Others	0	0	0	12,566	11,094
	Total		41,045	54,902	82,298	102,709
Expense	(Business courses)	1,533	1,145	3,554	9,128	11,178
	(Japanese language courses)	202	833	434	3,324	2,119
	(Mutual-understanding programs)	1,080	1,261	2,093	4,538	4,810
	(Other management cost)	33,924	48,711	72,585	84,827	85,715
	Total	36,739	51,949	78,666	101,817	103,822
	Expense from CJCC's own income	11,716	23,314	39,865	61,433	64,188
Balance		4,306	2,952	3,633	892	-4,131

Source: Documents provided by JICA

³⁰ Expenses from CJCC's income: 64,188 thousand yen, local expenses: 103,822 thousand yen

³¹ Above figures are rounded down to the nearest thousand, and some figures do not add up.

From FY2013 to FY2014, income from business courses expressly increased because of a contract for a big, tailor-made course. From FY2014 to FY2015, income from Japanese language courses increased. Income from facility rental, cafe, and catering services is steadily changing due to the effort to diversify income sources since the latter part of Phase 2.

JICA covers the costs other than local operation costs stated in Table 9 for dispatch of experts, training in Japan, equipment, and so on. According to the documents provided by JICA, the cost for dispatch of experts decreased to 20% of the average from FY2012 to FY2014 (30 million yen) in parallel with the reduction in the number of experts. It was affected by the fact that only one expert was dispatched in FY2015 because the form of expert dispatch from Japan was changed from a comprehensive contract including course design to a contract only for lectures in individual courses due to the decrease in the number of students.

The result of the effort toward diversification of income sources is seen in CJCC's own income, which is steadily increasing. The coverage of operation cost by CJCC's income and CJCC's share of responsibility is increasing. Input by JICA, including dispatch of experts, is decreasing.

As stated above, since the financial sustainability of the project has improved, financial sustainability is high.

Some minor problems have been observed in terms of the organizational and technical aspects of CJCC. Therefore, sustainability of the project effect is fair.

4. Conclusions, Lessons Learned and Recommendations

4.1 Conclusion

This project was implemented to contribute to Cambodia's transition into a market economy, human-resource development for the private sector, and information exchange and mutual understanding between Japan and Cambodia through establishment of an operation and management system of the Cambodia-Japan Cooperation Center, and implementation and strengthening of business courses, Japanese language courses, and mutual-understanding programs.

This project was consistent with Cambodia's development plan, which focused on private-sector development, employment creation, capacity building, and human-resource development, as well as with Cambodia's development needs during the marketization process and deepening its economic and cultural relationship with Japan. The project was also consistent with Japan's ODA policy at the time of ex-ante evaluation; this policy recognized sustainable economic growth and poverty reduction as top-priority issues in Cambodia and focused on improving business climate for economic promotion and educational enhancement. Therefore, its relevance is high.

In the two phases, the total number of participants for the business courses, Japanese language courses, and mutual-understanding programs was about 4,000, 3,000, and 144,000, respectively. The project's purpose—CJCC becoming a center of human-resource development and information exchange for private-sector development—was achieved. After the completion of Phase 2, the three programs continued, and the cumulative number of participants for each of the business courses, Japanese language courses, mutual-understanding programs was about 6,000, 5,000 and 215,000 respectively by the end of FY2015. In addition, there have been many positive impacts of the project, such as business networking among an economic group of Japanese and Cambodian business owners, new businesses created by the graduates of business courses, and the promotion of Japanese language education through Japanese seminars. Therefore, its effectiveness and impact are high.

Although the project period was as planned for both phases, the project cost exceeded the planned amount for the total of the two phases. Therefore, efficiency of the project is fair.

CJCC is positioned clearly by a government ordinance. It works on strengthening and diversifying its income sources. On the other hand, it seems necessary to clarify the direction of Japanese cooperation for CJCC including future strategies and share the future vision of self-sustained CJCC, and further strengthen the organization towards these objectives. It also seems necessary to further develop CJCC's capacity for maintaining and improving its business courses, Japanese language courses and achieving its strategic operation and management. Therefore, the sustainability of the project effects is fair.

In light of the above, this project is evaluated to be satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Implementing Agency

(1) Formulate Medium- and Long-term Strategy and Specific Plans and Strengthen Monitoring

In the operation and management of the organization, it is important to formulate a medium- and long-term strategy, break it down into specific plans, and monitor whether the plan is properly implemented. The Japanese experts dispatched in Phase 3 recognize that it is a challenge to develop the capacity of CJCC on strategy formulation, planning, and monitoring. The counterparts currently formulate strategic plan and annual report every year. It is recommended to work out a necessary strategy for CJCC from the medium- and long-term perspectives and identify the position of each activity in the strategy by utilizing these documents for planning and operation of the organization.

(2) Realize Effective and Efficient Operations

CJCC receives tuition fees from students in the business courses and Japanese language courses. However, there is an upper limit to expanding such income bases because of the

capacity of the facility. Japanese language courses have already reached near full capacity in terms of its intake at the time of the ex-post evaluation. Other income sources, such as service fees for visitor services like facility rentals, café services, and consulting for companies, will be important, as well as courses implemented outside CJCC, such as in client companies. It is recommended to review CJCC's hard and soft assets, analyze room for more efficiency, and identify the feasibility of new programs and activities utilizing existent knowledge and networking to achieve more effective and efficient operations.

(3) Enhancing Information Activity in consideration of Collaboration with Japanese Companies

Japanese companies expect CJCC to train middle management. In this regard, it is recommended to train young, middle-management-level people in addition to entrepreneurs and business owners and to publicize such activity of CJCC among the Cambodian business society, including Japanese companies hereafter. It is important to consider how to establish a human-resource network with Japanese companies in accordance with CJCC's mission, not merely for worker mediation. It seems to be worthwhile to utilize CJBI, established in April 2016, as the platform for exchange among Japanese and Cambodian companies. Activities to facilitate human-resource matching by making use of connections with Japanese companies, such as internship opportunities for capable people in Japanese companies, might be useful.

4.2.2 Recommendations to JICA

The role of Japanese experts is still thought to be important for realizing the recommendations stated above. Therefore, it is recommended that Japanese experts follow up them with counterparts and continue to work for strengthening the operations, management, and information activities of CJCC.

4.3 Lessons Learned

Attention toward the stabilization of Japan Center in terms of Institution and Employment

The internal system and communication of CJCC is stabilized, and this has led to a high degree of achievement of the project purpose and many positive impacts. This is because the Japanese experts respect the CJCC staff and keep supporting them. It is also because CJCC makes an effort to improve its staff's salary and does not recognize staff turnover as negative, considering the general steps of career development prevalent in Cambodia. CJCC has tried to strength the institutional capacity for smooth operation by capacity building of staff through attentive duty transfer and OJT.

In the Japan Center project, it is important to pay attention to the above points and appropriately review internal communication and staff management to avoid problems such as substantial turnover that could disrupt the operation of the organization.

Socialist Republic of Viet Nam

FY2015 Ex-Post Evaluation of Technical Cooperation Project
“Viet Nam-Japan Human Resources Cooperation Center (Phase 2)”

External Evaluator: Kyoko Harada,
Foundation for Advanced Studies on International Development

0. Summary

This project¹ was implemented in order to strengthen the implementation structure (management system) of the Vietnam–Japan Human Resources Cooperation Center (hereinafter “VJCC”) that contributes to human resources development in business sector to increase the competitiveness for Vietnam’s transition to a market economy and to provision of high-quality services to promote mutual understanding between Vietnam and Japan. The project also aimed to establish functions of the VJCC as a hub that connects other Japan Centers² in the ASEAN member countries.

This project has been consistent with Vietnam’s development policies, which aim for industrialization of the country by 2020. Also, the project matched development needs to enhance human resources development, as required by a market economy, as well as corresponded to the expanding demand for Japanese language education. It was also consistent with Japan’s ODA policy at the time of the ex-ante evaluation, which focuses on the transition to a market economy. Therefore, the relevance of the project is high.

The total numbers of participants for each of the business courses, the Japanese language courses and mutual understanding activities³ during the project period was about 20,000, 10,000 and 100,000, respectively. These activities were conducted by Vietnamese staff members of the VJCC; hence, the project purpose of the VJCC’s strengthened implementation structure was almost achieved. Another project purpose of

¹ In this report, “this project” indicates Phase 2, the target of the current ex-post evaluation. Phase 1 was implemented before the start of this project, and Phases 3 and 4 were implemented after this project (see 1.1 Background).

² At the time of the ex-post evaluation, Japan Centers have been established in 10 locations in 9 countries in the East and Central Asia region (Mongolia, Uzbekistan, Kazakhstan and Kyrgyz), Southeast Asia region (Cambodia, Vietnam (Hanoi and Ho Chi Minh City), Myanmar and Laos) and Ukraine. “Human Resources Cooperation Center” is only used in Vietnam, instead of “Human Resources Development Cooperation Center”.

³ Mutual understanding activities in the VJCC were more focused on introduction to Japanese culture and traditions; organized large events as the NIHONGO festival and Hoi An Festival; and classes on Japanese tea ceremonies, calligraphy and Japanese cooking until 2008. From 2009 onward, VJCC shifted to focus on developing pro-Japanese human resources who contribute to a transitioning market economy, and it started organizing activities such as overseas education fairs, university student exchanges and training on understanding Japanese business culture. Additionally, in March 2008 the Japan Foundation established the “Japan Foundation Center for Cultural Exchange in Vietnam” in Hanoi and cultural events related to Japanese language education such as Japanese speech contest, which were conducted by the VJCC were transferred to Japan Foundation.

establishing the VJCC as a hub among the Japan Centers in the ASEAN member countries was partially achieved, since there have been several exchange activities with other Centers, such as sharing knowledge and organizing seminars among the Centers. The subsequent project was implemented after completion of this project, and the cumulative number of participants for each of the business courses, the Japanese language courses and mutual understanding activities was about 44,000, 22,000 and 190,000 respectively by the end of FY (fiscal year) 2015. The positive impacts identified show that the graduates improved the efficiency and productivity of their work with knowledge they obtained from the courses, which contributed to raising turnover and expanding business for their companies as a result. Thus, effectiveness and impact of the project are high.

Although the project period was as planned, the actual project cost was higher than the planned project cost because the number of courses increased consequently, the number of experts was increased to satisfy the expanding need for human resources development. Therefore, the efficiency of the project is fair.

As for sustainability, no major problems have been observed in the institutional and organizational aspects. In technical aspect, it is recognized that training of local lecturers made little headway since VJCC considers the importance of the huge demand of Japanese lecturers among students who wish to learn about Japanese methodology and know-how for the management. In financial aspect, while operation costs are mostly covered by VJCC's own revenue, support from JICA is still necessary for arranging a certain number of Japanese experts for a while and the cost burden needs to be considered. Therefore, the sustainability of the project effects is fair.

In light of the above, this project is evaluated to be satisfactory.

1. Project Description



Project Locations⁴



Vietnam-Japan Human Resources Cooperation Center (Ho Chi Minh City)

⁴ Sekaichizu <http://www.sekaichizu.jp/index.html>

1.1 Background

The government of Vietnam introduced a market economy system and a policy of opening the country to foreign business under the Doi Moi policy in 1986. From 1990s onward, the government worked on various reforms that regarded the development of human resources in the private sector as one of important issues for economic development. At that time in Japan, it was conceived to establish Japan Centers as a means of highlighting Japan's ODA activities as well as to become hubs for training business personnel in host countries transitioning to market economies, such as Asian and former Soviet countries. Based on this concept, Japan and Vietnam commenced the Vietnam–Japan Human Resources Cooperation Center (September 2000–August 2005, hereinafter “Phase 1”), offering three main programs—a business courses, a Japanese language course and programs to promote mutual understanding—in Hanoi and Ho Chi Minh City (hereinafter “HCMC”), and appointed Foreign Trade University (hereinafter “FTU”) as a counterpart organization. Moreover, the VJCC's facilities were constructed using Japan's grant aid in March 2002 in Hanoi (on the site of FTU) and in May 2002 in HCMC (on the site of FTU HCMC).

This project⁵ was intended to widen and deepen Phase 1's activities based on ideas such as human resources development contributing to a market economy, and the establishment of a hub for networking between Japan and Vietnam as an advanced project of Phase 1. It started in September 2005 as an agreement to five years of cooperation to strengthen the management system of the VJCC and to establish the functions of the VJCC as a hub that connects other Japan Centers in the ASEAN countries.

In addition, after completion of this project (Phase 2), “Project for Capacity Development of Business Persons through Vietnam–Japan Human Resources Cooperation Center” (September 2010– August 2016, hereinafter “Phase 3”) was implemented, whose aim is to support Vietnam's policy for small and medium enterprises (SMEs) and supporting industries to accelerate industrialization and modernization by 2020 which the government of Vietnam has been promoted. Furthermore, after Phase 3, “Project for Institutional Capacity Development of VJCC for a Landmark of Development and Networking for Managerial Human Resources” (September 2016–December 2021, hereinafter “Phase 4”) was started to develop managerial human resources who will play an important role for expanding supporting industries and to strengthen the management system of the VJCC as a hub for economic relations between the two countries.

⁵ Under the JICA's technical cooperation, the Japanese language course was supported by the Japan Foundation, which sent Japanese experts during Phase 2. From Phase 3 onward, the Japanese Foundation completed its cooperation for VJCC, and the VJCC has managed the Japanese language course itself.

1.2 Project Outline

Overall Goal		To enhance the competitiveness of business and human resources development in Vietnam in the market economy and to promote for mutual understanding between the Social Republic of Vietnam and Japan
Project Purpose		1. The project will strengthen the implementation structure of the VJCC as an institution which provides various high-quality courses and seminars that contribute enhancement of the competitiveness of business and human resources development in Vietnam and deepen the mutual understanding between the two countries. 2. To promote VJCC as a hub that connects other Centers of this kind in the ASEAN member-countries.
Output(s)	Output 1	The management system of VJCC will be strengthened, and it will be managed effectively, efficiently and continuously.
	Output 2	Business courses will continuously offer practical knowledge and skills pertinent to the market economy. The implementation of the courses will be nationalized gradually.
	Output 3	Japanese language courses will continuously fulfill the needs of the general public, professionals in business and the public sector and Japanese language teachers. The implementation of the courses will be nationalized gradually.
	Output 4	VJCC will become a coordinating body for promoting human network between two countries.
	Output 5	VJCC will promote regional cooperation in coordination with the Centers. In addition, VJCC will utilize know-how of the Centers for effective and efficient implementation of the activities of VJCC.
Total cost (Japanese Side)		1,254 million yen
Period of Cooperation		September 2005–August 2010
Implementing Agency		Ministry of Education and Training/ Foreign Trade University (FTU)
Other Relevant Agencies/ Organizations		N/A
Supporting Agency/ Organization in Japan		The Japan Foundation (Japanese language courses)
Related Projects		<p><Grant Aid></p> <ul style="list-style-type: none"> • Project for Construction of Viet Nam–Japan Human Resources Cooperation Center in Hanoi (E/N signed in 2000) • Project for Construction of Viet Nam–Japan Human Resources Cooperation Center in Ho Chi Minh City (E/N signed in 2000) <p><Technical Cooperation Project></p> <ul style="list-style-type: none"> • Vietnam–Japan Human Resources Cooperation Center (2000–2005) • Project for Capacity Development of Business Persons through the Vietnam–Japan Human Resources Cooperation Center (2010–2016) • Project for Institutional Capacity Development of the VJCC for a Landmark of Development and Networking for Managerial Human Resources (2016–2021)

1.3 Outline of the Terminal Evaluation

1.3.1 Achievement Status of Project Purpose at the Time of the Terminal Evaluation

At the time of the Terminal Evaluation in January 2010, it was pointed out that although one of the Output 1 indicators—strengthening the VJCC management system—was not yet satisfied, many effects had been identified in terms of strengthening the implementation structure in the business courses (Output 2), Japanese language courses (Output 3) and program for mutual understanding (Output 4). The Terminal Evaluation states that those activities contributed greatly to achieve the project's purposes.

1.3.2 Achievement Status of Overall Goal at the Time of the Terminal Evaluation (including other impacts.)

Because the overall goal was expected to make the project's effects widespread Vietnam, the time was described as being too early to evaluate the achievement status at the time of the Terminal Evaluation. However, as some positive impacts of this project the business training were recognized as contributions to small-size Japanese companies in Vietnam. Also, the launch of the Japanese Language Proficiency Test (JLPT) course was a pioneering attempt in Vietnam at the time. It was also noted that VJCC's business skill trainings for Vietnamese who were working in Japanese companies had likely inspired other organizations to start similar businesses or companies like VJCC.

1.3.3 Recommendations at the Time of the Terminal Evaluation

- ① Earlier assignment of a Vietnamese director-general after completion of Phase 2
At both VJCC-Hanoi and VJCC-HCMC, in order for Vietnamese staff to establish management systems, it is necessary to assign a director-general to both centers from FTU.
- ② Preparation of a concrete management system plan
For the smooth shift to a new system after Phase 2, it was required to provide a concrete plan for the management system based on discussions with FTU, each director-general, Japanese expert, JICA office and other stakeholders.
- ③ Securing financial sustainability
In order to further enhance the independence of the VJCC after completion of Phase 2, it was required to promote financial independence through review of the courses and tuition, revenue diversification, reviewing expenditures and so on.
A target was set that 60% of operation costs should be covered by VJCC's own revenue by the end of Phase 2.

2. Outline of the Evaluation Study

2.1 External Evaluator

Kyoko Harada, Foundation for Advanced Studies on International Development

2.2 Duration of Evaluation Study

Duration of the Study: January 2016 – March 2017

Duration of the Field Study: April 10th, 2016 – April 30th, 2016,
August 3rd, 2016 – August 11th, 2016

2.3 Constraints during the Evaluation Study

The beneficiary survey at the time of ex-post evaluation had the following constraints. At the time of the ex-post evaluation, it had been five to ten years since students of Phase 2 participated in the VJCC's courses (September 2005–August 2010), and most of the business courses which were implemented for general students were conducted in as short period as 3 days. Therefore, it became difficult to obtain cooperation from the students due to their difficulty in recollecting their memories. Moreover, most of the students' contact information had changed, and there were no other options to contact them for asking cooperation. What is more, project members raised the concern that chasing ex-students who are still potential customers of the VJCC for the purpose of the beneficiary survey may harm the good reputation and future operations of the VJCC, particularly at the time of starting Phase 4, in September 2016. Due to these situations, a beneficiary survey was implemented with careful screening and inquiring as to whether the ex-students were willing to cooperate with the survey or not.

As a result, an insufficient number of valid answers⁶ were collected. Thus, the evaluation analyzes information that was mainly collected from interviews with some of the participants (company and individual), staff members of the VJCC and other sources.

3. Results of the Evaluation (Overall Rating: A/B/C/D⁷)

3.1 Relevance (Rating: ③⁸)

3.1.1 Relevance to the Development Plan of Vietnam

“Ten-year Strategies of Socio-Economic Development in Vietnam” (2001–2010) by the Government of Vietnam targeted industrialization of the country by 2020 by achieving market economy through strengthening human resources development and improving technology. The “8th Five-year National Socioeconomic Development Plan” (2006–2010)

⁶ Number of valid answers (Hanoi and HCMC in total): 14 in the business course, 12 in the Japanese language course.

⁷ A: Highly satisfactory, B: Satisfactory, C: Partially satisfactory, D: Unsatisfactory

⁸ ③: High, ②: Fair, ①: Low

still highlighted human resources development for promoting a market economy and improving technology. In terms of contributions to human resources development to enhance a market economy, the project was highly consistent with the Development Plan of Vietnam from the time of the ex-ante evaluation through the time of project completion.

3.1.2 Relevance to the Development Needs of Vietnam

At the time of the ante-evaluation of the project, business human resources development for industrialization and modernization was an urgent task for the Government of Vietnam. However, there were limited institutes and programs available for business human resources development training, for middle-management executive personnel and on-site managers, who play important roles for industrialization and modernization. From this point of view, this project matches the demand for business human resources development in Vietnam.

During the project, Vietnam accelerated toward becoming a market economy, and the number of Japanese companies investing in Vietnam also increased⁹. In Vietnam, light industry was a major industry at the time, along with agriculture and mining, and the industry raised awareness of the need for knowledge about production control, management strategy and marketing, in the manufacturing sector. With this increasing need, the VJCC launched “Keiejuku”¹⁰ for executive human resources development based on the Japanese style of management.

In addition, there were few Japanese language institutes in Vietnam, in contrast to the increasing number of Japanese language learners. Under the circumstance, the quality of the Japanese language courses at VJCC, which also introduced Japanese culture, satisfied the needs of the learners.

At the time of the project’s completion in 2010, the total amount of direct investment from Japan for Vietnam reached 63.6 billion yen, which increased widely from 16.8 billion yen in 2005 at the beginning of the project¹¹. Obviously number of Japanese companies invested Vietnam had been increased during the project.

Also, the industry composition ratio of Vietnam’s GDP in 2010 was 32.1% for industry/construction and 36.9% for the service industry. Since 97% of those industries were SMEs, it has been very important for Vietnam to assist SMEs and supporting

⁹ Number of Japanese companies located in Vietnam: 246 (2005) → 408 (2010) (Ministry of Foreign Affairs of Japan)

¹⁰ The course aims to train young and executive human resources who will be able to lead Vietnam’s industrial sector in the future. Keiejuku is a comprehensive business course that teach “management strategy,” “marketing,” the “Japanese style of manufacturing (*monozukuri*)” and “business planning” in a ten-month period. Between 20 and 25 students are able to enroll.

¹¹ Investment environment in Vietnam in January 2014 (JBIC)

industries. At that time, the business courses offered by VJCC provided a variety of trainings for production control, quality control, human resources/financial management, Keiejuku and on-site guidance¹². Those courses complied with the need for human resources development for SMEs; hence, this project was highly consistent with the development needs of Vietnam from the time of the ex-ante evaluation through the time of project completion.

3.1.3 Relevance to Japan's ODA Policy

In the "Country Assistance Policy for Vietnam" (April, 2004), the promotion of Vietnam's economic growth was one of the priority areas in Japan's assistance in Vietnam. Based on the policy, the JICA planned the "Program for Managerial and Entrepreneur Human Resources Development." This project was positioned and implemented within the program as assistance for economic growth in Vietnam through human resources development for the transition of a market economy; therefore, this project was highly consistent with Japan's ODA policy at the time of the ex-ante evaluation.

As stated above, this project was highly relevant to Vietnam's development plan and development needs as well as Japan's ODA policy. Therefore, its relevance is high.

3.2 Effectiveness and Impact¹³ (Rating: ③)

3.2.1 Effectiveness

3.2.1.1 Achievement of Project Purpose

Five outputs of the project were established to achieve Project Purpose 1, "To strengthen the implementation structure of the VJCC as an institution, which provides various high-quality courses and seminars that contribute to enhancing the competitiveness of human resources development for the market economy in Vietnam and deepen the mutual understanding between the two countries," as well as Project Purpose 2, "To promote VJCC as a hub that connects other Japan Centers of this kind in the ASEAN member-countries."

The states of each output at the time of completion of this project are shown below. Considering the degree of achievement in each indicator, it was analyzed and evaluated in terms of the degree of improvement, such as increases/decreases and improvements/lack of improvement, since no specific target was established.

¹² On-site guidance is a service in which Japanese experts visit individual companies and provide regular advices and consultations on their site. The service by VJCC was terminated in 2013 (See 3.2.2.2 (2)).

¹³ The sub-rating for effectiveness is to be put with consideration of the impact.

Table 1 Achievement of Each Output at the Time of Project Completion

Project Purpose																																		
1. The project will strengthen the implementation structure (management system) of the VJCC as an institution which provides various high-quality courses and seminars that contribute to enhancement of the competitiveness of business and human resources development in Vietnam and deepen the mutual understanding between the two countries.																																		
2. To promote VJCC as a hub that connects other centers of this kind in the ASEAN member-countries																																		
Output	Degree of achievement at completion	Actual (Status of the achievement of main indicators)																																
Output 1 To strengthen VJCC implementation structure	Achieved	Vietnamese staff members organized regular Join Coordinating Committees (JCC), set regulations and designed annual plans. The necessary infrastructure for self-management was installed, and a management system was established and strengthened by Vietnamese staff.																																
Output 2 To strengthen the management system of the business courses and provide high-quality courses	Achieved	<p><Actual number of business courses and seminars conducted></p> <table border="1"> <thead> <tr> <th>FY</th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010 (Until Aug)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>60</td> <td>92</td> <td>77</td> <td>75</td> <td>84</td> <td>36</td> <td>424</td> </tr> </tbody> </table> <p>*Each number is the sum of courses and seminars.</p> <p><Major course> Five core subjects: production control, human resources management, sales management, financial management and general business management (“management and IT” was later added as the sixth subject).</p> <p>The course also promoted discussion, presentation and practice based on student requests.</p> <p><Number of on-site guidance implementation></p> <table border="1"> <thead> <tr> <th>FY</th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010 (Until Aug)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>15</td> <td>16</td> <td>45</td> <td>67</td> <td>68</td> <td>19</td> <td>230</td> </tr> </tbody> </table> <p><Launched 1st Keiejuku > Keiejuku was launched in 2009 to train cooperate manager and executive business human resources by transferring knowledge on the Japanese style of management during a 10-month period. The first Keiejuku was conducted jointly with two venues, Hanoi and HCMC, and there were 16 total participants from two centers.</p>	FY	2005	2006	2007	2008	2009	2010 (Until Aug)	Total	No.	60	92	77	75	84	36	424	FY	2005	2006	2007	2008	2009	2010 (Until Aug)	Total	No.	15	16	45	67	68	19	230
FY	2005	2006	2007	2008	2009	2010 (Until Aug)	Total																											
No.	60	92	77	75	84	36	424																											
FY	2005	2006	2007	2008	2009	2010 (Until Aug)	Total																											
No.	15	16	45	67	68	19	230																											
Output 3 To provide Japanese language courses and advisory on Japanese language education	Achieved	<p><Number of Japanese language course/seminar></p> <table border="1"> <thead> <tr> <th>FY</th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010 (Until Aug.)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>69</td> <td>57</td> <td>96</td> <td>55</td> <td>74</td> <td>34</td> <td>385</td> </tr> </tbody> </table> <p><Major courses> “Preparation for Japan Language Proficiency Test (N1, N2)”, “Business Japanese,” “Office Japanese for Telephone and for Writing” (VJCC-HCMC) and “Japanese for IT</p>	FY	2005	2006	2007	2008	2009	2010 (Until Aug.)	Total	No.	69	57	96	55	74	34	385																
FY	2005	2006	2007	2008	2009	2010 (Until Aug.)	Total																											
No.	69	57	96	55	74	34	385																											

		Engineers” so on. <Advisory for Japanese Language Education> The Japanese Language Teachers Association was established in Hanoi in 2006 and HCMC in 2009 with the assistance of the VJCC’s Japanese experts who were sent in 2006. At the time of the ex-post evaluation, the association was identified as having worked in Hanoi under the assistance of the Japan Foundation.																
Output 4 To promote mutual understanding activities	Achieved	<Number of Exchange Activities> <table border="1"> <thead> <tr> <th>FY</th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010 (Until Aug.)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>79</td> <td>97</td> <td>105</td> <td>164</td> <td>196</td> <td>45</td> <td>686</td> </tr> </tbody> </table>	FY	2005	2006	2007	2008	2009	2010 (Until Aug.)	Total	No.	79	97	105	164	196	45	686
FY	2005	2006	2007	2008	2009	2010 (Until Aug.)	Total											
No.	79	97	105	164	196	45	686											
Output 5 To promote regional cooperation in coordination with other Japan Centers in ASEAN countries (Overlapping with Project Purpose 2)	Partially achieved	Although they were not implemented based on the plan, various partnership activities were recognized with other Japan Centers in ASEAN member countries (See Project Purpose 2 for details)																

Note: The fiscal year is from April to March. Because the cooperation period of this project was from September 2005 to August 2010, the total numbers above mentioned possibly show minor differences from the actual total number.

Source: Documents provided by JICA and interviews with people related to the project.

Compared to at the time of completion of Phase 1, the management system was more secured by Vietnamese staff members with high-quality of the services at the time of completion of Phase 2. Thus, the management system was strengthened as a result of Output 1. There had been a stable number of participants in the business courses, which provided high-quality of programs with rich content on the Japanese style of management, such as on-site guidance and Keiejuku. Therefore, Output 2 has almost been achieved. Likewise, the number of participants in both the Japanese language courses and mutual understanding activities increased stably by the actual number of events conducted in each course every year. Accordingly, Output 3 and Output 4 were also achieved (See Table 3 for the number of participants). As for Output 5, VJCC is the first Japan Center in the ASEAN region, and the highest number of Japanese companies arrived in Vietnam compared to the rest of the region. Since the VJCC had attentions d as a good model for other centers that are exploring business networking with Japanese companies, the VJCC was expected to share its experience and know-how efficiently and effectively with other Japan Centers. Although there were few planned activities, various collaborations were organized upon request from other Japan Centers (See Table 5). Accordingly, Output 5 is partially achieved.

In view of the results by outcome, the achievement status of the project purpose is as below. In the same way as the outputs indicator, the project purpose was analyzed and evaluated in terms of the degree of improvement, such as increases/decreases or improvements/lack of improvement, since no specific target was established for the project purpose.

Table 2 Achievement of Project Purpose

Project Purpose	Indicator ¹⁴	Main achievements
Project Purpose 1: The project will strengthen the implementation structure (management system) of the VJCC as an institution that provides various high-quality courses and seminars that enhance the competitiveness of business and human resources development in Vietnam and deepen the mutual understanding between the two countries	1-1: Satisfaction level of participant of business courses and seminars which contributed to develop human resources who are promoting market economy	<ul style="list-style-type: none"> Although there was minor fluctuation in the number of participants due to the course design and activity planning every year, 3,000 and over participants joined the course each year (see Table 3). Maintained satisfaction ratio of more than 80%. FY2007: 84.5% FY2008: 83.5% FY2009: 86.1% FY2010: 85.7%
	1-2: Satisfaction and improvement levels of participants in the Japanese language courses and seminars	<ul style="list-style-type: none"> The number of students had increased. Many seminars were conducted in Hanoi in 2007, and the number of students increased (see Table 3). The satisfactory ratio of students is below VJCC-Hanoi: FY2005: 70% FY2006: 84% FY2007: 83% FY2008: 79% FY2009: 73% FY2010: N/A VJCC-HCMC: FY2005: 94% FY2006: 68% FY2007: 91% FY2008: 89% FY2009: 88% FY2010: N/A No quantitative data available for the Japanese Language Proficiency Test (JLPT). The pass ratio for the JLPT improved significantly in the JLPT preparation course¹⁵ <p><Additional indicator> Percentage of students who thought that the Japanese language course and seminar at the VJCC improved their Japanese.</p>

¹⁴ At this ex-post evaluation, the indicators at the Output level are referred to judge the achievement level of the project purpose (number of participants). Moreover, additional indicators for Project Purpose 1 set up at the terminal evaluation were not recorded regularly and were only collected for the terminal evaluation. Since no data were available at the time of the ex-post evaluation, they are not referred to at the time of this ex-post evaluation.

¹⁵ Refer to the terminal evaluation report. The VJCC provides the preparation course for the first grade (N1) and second grade (N2) of the Japanese Language Proficiency Test (JLPT). The results of the test are only given to the test-takers, so the pass ratio was calculated based on self-reports by the students.

		(2005-2009 Average) VJCC-Hanoi 76.4% VJCC-HCMC: 89.7%
	1-3: Record of support and cooperation for the establishment of a Japanese language instruction network in Vietnam	<ul style="list-style-type: none"> • Training courses for Japanese language teachers in Hanoi were conducted several times per year until 2008. • The courses and activities for Japanese language teachers were transferred to the Japan Foundation in 2009 when the Japan Foundation Center for Cultural Exchange was opened.
	1-4: Satisfaction and understanding among participants of mutual understanding activities between the two countries as well as the number of the participants.	<ul style="list-style-type: none"> • No quantitative data available about the satisfaction and level of understanding of participants. • The number of participants had increased every year (see Table 3). <p><Major events organized></p> <ul style="list-style-type: none"> • Cultural exchange events (tea ceremony, calligraphy, origami, etc.) • Exchange between Vietnamese students and Japanese companies • Overseas Education Fair and Job Fair • Japanese BOKI (Bookkeeping) course (VJCC-Hanoi)
	1-5: Status of income and expenditure in each fiscal year (Improvement of cost recovery ratio ¹⁶)	<ul style="list-style-type: none"> • The cost recovery ratio had improved every year since the first year of the project (see Table 4).
Project Purpose 2: To promote the VJCC as a hub that connects other centers of this kind in the ASEAN member-countries. (Overlapped Output 5)	2-1: Number of coordinated courses and seminars among the ASEAN member-countries.	<ul style="list-style-type: none"> • No quantitative data available about the number of seminars. • Japanese experts from the VJCC were sent to other Japan Centers in ASEAN countries as lecturers and also attended Japanese-language speech contests as judges (2006) • The VJCC supported a visit by students from Cambodia-Japan Cooperation Center (2008) • TV conferences were conducted several times among four centers to follow up on the Japan-Mekong Summit(VJCC-Hanoi, VJCC-HCMC, LJI, CJCC) (2009) • The VJCC received people from Cambodia and Mongolia of Japan Center and conducted executive staff trainings (2008) • Business courses that utilized JICA-Net¹⁷ were conducted among four centers in ASEAN (as stated above) (2009).*It was terminated due

¹⁶ The ratio that indicates the VJCC's income from its activities (self-revenue) in the VJCC's operation costs (including JICA's local operation costs but excluding the costs for Japanese experts (lecturers)).

¹⁷ JICA-Net is a distance technical cooperation project promoted by JICA. It uses three tools (Video conferencing, Multimedia-based learning materials and JICA-Net library) based on a wide range of information and communication technologies to improve the quality and efficiency of the JICA project.

		to the gap in English ability among the students after that.
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Source: Documents provided by JICA and interviews with people related to the project

Both VJCC-Hanoi and VJCC-HCMC aimed to contribute to human resources development that enhanced competitiveness into a market economy through various practical business courses. There had been a certain number of participants in the business courses with high satisfaction.

Manufacturing-related subjects such as production control and quality control were the main focuses of the curriculums since Phase 1. Yet, in this project, it's the focus quickly shifted at the middle of the project according to the changing demands of companies and students. As a consequence, new, practical courses were set up, such as "Management and IT" and "Keiejuku," to introduce strategic management, marketing and so on as a comprehensive executive business courses. Thus, VJCC's responses significantly promoted the achievement of the project purpose.

Table 3 Number of Students, Participants and users during the Project Period

(Persons)

Fiscal Year	2005	2006	2007	2008	2009	2010 (Until Aug.)	Total
Business courses (including seminars)							
Hanoi	1,903	2,636	2,517	1,380	2,636	639	11,711
HCMC	1,202	1,943	1,752	1,771	2,057	493	9,218
Total	3,105	4,579	4,269	3,151	4,693	1,132	20,929
Japanese courses (including seminars)							
Hanoi	814	880	3,249	1,163	1,255	385	7,746
HCMC	900	493	925	680	815	429	4,242
Total	1,714	1,373	4,174	1,843	2,070	814	11,988
Mutual understanding activities							
Hanoi	6,814	9,184	13,551	14,417	28,116	1,195	73,277
HCMC	7,530	7,251	4,285	4,700	3,515	828	28,109
Total	14,344	16,435	17,836	19,117	31,631	2,023	101,386
Library¹⁸							
Hanoi	28,657	29,225	23,288	25,609	22,861	4,186	133,826
HCMC	15,366	15,191	11,060	9,046	6,585	3,628	60,876
Total	44,023	44,416	34,348	34,655	29,446	7,814	194,702

¹⁸ The number of library users is the actual number of visitors. It was counted by users' cards. When an individual used his or her card more than once per day, it counted as one time in one day.

Note: The fiscal year is from April to March. Because the cooperation period of this project was from September 2005 to August 2010, the total numbers mentioned above may show minor differences from the actual total number.

Source: Terminal Evaluation Report and documents provided by JICA

The VJCC, as a hub of Japanese language education, mainly offered assistance for Japanese language teachers and provided advanced courses for middle- and upper-level Japanese learners. This differs from other private Japanese schools, which target introductory or beginner classes. The VJCC had maintained high satisfaction with maintaining a certain number of students and good quality of services.

A large number of participants joined mutual understanding activities, particularly cultural exchange events. The 35th anniversary of the establishment of diplomatic relations was in 2008 particular, and the VJCC organized various events with other organizations at the time, such as Embassy of Japan, Japan Business Association in Vietnam and Japan Foundation. Also, the Vietnam Museum of Ethnology in Hanoi together with the VJCC organized a three-day large event: the Mid-Autumn Festival 2009: Vietnamese–Japanese Cultural Days, which contributed to a huge increase in the number of participants. These events were mainly managed by Vietnamese staff members under the assistance of Japanese experts, in collaboration with external organizations. For those reasons, the management system of the VJCC has been strengthened.

Additionally, the cost recovery ratio had improved every year since the beginning of the project. It reached 76.5% by the project’s completion.

Table 4 Cost Recovery Ratio during the Project Period

FY	2005	2006	2007	2008	2009	2010
Cost Recovery Ratio	24.7%	41.8%	37.2%	40.1%	43.8%	76.5%

Source: Terminal Evaluation Report and VJCC

On the other hand, the VJCC planned few activities as a hub of other Japan Centers in the ASEAN region at the time of the terminal evaluation. Nevertheless, collaborations were identified among the Japan Centers, like capacity building of staff members and co-organized business courses and seminars within the area, despite the limited input for Project purpose 2 against the overall portion. Because of this circumstance, Project purpose 2 was partially achieved.

As mentioned above, the project achieved its purpose.

3.2.2 Impact

3.2.2.1 Achievement of Overall Goal

There was no specific time period set up to achieve the overall goal “To enhance the

competitiveness of business and human resources development in Vietnam in the market economy and to promote mutual understanding between Vietnam and Japan.” Thus, the degree of achievement was verified at the time of the ex-post evaluation.

Table 5 Achievement of Overall Goal

Overall Goal	Indicator	Actual
Overall Goal: To enhance the competitiveness of business and human resources development in Vietnam in the market economy and to promote mutual understanding between Vietnam and Japan.	Indicator 1: Number of companies with increased working efficiency after participation in the VJCC’s business courses.	<ul style="list-style-type: none"> • No quantitative data available • According to interviews with students in the business courses (including Keiejuku), several companies experienced on-site guidance and improved efficiency (KAIZEN) of the workplace. Also, several companies recognized improvement in their work because of the business courses.
	Indicator 2: Number of companies with increased revenue after participation in the VJCC’s courses.	<ul style="list-style-type: none"> • No quantitative data available • According to interviews with students in the business courses (including Keiejuku), several companies had improved their revenue through the course.
	Indicator 3: Representative cases of exchange activities in the VJCC that particularly contributed to mutual understanding.	<ul style="list-style-type: none"> • Exchange activities such as the Japanese Festival and Japanese speech contest, which contributed to mutual understanding, were conducted regularly. • The Overseas Education Fair and Job Fair were conducted continuously in partnership with various external organizations.

Because there were no quantitative data available for Indicators 1 and 2 for the overall goal, it was difficult to analyze the degree of achievement of the overall goal. In addition, it is highly possible that various factors contributed to the increased efficiency and revenue of the companies, and it is difficult to verify the cause-and-effect relation between the courses and services of the VJCC and improvements in the companies. On the other hand, 13 of 14 ex-students answered in a beneficiary survey that the business courses at the VJCC assisted them in improving their work. Also, 80% of the Keiejuku graduates answered that the knowledge and methodologies they obtained from the courses brought expansion of their business, according to a telephone survey conducted by JICA in 2015¹⁹.

As a considered good practice, a female entrepreneur who graduated from the first Keiejuku had established a company manufacturing toiletry amenities in 2003. While she faced difficulties in management and had many problems on human resources

¹⁹ The survey was conducted at Japan Centers in seven countries (Vietnam, Cambodia, Myanmar, Laos, Mongolia, Uzbekistan, and Kyrgyz) in June 2015 to understand the effects of the project in Japan Centers. In Vietnam, 165 students and graduates of Keiejuku were interviewed regarding the effects of the course.

management and production control in her factory, she decided to join Keiejuku. Practical lectures about management strategy by Japanese experts in the VJCC as well as trainings in Japan raised her awareness as a chief executive of the company. As a consequence of positive applying her knowledge about production control and quality control to her workshop, she recognized drastic improvements in work efficiency and turnover. She has established two more companies now and plays an important role in the Keiejuku Club (See 3.2.2.3) as a core member and is also a successful woman entrepreneur.

Table 6 Good practices and changes by companies that indicated positive changes among the first Keiejuku students

Company	Kind of business	Type	Number of employees (Persons)		Revenue (Billion VND ²⁰)	
			2009	2016	2009	2016
A	Producing spare parts and components for motorcycles	State	1,000	1,503	460	1,201
B	Foundation work and ground reinforcement	Private	435	1,189*	150	1,660
C	Producing precast concrete	Private	150	350	50	371
D	Producing industrial toiletry amenities and cosmetics	Private	60	55	12	N/A
E	Food production and processing	Private	120	200	9	250
F	Optical disk manufacturing	Private	180	200	188	N/A

*As of FY2014

Source: VJCC-Hanoi, websites from each company and interviews at the ex-post evaluation

In fact, that there are many cases in which Keiejuku graduates send their staff and colleagues to Keiejuku from their companies. It has been also observed that there are several graduates of Keiejuku in a company and these staff members engage in management of the company.

Additionally, many graduates answered that the Japanese management style changed their mindset in terms of corporate management and that this was one of the most significant effects of the courses, rather than increasing revenue. In particular, the graduates who are company executives or owners strongly stated that human resources development was an important factor for a company. Some of them implemented more

²⁰ 1 Vietnamese Dong (VND) = 0.004582 Japanese Yen (As of October 2016. JICA rate source: JICA Homepage)

internal trainings, and others introduced thoroughly clearings and sorting for effective workplace organization based on 5S²¹ and Kaizen²². Finally, they said that those improvements led to changes in awareness among all of the staff members.



The Keieijuku class at
VJCC-HCMC



Production site in which the Kaizen
methodology is implemented
(Company of the graduate of Keieijuku
at VJCC-Hanoi)

Following Phase 3, the aim of which was to support SMEs and supporting industries, and implement activities based on the effects of Phase 2, continuously contributed to enhancing the competitiveness of Vietnamese companies.

Another good practice in the mutual understanding activities of Indicator 3 was the Japanese speech contest conducted every year in Hanoi, which was initiated as a part of the VJCC's activities. At the time of the ex-post evaluation, the contest was organized by the Japan Foundation and co-hosted by VJCC-Hanoi. It has become popular among Japanese language learners in Vietnam as an authoritative event, according to interviews with the related people. On top of that, the VJCC hosts overseas education fairs and job fairs, which correspond to the needs of universities and companies in Vietnam and Japan to promote exchange for both countries. Those events in the VJCC are conducted continuously with collaboration among various external partners.

As mentioned above, the overall goal has almost been achieved.

3.2.2.2 The Outputs and Project Purpose from after the Completion of Phase 2 until the Ex-post Evaluation

(1) Strengthening the independent implementation structure of the VJCC (Output 1)

The director-general of the VJCC has been assigned by FTU for both VJCC-Hanoi and

²¹ 5S is a methodology demonstrating sort (Seiri), set in order (Seiton), standardized (Seiketsu), shine (Seiso) and sustain (Shituke), with the intent to improve efficiency and eliminate waste.

²² Kaizen is a series of activities for reviewing work at production sites. Workers at the sites actively discuss measures for improvement and address the issues to improve productivity and secure safety. The concept can be applied not only to the manufacturing industry but also to the service industry.

VJCC-HCMC, and Vietnamese staff have created annual plans for each course and conducted administration sustainably. The introduction of performance evaluation system and internal trainings provided staff members with a good incentive for work. Also, experienced Vietnamese staff of management who work in the VJCC longer contribute to stable management of the VJCC by using their accumulated knowledge.

(2) Strengthening the implementation system of business courses and providing high-quality courses (Output 2)

At the time of the ex-post evaluation, the business courses offered by the VJCC consist of a general business course and a Keiejuku course. Phase 4 started in September 2016 and involves providing different types of courses such as a general business course (three days) for local companies, a course for human resources managers (two- to three-day courses conducted two-four times per year)²³, a production control course for on-site managers, business-related seminars and so on. With growing interest in the VJCC as an institute for studying Japanese style management, among Vietnamese and Japanese companies as well as the business community at the time of the ex-post evaluation, the numbers of participants in business courses have indicated almost a stable transition.

Table 7 Numbers of Participants in Business Courses (including Keiejuku)

(Persons)

FY		2010 (From September)	2011	2012	2013	2014	2015	Grand total from Phase 1 to 2015
Course	Hanoi	1,153	946	832	722	640	1,202	15,721
	HCMC	1,000	664	843	413	440	365	13,409
Seminar	Hanoi	813	1,083	702	486	1,341	1,773	8,288
	HCMC	455	455	266	182	243	227	6,500
Total		3,421	3,148	2,643	1,803	2,664	3,567	43,918

Source: VJCC

The first Keiejuku launched during this project (Phase 2) was organized by a mixture of students from VJCC-Hanoi and VJCC-HCMC and set up Hanoi as a main venue for the lectures. From the sixth (2014) onward, Keiejuku courses were opened up in both VJCC-Hanoi and VJCC-HCMC, and the number of enrollments increased in each center. Localized Keiejuku courses are expected to enhance further students' networks in each area in the future.

The seventh of Keiejuku has been completed in both centers, and it eventually

²³ It is formally called a "medium-term course."

produced more than 200 students since the first students by the time of the ex-post evaluation.

Table 8 Number of Participants in the Keiejuku

(Persons)

	Keiejuku 1 st batch (K1) (2009)	K2 (2010)	K3 (2011)	K4 (2012)	K5 (2013)	K6* (2014)	K7 (2015)	Total
Hanoi	10	15	15	16	17	25	26	124
HCMC	6	10	9	9	9	25	25	93
Total	16	25	24	25	26	50	51	217

*Keiejuku was opened up at both VJCC Hanoi and VJCC HCMC from K6 onward.

Source: VJCC

During the project period, on-site guidance was used to provide long-term consultation by Japanese experts to the individual companies. The direct consultation service on the factory site had a very good reputation among the companies that used the guidance. Nevertheless, it was decided that the Technical Assistance Center (TAC) of the Ministry of Planning and Investment of Vietnam, in cooperation with the JICA Senior Volunteer Program, would provide the same service free of charge, so the paid service by the VJCC was terminated in 2013. The on-site guidance” by JICA senior volunteers at TAC was still ongoing at the time of the ex-post evaluation.

(3) Provision of Japanese language courses (Output 3)

The number of Japanese learners in Vietnam increased from 29,982 in 2006 to 46,762 in 2012²⁴ due to the growing interest in Japanese culture as well as increasing number of Japanese companies coming to Vietnam. At the time of the ex-post evaluation, the number of learners was increasing continuously. The expanding demand for Japanese language learning has brought plenty of competitors to the VJCC. Yet, VJCC’s curriculum, which focuses on preparation for the JLPT for intermediate- and upper-level of learners and has obtained a good reputation among students. Furthermore, the high quality of the classes taught by Vietnamese Japanese language lecturers from the FTU Japanese Department or others has continuously attracted many students more than the enrollment capacity at the time of the ex-post evaluation.

In VJCC-Hanoi, elementary-level Japanese language courses were started at the end of 2012 and Japanese language courses has grown to become one of the most profitable programs in the VJCC next to the business courses. At the time of the ex-post evaluation,

²⁴ Survey on Japanese Language Education Abroad in 2012 (Japan Foundation)

JLPT preparation courses and business Japanese courses are provided as major courses.

Table 9 Number of participants in the Japanese courses

FY	(Persons)						Grand total from Phase 1 to 2015
	2010 (From September)	2011	2012	2013	2014	2015	
Hanoi	827	533	618	751	813	998	13,532
HCMC	627	453	455	381	461	422	8,192
Total	1,454	986	1,073	1,132	1,274	1,420	21,724

Source: VJCC

While the boom in learning Japanese has overheated, it is also true that there are insufficient numbers of high-quality Japanese speakers in Vietnam. Although among many Japanese companies and others in Vietnam there has been an expanding demand of human resources who are able to operate in Japanese language, it becomes more competitive to secure a number of excellent personnel.

(4) Promoting mutual understanding activities (Output 4)

From the latter of this project, in terms of understanding Japanese business culture, mutual understanding activities such as overseas education and job fairs have been continuously conducted at VJCC. Also, from Phase 3 onward, mutual understanding activities have been run as self-program of the VJCC (see footnote 3) and many large cultural events related to Japanese-language education, such as a Japanese speech contest, were transferred to Japan Foundation. Due to this, the number of participants in mutual understanding activities has tended to shrink at VJCC.

At the time of the ex-post evaluation, assistance for overseas education in VJCC provided a service to introduce information about Japanese language schools and universities in Japan and conduct overseas education fairs together with the Japan Student Service Organization (JASSO), university fair with a local Japanese government and student exchange events between Japan and Vietnam. Activities for the job fair, which has been conducted since Phase 2, show further extension based on the practical experiences VJCC accumulated. VJCC assists at other job fairs organized by Japanese private companies and provides venues and services for operation. VJCC-HCMC develops further activities, such as co-organizing a CSR²⁵ seminar with a Japanese company in Vietnam, receiving global human resources training for Japanese companies and arranging lecturers at industrial parks upon request.

²⁵ Cooperate Social Responsibility

Table 10 Number of Participants (Users) in Mutual Understanding Activities

(Persons)

FY		2010 (From September)	2011	2012	2013	2014	2015	Grand total Phase 1 to 2015
Exchange Activities	Hanoi	1,205	1,034	2,926	852	1,390	1,972	133,881
	HCMC	1,631	653	790	1,021	1,242	1,848	55,718
	Total	2,836	1,687	3,716	1,873	2,632	3,820	189,599
Library	Hanoi	9,224	7,143	9,499	10,983	12,882	7,704	255,392
	HCMC	8,331	8,606	11,528	9,900	6,326	3,634	128,010
	Total	17,555	15,749	21,027	20,883	19,208	11,338	383,402

Source: VJCC

The libraries at both centers provide a valuable opportunity to browse Japanese books during this project and have attracted many users from Vietnam. In fact, many Japanese language educational organizations other than VJCC had been established at the time of the ex-post evaluation. Likewise, internet and other media introduce various methods of Japanese language learning. Under those circumstances, the number of library users who need to browse Japanese books or education materials in the VJCC decreased in general.

(5) Coordination with Japan Centers in ASEAN member-countries (Output 5/Project Purpose 2)

At the time of the ex-post evaluation, there were three Japan Centers excluding VJCC in the ASEAN region, Cambodia Japan Cooperation Center (CJCC), Laos Japan Human Resources Development Institute (LJI) and Myanmar Japan Center (MJC). As a collaboration and exchange activity with VJCC and MJC, Myanmar business executives visited VJCC-Hanoi and VJCC-HCMC and held a networking event to exchange opinions and information with Keiejuku students and graduates in April 2016. The event was highly evaluated as very useful by both the Vietnamese and Myanmar sides in terms of not only sharing an experience as corporate managers but also promoting business relations between the two countries. Another case with LJI also began to be considered. More exchange activities in the VJCC's collaboration with other Japan Centers are expected.

(6) Strengthening the implementation structure of the VJCC as an institution that provides various high-quality services contributing to the enhancement of the competitiveness of business and human resources development for the transition to a

market economy and promotion of the mutual understanding (Project purpose 1)

After the completion of Phase 2, Phase 3, which still focused on business human resources development, was implemented. The effects of Phase 2 were taken over by Phase 3 as a foundation of the project, and at the time of the ex-post evaluation, the reputation of the VJCC's business courses increased among business communities with the increasing number of the students, as previously mentioned (see Table 7). Various business courses in the VJCC reflect the market needs and student's requests to obtain know-how of practical Japanese-style management. These courses are supported by conscious Vietnamese business personnel who are enthusiastic about the rapid development of their business in the accelerating market economy.

According to the interviews at the time of the ex-post evaluation, Keiejuku is very popular for the capacity development of SMEs' owners and company executives among government agencies, the Vietnam Chamber of Commerce and Industry (VCCI), the Japanese Business Community in Vietnam and local governments in Vietnam. Moreover, a new ten-month of Keiejuku in Haiphong located near Hanoi was launched by VJCC-Hanoi in 2016. This trial organized in collaboration with a local government²⁶ is expected to be a future model for programs expanding VJCC's services to rural regions of Vietnam.

In the same way, Japanese language courses are managed by planning activities, designing a curriculum and arranging lecturers by Vietnamese staff members under the supervision of Vietnamese managers by maintaining students' high satisfaction. Thus, it can be said that the implementation structure is strengthened (see Table 11).

Table 11 Percentage of satisfaction from participants in each course

FY		2010	2011	2012	2013	2014	2015
Business course (General Training)		83.5%	86.5%	85.5%	86.3%	84.4%	84.5%
Business course (Keiejuku) ²⁷		N/A	N/A	82.1%	90.0%	87.7%	92.4%
Japanese Course	Hanoi	N/A	N/A	N/A	93.1%	92.4%	93.0%
	HCMC	84.2%	85.5%	81.0%	84.4%	83.2%	85.5%

Source: Terminal Evaluation Report, documents provided by JICA and VJCC

As described above, the effects of each output and project purpose were almost sustained at the time of the ex-post evaluation.

²⁶ Operation costs are covered by the course revenue and the budget of human resources development from Haiphong. The cost for Japanese experts (lecturers) is covered by JICA.

²⁷ The answer "There is an effect by Keiejuku" was counted as "Satisfactory."

3.2.2.3 Other Impacts

1) Keiejuku Club

Keiejuku, which started in 2009 for the purpose of training business executives and corporate managers, developed as a major business program in the VJCC at the time of the ex-post evaluation. Most students in Keiejuku are either SME owners or middle-level managers in companies and candidates for executives. Even after the course, the networking activities expanded, and finally the graduates established the “Keiejuku-club” in 2009. Upon establishment, an executive office was also launched and self-motivated activities such as voluntary business networking, workshop and exchanging opinions were more encouraged. For further mobilization of those activities, the “Keiejuku Follow-up Seminar” was begun in 2014 with the support of the VJCC. This seminar is operated by the Keiejuku-club office with the support of the VJCC. Participants of the seminar visit a company with Japanese experts and discuss specific issues and topics onsite at the company. The Keiejuku-club office provides an annual plan and selects companies to visit for the seminars. The office also manages preparing the agenda of the day and receiving the participants’ applications. There are 50 to 100 participants in each seminar, which are conducted once in a month in general.

In previous follow-up seminars, participants visited one of the graduate’s companies and discussed onsite how to utilize a balance score card²⁸ or key performance indicator²⁹, which were introduced at Keiejuku and how problems were solved in the company. In another case, participants visited the company’s site, where the Japanese style of manufacturing, *monozukuri* (manufacturing in Japanese), was utilized. They discussed and shared opinions together with Japanese experts. The follow-up seminar has been very popular among the club members.

Enthusiasm in Keiejuku graduates for deep understanding about methodology and knowledge obtained during the course has expanded their activities in Keiejuku Club even outside of the courses. It is highly evaluated as being a positive impact of this project.

The project’s purpose, “strengthening the implementation structure of the VJCC, which provides high-quality of services for a transition of market economy contributing to enhancement of the competitiveness and mutual understanding,” was achieved by the implementation of the project. Another project purpose “coordination with Japan Centers

²⁸ The balance score card is used to complement a defect of the existing management methodology which is mainly based on finance. It categorizes “strategy and vision” into four aspects (finance, customer, internal business process and organizational capacity) and sets up financial and non-financial indicators that connect the strategic vision of companies (JICA homepage).

²⁹ Key performance indicator (KPI) is an evaluation measurement and its target which demonstrates how companies achieve their business performances (JICA homepage).

in ASEAN member countries,” was partially achieved. The overall goal has been achieved, as contribution to the enhancement of competitiveness for Vietnamese companies according to the plan has been identified. Therefore, effectiveness and impact of the project are high.

3.3 Efficiency (Rating: ②)

3.3.1 Inputs

Inputs	Plan	Actual (At the time of completion of the project)
(1) Experts	- 9 long-term - short-term as necessary	- 18 long-term - 107 short-term
(2) Trainees received	N/A	Training in Japan 99 VJCC managements and staff, students in business courses (Keieijuku) and FTU lecturers, etc.
(3) Equipment	As necessary	PC, laser printer, camera, overhead projector, copier and screen for projector, etc.
(4) JICA Local Operation Cost	N/A	235 million yen
Japanese Side Total Project Cost	1,050 million yen	1,254 million yen
Vietnamese Side Operational Expenses	- Local cost (revenue from the courses) - Land and facilities - Salaries for counterparts - Running expenses for implementation of the project	- Counterparts VJCC Hanoi 194 Man Month VJCC HCMC 101 Man Month - Land and facilities (VJCC) - Salaries for counterparts - Utilities, fee for local lecturers/ interpreters and equipment

Source: Ex-ante evaluation summary, terminal evaluation report and documents provided by JICA

3.3.1.1 Elements of Inputs

The project cost on the Japanese side was higher than planned. One of the reasons for this increase was to increase the number of Japanese experts. This project aimed to develop the activities of Phase 1 widely and deeply based on its outcomes. Also, VJCC intended to increase the number of business courses while the number of SMEs and their activities have expanded at the time (particularly in Hanoi) in 2006. Moreover, while VJCC was seeking a way to extend areas of their service, International Financial Cooperation (IFC), a member of World Bank Group that promoted Mekong Private Sector Development Facilities (MPDF)³⁰, formed a partnership with VJCC. That partnership required Japanese experts and VJCC sent these experts to business courses conducted in rural areas.

³⁰ To support development of SMEs alongside the Mekong River countries (Vietnam, Cambodia and Laos), a multi-donor fund (Japan, UK, Australia, Switzerland, Ireland, ADB, IFC, etc.) was established. MPDF heard about the VJCC's good reputation and contacted the VJCC (source: interview with Japanese expert).

3.3.1.2 Project Cost

The actual project cost of 1,254 million yen was higher than the planned cost of 1,050 million yen (120% of the planned cost)³¹.

3.3.1.3 Period of Cooperation

The period of cooperation was five years, as planned.

As above, although the project period was as planned, the project cost exceeded the plan. Therefore, efficiency of the project is fair.

3.4 Sustainability (Rating:②)

3.4.1 Related Policy and Institutional Aspects for the Sustainability of Project Effects

In the “Ten-year Strategies of Socio-Economic Development in Vietnam” (2011–2020) and “Five-year National Socioeconomic Development Plan” (2016–2020), the directions for industrialization by 2020 and further economic growth are clearly stated. To achieve these goals, specific targets were set as stable economic development, quality of human resources development and improvement on productivity, with a strong commitment to support SMEs and supporting industries. Therefore, this project, which aims at human resources development for a market economy in Vietnam and formulation of its hub, highly suits the Vietnamese development policy on continuous basis.

Additionally, the Vietnamese government is promoting to participate in the Free Trade Agreement (FTA) and Trans Pacific Partnership (TPP) strategically. It is vital for Vietnam to adjust a new business environment and enhance its industrial competitiveness and human resources development to become a hub of regional trade and manufacturing. From this point of view, this project complies with the long-term vision of the Vietnamese government.

3.4.2 Organizational Aspects of the Implementing Agency for the Sustainability of Project Effects

At the time of terminal evaluation, it was recommended that the Vietnamese director-general should be assigned early to both centers. Director-generals were sent to both centers from FTU after the completion of this project, and by the ex-post evaluation, stable management by Vietnamese staff members has been put in place. Except the position of director-general, another two management staff from FTU were also sent to

³¹ It is considered that an increase in the project cost caused due to correspondence to the growing needs of business courses in Vietnam and contributed to expanding the quality of the project's effects. However, it was difficult to verify the quantitative connection between the project purpose and overall goal; thus, comparisons between initial and actual planning were analyzed.

the business courses in the VJCC-Hanoi, and now, there are 17 staff members at VJCC-Hanoi and 13 staff members at VJCC-HCMC, including staff from FTU. In October 2016, each course and program was run under this management system by these local staff members.

Local staff other than staff dispatched by FTU made direct contract with VJCC. The employee turnover ratio has been relatively low recently, and most management staff tend to stay in their positions for a long time. Although the salary is not always better than that in the private sector, many staff of the VJCC indicate a strong interest and good motivation regarding VJCC activities.

VJCC's implementing structure and capacity to provide high-quality services is almost established through practical experience. Vietnamese staff members headed by Vietnamese directors manage operational works independently and have support from Japanese experts in curriculum design, course planning and networking with the Japanese business community when necessary.

However, it has been seen that there is still less of a presence of FTU in the VJCC programs other than sending personnel, despite the fact that VJCC is positioned as part of FTU organization as a direct department under FTU's rector at the time of the ex-post evaluation. FTU is considered strategic utilization of the VJCC in FTU, and more joint projects or programs are expected in near future.

In addition a new discussion has started in the VJCC to apply for corporate status for the purpose of expecting increases in course revenues and establishing a business network between Vietnam and Japan.

As mentioned above, organizational sustainability is secured.

3.4.3 Technical Aspects of the Implementing Agency for the Sustainability of Project Effects

Capacity of management in both centers has been well developed since Vietnamese staff members work independently for operations in each course. Business courses are becoming a major program for both centers and are being operated independently by local staff with support from Japanese experts.

On the other hand, most students at the VJCC are strongly interested in Japanese style management and Japanese manufacturing (*monozukuri*). They are motivated to join the course for acquiring knowledge of the Japanese style of business, Japanese production control methodology and so on. One of the characteristic features of the VJCC is that students anticipate a high level of lectures, particularly practical lectures such as "Production Control," "Human Resources Development" and "Management Strategy." According to interviews from VJCC staff, students join Keieijuku because of lectures,

which are directly taught by Japanese lecturers. To have a higher level of knowledge and methodology, students' need for lectures by Japanese lecturers is high in the VJCC. Likewise, from the interview with the graduates of Keiejuku, many commented that Japanese lecturers motivated them to learn.

Table 12 Percentage of hours by local lecturers in a business course

FY	2011	2012	2013	2014	2015
Hanoi	18%	29%	62% ³²	29%	38%
HCMC	33%	27%	15%	17%	21%
Hanoi/HCMC Total	26%	30%	45%	23%	29%

Source: VJCC

At the same time, both centers promote to train more local lecturers and use external local personnel, yet there are still limited qualified local human resources with sufficient practical experience in the Japanese style of management, especially manufacturing. As a result, lectures by Japanese lecturers almost occupied the majority (see Table 12). As described previously, lectures that teach students about Japanese style management of know-how by Japanese lecturers have become attractive and are a strength of the VJCC. Because it is difficult to switch to local lecturers completely, there is a situation that limited number of local lecturers have been trained and utilized so far. On the other hand, the cost for dispatching Japanese experts as lecturers is significant. From a financial-sustainability point of view, it is necessary to train more local lecturers and increase the number of local lecturers as much as possible by accelerating technical transfer if there are courses available to local lecturers.

As for the Japanese language courses, it was terminated to dispatch Japanese experts from the Japan Foundation as soon as the project was completed, and now Vietnamese staff design the curriculum, assign lecturers and so on in both centers. While there is an acute increase in the number of Japanese language learners and a growing demand to learn Japanese in Vietnam, it was decided that elementary schools in Vietnam would launch Japanese as the first foreign language class in 2016. VJCC also set up courses and a curriculum that correspond to the expanding demands of Japanese language learners. Preparation courses for JLPT for intermediate and upper level students are strength of the Japanese language courses in the VJCC, and most of the classes are taught by Vietnamese lecturers. Additionally, those Vietnamese lecturers are lecturers or professors of the FTU Japanese language department or lecturers from other universities' Japanese language

³² The ratio was raised in FY2013 due to "Global Human Resources Training" and "Counterpart Training for other JICA technical cooperation project" by local lecturers of the VJCC.

departments; thus, it can be said that the high quality of the class is secured.

Regarding mutual understanding activities, besides continuing activities such as overseas education fairs, job fairs and exchange activities between Vietnamese and Japanese university students, new activities (see 3.2.2.2 (4) Promoting mutual understanding activities) are also mainly operated by Vietnamese staff. Accordingly, it is concluded that the capacity of the staff members is developed.

As mentioned above, the training and adoption of Vietnamese lecturers has not been undertaken in business courses yet. Due to the necessity to promote the use of local lecturers, technical sustainability is judged as being fair.

3.4.4 Financial Aspects of the Implementing Agency for the Sustainability of Project Effects

The VJCC's entire revenue consists of own income from VJCC's activities and JICA's local operation costs. There is no financial contribution from FTU. The breakdown of the VJCC revenue consists of income from each course, a membership fee from the library and VJCC, room rental and so on.

Table 13 Revenue and expenditure of the VJCC(Hanoi and HCMC total)

FY	2011	2012	2013	2014	2015
VJCC revenue	31,351	36,722	46,700	60,472	69,494
(Business course)	(13,533)	(11,963)	(16,161)	(25,735)	(32,970)
(Japanese course)	(5,767)	(7,145)	(10,648)	(15,107)	(16,867)
(Mutual understanding activities)	(2,222)	(3,291)	(4,992)	(5,814)	(7,180)
(Library and VJCC membership)	(324)	(412)	(484)	(766)	(231)
(Room rental)	(4,395)	(8,167)	(9,560)	(8,481)	(8,236)
(Other)	(5,110)	(5,744)	(4,855)	(4,569)	(4,010)
JICA local operation cost	11,151	13,687	14,486	12,647	15,509
Revenue Total	42,502	50,409	61,186	73,119	85,003
Expenditure Total (Local expenditure)	30,671	53,470	49,888	52,171	72,053
(Expenditure from VJCC revenue and retained earnings)	19,520	39,782 ³³	35,402	39,525	56,545
Balance	11,831	△3,061	11,298	20,948	12,950

Source: Provided by the evaluator based on the documents provided by JICA and VJCC

Since the opening of the centers, there has been a stable number of students both in the

³³ Retained earnings were used for facility construction in FY2012

business and Japanese language courses, and revenue from VJCC's activities is increasing year by year. Due to the expansion of activities in each course, local cost (salary, payment for lecturer, utilities, equipment, etc.) has also increased. Nevertheless, the income of the VJCC almost covers that cost.

In FY2015, the percentage of local expenditures against the income of the VJCC's activities was 78.5%. According to the details of VJCC's revenue in 2015 (Table 14), the business courses occupies approximately 50% of the total revenue, showing the highest rate in both centers. The Japanese language course's revenue is also expanding due to the growing population of Japanese language learners. The significant increase of Japanese learners in recent years, particularly in Hanoi, motivated VJCC-Hanoi to catch up on the needs of Japanese language learners. In 2012, VJCC-Hanoi launched an elementary-level course. Moreover mutual understanding activities also contribute to raising revenue, as they occupy 1% of the total revenue in both centers.

Table 14 Details of the VJCC's revenue in FY2015

(thousand yen)

	Hanoi	%	HCMC	%
Business course	20,206	45.4	12,764	51.1
Japanese course	13,049	29.3	3,818	15.3
Mutual understanding activities	4,879	11.0	2,301	9.2
Library and membership	114	0.3	117	0.5
Room rental	3,155	7.1	5,081	20.3
Other (interest etc.)	3,113	7.0	897	3.6
Total	44,516	100.0	24,978	100.0

Source: Documents by JICA and VJCC

At the moment, the cost for Japanese lecturers (experts) is essential to maintain the courses for Japanese style management, Japanese *monozukuri*, 5S and Kaizen as strengths of the business courses, although local operation costs are almost covered by income from VJCC activities. Because the cost of Japanese experts is large (about 75 million yen in FY2015), the financial sustainability is considered fair.

As above, some minor problems have been observed in terms of the technical and financial aspects of the implementing agency. Therefore, the sustainability of the project effects is fair.

4. Conclusion, Lessons Learned and Recommendations

4.1 Conclusion

This project was implemented in order to strengthen the implementation structure (management system) of the Vietnam–Japan Human Resources Cooperation Center that contributes to human resources development in business sector to increase the competitiveness for Vietnam’s transition to a market economy and to provision of high-quality services to promote mutual understanding between Vietnam and Japan. The project also aimed to establish functions of the VJCC as a hub connecting other Japan Centers in the ASEAN member countries.

This project has been consistent with Vietnam’s development policies, which aim for industrialization of the country by 2020. Also, the project matched development needs to enhance human resources development, as required by a market economy, as well as corresponded to the expanding demand for Japanese language education. It was also consistent with Japan’s ODA policy at the time of the ex-ante evaluation, which focuses on the transition to a market economy. Therefore, the relevance of the project is high.

The total numbers of participants for each of the business courses, the Japanese language courses and mutual understanding activities during the project period was about 20,000, 10,000 and 100,000, respectively. These activities were conducted by Vietnamese staff members of the VJCC; hence, the project purpose of the VJCC’s strengthened implementation structure was almost achieved. Another project purpose of establishing the VJCC as a hub among the Japan Centers in the ASEAN member countries was partially achieved, since there have been several exchange activities with other Centers, such as sharing knowledge and organizing seminars among the Centers. The subsequent project was implemented after completion of this project, and the cumulative number of participants for each of the business courses, the Japanese language courses and mutual understanding activities was about 44,000, 22,000 and 190,000 respectively by the end of FY 2015. The positive impacts identified show that the graduates improved the efficiency and productivity of their work with knowledge they obtained from the courses, which contributed to raising turnover and expanding business for their companies as a result. Thus, effectiveness and impact of the project are high.

Although the project period was as planned, the actual project cost was higher than the planned project cost because the number of courses increased consequently, the number of experts was increased to satisfy the expanding need for human resources development. Therefore, the efficiency of the project is fair.

As for sustainability, no major problems have been observed in the institutional and organizational aspects. In technical aspect, it is recognized that training of local lecturers made little headway since VJCC considers the importance of the huge demand of

Japanese lecturers among students who wish to learn about Japanese methodology and know-how for the management. In financial aspect, while operation costs are mostly covered by VJCC's own revenue, support from JICA is still necessary for arranging a certain number of Japanese experts for a while and the cost burden needs to be considered. Therefore, the sustainability of the project effects is fair.

In light of the above, this project is evaluated to be satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Implementing Agency

(1) VJCC

- To strengthen the partnership with external organizations for further expansion of the activities in rural areas.

Because it is expected that there are more needs in Vietnam to disseminate Japanese style management and transfer practical business know-how, there will be more VJCC activities required, not only in urban but also rural areas, where many SMEs are located in medium- to long-term. Keiejuku, which is already conducted in Haiphong, is one of the cases. SMEs in rural areas that face difficulties in accessibility of information, require more service of the VJCC. For widespread dissemination of the VJCC's services, it is expected to have collaborations with Commerce and Industrial Bureau of local governments, the Vietnam Chamber of Commerce and Industry, the Japan Business Association in Vietnam and other external organizations. It also makes it possible to attain benefits through co-organized seminars, exchange of lecturers and expanding service areas. Under these partnerships, like in the Haiphong's case, sharing the cost with partner organizations such as local governments and private companies to secure financial sustainability is encouraged.

(2) FTU

- To strengthen collaborative programs and activities with VJCC

After completion of this project, director-generals from FTU were sent to both centers and implementation structure is established by the Vietnamese staff with support from Japanese experts. On the other hand, there are limited collaborative programs and activities for students, jointly coordinated by VJCC. To raise FTU's ownership, it is recommended that FTU promote partnerships with VJCC in terms of program operations through activities such as student exchanges between two countries and business matching with FTU alumni. First, FTU is encouraged to actively participate in planning of VJCC programs or projects.

4.2.2 Recommendations to JICA

- To provide continuing support for sending Japanese experts (lecturers) based on need in Vietnam

At the time of completion of the project, it was assumed that sustainable operation and management by the implementing agency should be established, as JICA technical cooperation projects aim for this in general. However, at the time of the ex-post evaluation, it was recognized that the training of local lecturers has hardly been conducted yet in the business courses, although the Vietnamese staff's capacity for administration and operation are strengthened. This was because lectures on Japanese style management and Japanese *monozukuri*, 5S and Kaizen by Japanese experts are very attractive and motivate students to join the course.

Now, more Japanese companies are expected to come to Vietnam in the future, and VJCC will play an important role in developing human resources who understand the Japanese style of business. Under these circumstances of the VJCC, it is necessary to dispatch a certain number of Japanese experts to VJCC to keep business courses attractive.

At the same time, local lecturers are also required to be trained in terms of financial sustainability. It is necessary to promote technical transfer to local lecturers by increasing classes of local lecturers instead of Japanese lecturers as much as possible. In addition, it is also useful to consider alternative options, such as sharing Japanese experts and their costs with other Japan Centers in the ASEAN region, implementing remote education with a TV conference system.

4.3 Lessons Learned

Flexible adjustment for changing business environment and needs

Since the start of the project, the VJCC business courses identified and understood the latest issues and problems of participating companies and participants of the business courses through active individual hearings or personal counseling by the staff, mainly Japanese experts. Based on this background information, VJCC modified its actual activities to meet the rapidly changing needs of participants. Keieijuku and onsite guidance were newly launched during the latter part of the project in accordance with the changing business environment and needs.

Rapid changes in business environments are commonly seen in countries with a shifting market economy. For the Japan Centers to have a good reputation continuously for companies and businesspeople, active communication with participants and flexible adjustment for participants' needs based on the information collected are useful.

Continuing support for graduates' network

Keiejuku has been continuously conducted as a characteristic program of the VJCC that focuses on training executives and managers at the time of the ex-post evaluation.

The duration of the Keiejuku course, which is ten months, strengthened the network among students. Even after completion of the course, graduates expanded their activities outside the course, such as arranging self-study meetings. VJCC supports the "Keiejuku-club" based on graduates' activities and organized follow-up seminars for the graduates. At the time of the ex-post evaluation, follow-up seminars are being conducted regularly with company visits and there are many participants at each seminar. The Japan Centers' continuous support for the graduates' network in terms of promoting business networking and sharing resources in recipient countries is very useful.

Effectiveness of the Japan Center project in areas or countries where there are many Japanese companies

Vietnam has the largest number of Japanese companies among countries in which Japan Centers are located. Awareness of the Japanese style of business is increasing in Vietnam, and VJCC has been playing a very important role to meet the demand for practical business human resources development in Vietnam. Especially in newly industrialized countries with transitioning market economies like Vietnam, in which further arrival of Japanese companies was expected, the Japan Center project in the place has contributed to Japanese companies providing practical business human resources and improving business efficiency through disseminating the Japanese style of business. At the same time, the Japan Center could create an opportunity for contacting Japanese companies as well as provide an opportunity for generating business and networking for recipient countries, so it is assumed that the Japan Center is a very high-effective project for both sides.

Mongolia

FY2015 Ex-Post Evaluation of Technical Cooperation Project

“The Japan-Mongolia Center for Human Resources Development Cooperation”

“Mongolia-Japan Human Resources Development Cooperation Center Project Phase 2”

External Evaluator: Nobuko Fujita,

Foundation for Advanced Studies on International Development

0. Summary

This project¹ was implemented in order to support Mongolia’s transition to a market economy by developing human resources in the business sector to support the real economy and contribute to promoting mutual understanding between Mongolia and Japan. In Phase 1, Mongolia-Japan Center for Human Resources Development (hereinafter “MOJC”) was established, and three programs: business courses, Japanese language courses, and mutual understanding activities² started. In Phase 2, the project aimed at further development of the three programs and enhancement of the MOJC’s function.

This project has been highly consistent with Mongolia’s development plan to promote the private sector, and development needs to improve management of many small and medium-sized enterprises (SMEs) that have been established through the transition to a market economy. It was also relevant to Japan’s ODA policy at the time of ex-ante evaluation which focused on human resource development for transition to a market economy. Therefore, its relevance is high.

In the two phases, the total number of participants for each of the business courses, Japanese courses, and mutual understanding activities was about 9,000, 15,000, and 107,000, respectively. The project purpose of enhancement of the functions of the MOJC to contribute to human resource development towards a market economy and to promote mutual understanding between the people of Mongolia and Japan was achieved. After completion of Phase 2, the three programs continued, and the cumulative number of participants for each of the business courses, Japanese language courses, and mutual understanding activities was about 16,000, 28,000, and 176,000 respectively by the end of FY2015. Furthermore, as the business course graduates contributed to the expansion of business and the increase of profits of the companies they belonged to, the positive impact is apparent. Therefore, its effectiveness/impact are high.

Although the project period was as planned for both phases, the planned project cost

¹ In this report, this project indicates Phase 1 and Phase 2, the target of current ex-post evaluation, and two Phases were evaluated as one project. After completion of Phase 2, Phase 3 and Phase 4 were implemented (see 1.1 Background).

² Japan festival, dolls festival, calligraphy, tea ceremony, Japanese food cooking, Study in Japan Fair, etc. were implemented to promote mutual understanding of Mongolia and Japan.

for Phase 1 was unclear which precluded comparison with actual costs, while actual cost exceeded the planned cost for Phase 2. Therefore, the efficiency of the project is fair.

Since support of SMEs was still one of the development policies of Mongolia at the time of this ex-post evaluation, and no major problems have been observed in the organizational, technical, financial aspects of the MOJC, the sustainability of the project's effects is high.

In light of the above, this project is evaluated to be highly satisfactory.

1. Project Description



Project Location



Mongolia-Japan Center for Human Resources Development

1.1 Background

Mongolia introduced a market economy system at the same time as democratization in 1990 and implemented a series of economic reforms to transform from planned economy to market economy. Japan, in order to support Mongolia's transition, cooperated in policy making such as economic and industrial policies as well as tax reform. Meanwhile, human resource development in the private sector to support the actual economy was becoming an urgent issue in the process of transforming to a market economy.

Concurrently, the idea to establish the "Japan Center"³ as the base for training the practitioners who promote transition to a market economy and realize "aid with a Japanese flag" in Asian and the former Soviet Union countries on the road to a market economy was emerging as Japan policy.

In Mongolia, "The Japan-Mongolia Center for Human Resources Development Cooperation Project" (hereinafter, "Phase 1") started in January 2002 aiming at developing the human resources to promote a market economy and mutual understanding

³ At the time of the ex-post evaluation, 10 Japan Centers were established in nine countries: Southeast Asia (Cambodia, Vietnam (Hanoi and Ho Chi Minh), Myanmar and Laos), East and Central Asia (Mongol, Uzbekistan, Kazakhstan and Kyrgyz) and Ukraine.

between Mongolia and Japan. In March 2002, the MOJC was established in the premises of National University of Mongolia (hereinafter “NUM”), where the program began full implementation.

Five years of cooperation during Phase 1 had a significant result in all three programs of human resource development in business, Japanese language education, and mutual understanding activities, and the MOJC had become widely known to the public in Mongolia as a forum to learn various Japanese experiences and culture. In order to establish the operation system as a more independent institution, “Mongolia-Japan Human Resources Development Cooperation Center Project (hereinafter “Phase 2”)” was implemented for five years from January 2007.

Following Phase 2, since Mongolian industrial structure became much more developed and diversified, the demand for human resources in the business field to cope with it was becoming high. Therefore, the “Project for Capacity Development of Business Persons through Mongolia-Japan Center for Human Resources Development (January 2012- April 2015, hereinafter “Phase 3”)” was implemented⁴. After Phase 3, the MOJC is expected to continuously provide the necessary knowledge and knowhow for management, and the needs to facilitate exchange of business persons between Mongolia and Japan was growing, the “Project for Enhanced Function of Mongolia-Japan Center for Human Resources Development for Capacity Development and Networking of Business Persons (April 2015 – April 2020, hereinafter “Phase 4”)” is now being implemented.

1.2 Project Outline

Overall Goal	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. The process of transition to a market economy in Mongolia will be enhanced. 2. Mutual understanding and friendly relations between the two countries will be reinforced. <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. Human resource development contributing to the market economy in Mongolia will be promoted. 2. Mutual understanding between the two countries will be promoted.
Project Purpose	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. The MOJC will play a key role in human resources development of Mongolia towards a market economy. 2. The MOJC will promote mutual understanding between the people of the two countries through information services and other programs. <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. The functions of the MOJC, which are 1) to contribute to human resources development towards a market economy and 2) to

⁴ Japanese courses were implemented by JICA technical assistance project with the cooperation of The Japan Foundation in Phase 1 and Phase 2. Starting Phase 3, The Japan Foundation is supporting independently.

	promote mutual understanding between the people of Mongolia and Japan, will be strengthened.
Output(s)	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. The MOJC will be managed efficiently and effectively, and it will be accessible to the general public. 2. Business courses will be continuously offered to provide practical knowledge and skills pertinent to a market economy. The implementation of the courses will be localized gradually. 3. Japanese language courses will be continuously offered to fulfill the needs of the general public, professionals in business and the public sector, and Japanese language teachers. The implementation of the courses will be localized gradually. 4. Publications and visual materials related to Japan in such fields as economy, society, and culture will be provided. In addition, the MOJC will be fully utilized for exchange programs between the two countries. <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. The MOJC will be managed effectively and efficiently by strengthened management and monitoring system. 2. Business courses will be offered to provide practical knowledge and skills to meet the needs of small and medium-sized enterprises (SMEs) with the involvement of a larger number of local lecturers. 3. Japanese language courses will be offered to meet the needs of Japanese language teachers and to expand business opportunities for the society. 4. The exchange activities on various fields (economy, society and culture, etc.) between Mongolia and Japan will be strengthened.
Total Cost (Japanese Side)	<p>【Phase 1】 5.13 million yen</p> <p>【Phase 2】 5.94 million yen</p>
Period of Cooperation	<p>【Phase 1】 January 2002 -January 2007</p> <p>【Phase 2】 January 2007-January 2012</p>
Implementing Agency	<p>【Phase 1】 Ministry of Education, The National University of Mongolia (NUM)</p> <p>【Phase 2】 Ministry of Education, Culture and Science of Mongolia, NUM</p>
Other Relevant Agencies / Organizations	N/A
Supporting Agency/ Organization in Japan	The Japan Foundation (Japanese language courses)
Related Projects	<p>【Grant Aid】</p> <ul style="list-style-type: none"> • The Project for Construction of Mongolia-Japan Center for Human Resources Development (E/N signed in 2000) <p>【Technical Cooperation Project】</p> <ul style="list-style-type: none"> • Project for Capacity Development of Business Persons through Mongolia-Japan Center for Human Resources Development (2012-2015) • Project for Enhanced Function of Mongolia-Japan Center for Human Resources Development for Capacity Development and Networking of Business Persons (2015-2020) <p>【Loan Aid】</p> <ul style="list-style-type: none"> • Two-Step-Loan Project for Small and Medium-Scaled Enterprises Development and Environmental Protection (L/A signed in 2006) • Two-Step-Loan Project for Small and Medium-Scaled Enterprises Development and Environmental Protection (II) (L/A signed in 2010)

1.3 Outline of the Terminal Evaluation

1.3.1 Achievement Status of Project Purpose at the Time of the Terminal Evaluation

In the Terminal Evaluation Report of Phase 2, the achievement of the project purpose was expected at the time of project completion, considering the attainment status of all four outputs. In addition, proposed key indicators of the project purpose such as public recognition of the MOJC, acceleration of the ownership, financial independence, and networking, also showed signs of achievement of the project purpose.

1.3.2 Achievement Status of Overall Goal at the Time of the Terminal Evaluation

In the Terminal Evaluation Report of Phase 2, there was no mention of the prospected achievement of the overall goal, while impact of the project was evaluated “very high.” Particularly, the report says, strong impact was realized by Kaizen Association, an alumni network, through which the graduates of the MOJC took the initiative to disseminate and establish the MOJC’s activities.

1.3.3 Recommendations at the Time of the Terminal Evaluation

Concerning the operational management of the MOJC, strengthening of co-directorship, which started in 2011, and reinforcing the cooperation system with the Japan Foundation are suggested.

Regarding the business courses, monitoring of local instructor training, setting a direction for the business courses after completion of Phase 2, reviewing and planning of specific activities as well as the implementation structure were suggested. In particular, further collaboration with the Small and Medium-sized Enterprise Agency, Kaizen Association, Economics Department of NUM (especially Business Consulting Center) , and the Two-Step-Loan project, were also suggested. A needs survey for the business courses and business services was proposed as well.

Additionally, as for Japanese language courses and mutual understanding activities, since the Japan Foundation was going to be in charge of these starting in Phase 3, review and enhancement of these activities in cooperation with the experts from the Japan Foundation was suggested.

2. Outline of the Evaluation Study

2.1 External Evaluator

Nobuko Fujita, Foundation for Advanced Studies on International Development

2.2 Duration of Evaluation Study

For the current ex-post evaluation, following study was conducted.

Duration of the Study: January 2016- March 2017

Duration of the Field Study: April 13, 2016-April 27, 2016 and August 31, 2016-September 10, 2016

2.3 Method of Evaluation

As stated before, Phase 1 and Phase 2, which are the target of this evaluation study were evaluated together as one project. Outputs of Phase 1 and Phase 2 are similar though phrasing was slightly different. Therefore, after sorting out indicators of both phases, similar indicators with continuity were checked as such and outputs of Phase 2 were reviewed considering those of Phase 1. As for the project purpose, Phase 1 targeted human resources development and promotion of mutual understanding, and Phase 2 targeted enhancement of the capacity to promote them. Considering these project purposes consecutive, Phase 2 project purpose was used to verify overall achievement.

3. Results of the Evaluation (Overall Rating: A⁵)

3.1 Relevance (Rating: ③⁶)

3.1.1 Relevance to the Development Plan of Mongolia

The main development strategies at the time of the ex-ante evaluation were the National Action Plan (2000-2004, 2004-2008) and the Good Governance for Human Security Programme (2001).⁷ In these policy papers, stability of the macro economy, promotion of a market economy, as well as economic growth led by the private sector were considered important issues. In the Millennium Development Goals based Comprehensive National Development Strategy of Mongolia (2008-2021), which was the development strategy at the time of completion of Phase 2, the importance of poverty reduction through private sector-led economic growth is stressed. In the “Government Action Plan” (2008-2012), too, industrial development and improvement of employment environment are listed as priority areas.

One of the project purposes of this project is human resources development to play a prominent role in transition to a market economy. Therefore, from the time of the ex-ante evaluation of Phase 1 through completion of Phase 2, the project was highly consistent with Mongolia’s development policies.

3.1.2 Relevance to the Development Needs of Mongolia

⁵ A: Highly satisfactory, B: Satisfactory, C: Partially satisfactory, D: Unsatisfactory

⁶ ③: High, ②: Fair, ①: Low

⁷ Document which covers priority issues of socio-economic development field in the National Action Plan.

When Phase 1 started, many SMEs were established with the introduction of a market economy in Mongolia. At the time of ex-ante evaluation, there were 32,211 companies listed in Mongolia among which 84% had 10 and fewer employees. Some of them did not have sufficient management know-how. Many managers of these SMEs wished to learn practical management skills to make their companies grow⁸. At the end of 2011, among 48,086 registered companies, 38,797 or 80.7% had fewer than 10 employees⁹.

As stated above, this project was consistent with Mongolia's development needs of human resource development of SMEs to respond to transition to a market economy from the ex-ante evaluation of Phase 1 through completion of Phase 2.

3.1.3 Relevance to Japan's ODA Policy

Since 1991, Japan organized the Consultative Group meeting on Mongolia and had constructed an international framework for supporting Mongolia. In 1997, an economic cooperation study mission was dispatched and identified intellectual assistance and human resource development as one of the priority areas. In the "Country Assistance Program for Mongolia" (November 2004), support for institution building and human resource development for sound management of the macro economy was listed as one of the priority areas. Therefore, this project, which aimed at developing human resource to contribute to the transition to a market economy, was highly consistent with Japan's development policy at the time of the ex-ante evaluation.

Furthermore, when President Bagabandi visited Japan in 1998, the joint statement of friendship and cooperation which was to be the base of bilateral relationship towards the 21st century was announced and both sides agreed to develop cooperation in various fields with mid-to-long term viewpoints in mind, on top of economic cooperation. In the human resource development field, acceptance of more incoming students and trainees to Japan was also agreed¹⁰. In the joint statement of President Bagabandi and Prime Minister Koizumi (at that time) in 2003, it was confirmed to further enhance this policy. This project, which aimed at contributing to promote mutual understanding of Mongolia and Japan, was consistent with Japanese foreign policy at that time.

As stated above, this project was highly relevant to Mongolia's development plan and development needs, as well as Japan's ODA policy. Therefore, its relevance is high.

⁸ Phase 1 Ex-ante Evaluation Report

⁹ 38,797 had less than 10 employees, 4,363 had 10~19, 3,256 had 20~49, only 1,670 had 50 and over. (National Statistical Office of Mongolia
<http://bic.iwlearn.org/en/documents-1/mongolian-statistical-yearbook-2011-mgl-and-english>)

¹⁰ The number of students studying Japan was about 100 in 1998.

3.2 Effectiveness and Impact¹¹ (Rating:③)

3.2.1 Effectiveness

3.2.1.1 Achievement of Project Purpose

As stated above, as to the project purpose, Phase 1 targeted human resources development and promotion of mutual understanding, and Phase 2 aimed at enhancement of the capacity to promote them. Therefore, considering the goals of the two phases continuous, Phase 2 project purpose was used to judge the overall achievement. As to indicators of outputs in Phase 1, progress at the completion of Phase 1 and Phase 2 were checked respectively and used for evaluation judgement, as necessary. The project purpose of Phase 2 was “The functions of the MOJC, which are 1) to contribute to human resource development towards a market economy in Mongolia and 2) to promote mutual understanding between the people of Mongolia and Japan, will be strengthened.”

For the project purpose, there were four items with ten indicators. There was no specific target set for them except for the financial sustainability indicator. These ten indicators and the number of participants (moved over from the output indicators) as supplementary indicators were used to evaluate the project purpose. The indicators and actual performance are shown in Table 1.

Table 1 Achievement of the Project Purpose

Indicator	Actual
1 Improvement of recognition	
1-1. Number of visitors and participants of activities at the MOJC ¹²	<ul style="list-style-type: none"> • Number of visitors : In five years from FY 2002 to FY2006 : 560,406 In five years from FY 2007 to FY2011 : 826,790, total 1,387,196 • Number of participants of business courses, Japanese language courses, and mutual understanding activities : In five years from FY2002 to FY2006 : 34,522 In five years from FY 2007 to FY2011 : 96,187, total 130,709¹³ (see Table 4 for detail)
1-2. Satisfaction level of visitors and participants	<ul style="list-style-type: none"> • Business course:72% for Japanese lecturers, and 62% for local lecturers (Phase 2. Data for Phase 1 is not available) • Japanese course:85%(Phase 2. Data for Phase 1 is not available) • Mutual understanding activities: 81%-100% depending on events (Only FY2010 data was available)

¹¹ Sub-rating for Effectiveness is to be put with consideration of Impact.

¹² Number of the participants here refers to fiscal year (April to March), while Phase 1 was January 2002-January 2007, and Phase 2 was January 2007-January 2012, therefore slight discrepancies arise between these numbers and the achievements of the project period.

¹³ documents provided by JICA and the MOJC

1-3. Proportion of participants from the region other than Ulaanbaatar city	<ul style="list-style-type: none"> • Business course: total of 21 seminars were held outside of Ulaanbaatar between 2003 and 2011 with cooperation of Kaizen Association, and 577 people in total, or 6.1% of all the business courses participants in that period, attended¹⁴. • Japanese course and mutual understanding activities (Chinese characters class, calligraphy, and Japanese songs, etc.) were offered in Orhon and Övörhangay. In total 218 people participated in FY2010 and FY2011.
2 Ownership promotion ¹⁵	
2-1. Proportion of local lecturers out of total teaching hours	<ul style="list-style-type: none"> • Business course: 13.0% as a whole, and 20.5% of the Basic Business Course¹⁶ at the time of completion of Phase 2. Data is not available for Phase 1, while 100% of the Practical Business Seminar for Young Business Owners as well as Entrepreneurs Support Seminar in Phase 1 were lectured by local lecturers. • Japanese course : Data not available for 2002-2009. By the end of FY2011, local lecturers (including Mongolia-based Japanese lecturers) taught 95% of the course hours.
2-2. Number of local staff assigned to program managers of the MOJC	<ul style="list-style-type: none"> • In Phase 2, manager system was institutionalized. Two senior managers and the program manager for each department were assigned.
2-3. Improvement of management capability of local staff and upper-level functions undertaken by the local staff	<ul style="list-style-type: none"> • The number of the staff was 13 at the time of completion of Phase 1, and routine work was completed by them. At the time of Phase 2 completion, the number of the staff increased to 20, and business courses, Japanese language courses, and mutual understanding activities were planned and operated by them. • A goal setting system was introduced and motivation of staff was increased.
3 Financial sustainability	
3-1. Proportion of the MOJC own revenue to local expenditure (target: 40% and over in Phase 2)	<ul style="list-style-type: none"> 【first year in Phase 1】 7.2% (FY2002) 【at the completion of Phase 1】 27.0% (FY2006) 【at the completion of Phase 2】 56.5% (FY2011)
4. Network	
4-1. Number of activities in cooperation with related organizations	<ul style="list-style-type: none"> • The number was not available, but in Phase 2, the MOJC cooperated with European Bank for Reconstruction and Development (EBRD), United Nations Development Program (UNDP), Japan External Trade Organization (JETRO) and other various organizations related to implementation of business courses. For the Japanese language courses, too, a seminar was held¹⁷ as well as Japanese courses provided in collaboration with Ulaanbaatar City Bureau of

¹⁴ Nine times in Phase 1 with 290 participants, and 12 times in Phase 2 with 287 participants (documents provided by JICA).

¹⁵ An indicator “Number of academics at National University of Mongolia assigned as program adviser to the MOJC” was not considered here since there was no such necessity and no one was assigned.

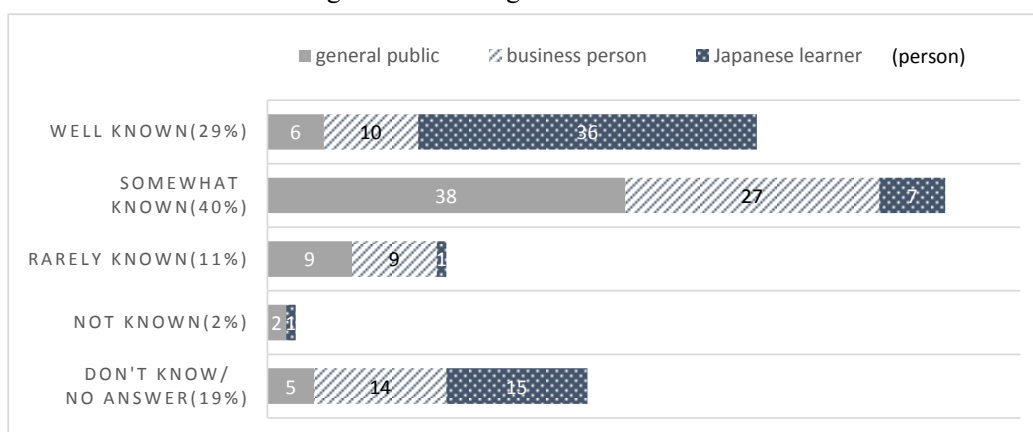
¹⁶ The Basic Business Course, which is composed of Japanese style management, production management, quality management, financial management, human resource management, and marketing, was a 6 month intensive practical course targeted at top executives and managers of SMEs. Since half of the participants of the Basic Business Course were from manufacturing sector and other half from service sector, the course was customized not only for manufacturing but also service, and store management was added as one of the subjects in FY2004. Other than that, the Model Company Development Program, in which lecturers go to factory and stores to give instructions since FY2008, and special courses which are introductory seminar for above subjects, and advanced courses for graduates of the Basic Business Course were implemented in Phase 2 (See table2). “Course” refers to trainings offered every year, and “seminar” refers to training in various lengths but mostly short and one time.

¹⁷ The seminar on teaching method using TV program “Waku-waku Japanese Conversation” and its utilization in class (2009).

	Education and National Radio-TV Station. Concerning mutual understanding activities, there were events coordinated with Japan Student Services Organization, such as information sessions about studying in Japan.
4-2. Number of activities in cooperation with returnees of scholarship program in Japan	• Number is not available. However, in Phase 2, Japanese University Graduated Association of Mongolia sent members to the job fairs and Study in Japan Fair to share their experiences. The Association also forwards the MOJC seminar information to its members.

As to the item 1, “improvement of recognition,” the fact that the cumulative number of participants of all activities in two phases reached 130,000 and number of visitors exceeded 1.38 million, can be read as a sign that the recognition was improved. A beneficiary survey¹⁸ conducted during the ex-post evaluation period backs up this observation since almost 70% of the respondents stated the MOJC was well known to the public, business people, and Japanese learners (Figure 1).

Figure 1 Recognition of the MOJC



Source: Beneficiary survey

The number of the participants for each of the business courses, Japanese courses and mutual understanding activities considerably increased from phase 1 to phase 2 (From 2,598 in phase 1 to 6,891 in phase 2 for business courses, 5,731 to 8,948 for Japanese courses, and 26,193 to 80,348 for mutual understanding activities.) The number of visitors also increased from 560,406 (Phase 1) to 826,790 (Phase 2). (See Table 4 for detail).

¹⁸ Beneficiary survey was conducted during the ex-post evaluation (April to September 2016) targeting business course, Japanese course, and mutual understanding activities participants in Phase 1 and 2. Survey method was handing out questionnaire at a seminar and face-to-face interview (34 respondents), mail survey (22 respondents), and web survey (targeting all the Basic Business Course participants in Phase 1 and 2. 4 respondents). Number of total respondents was 60 (22 business course, 18 Japanese language course, and 20 mutual understanding activities). Forty-five % (10 respondents) were male, 55 % (12 respondents) were female for business course, 100 % (18 respondents) were female for Japanese language course, and gender unidentified for mutual understanding activities participants. Respondents are from Ulaanbaatar and Darkhan city.

Increased number of activities (see Table 2) and positive recommendation from the past participants seemed to have had a good influence on the increase in the participants in Phase 2. In many cases, the managers who participated in the business courses encouraged executives or managerial staff of their company to participate¹⁹. Asked why they participated MOJC business course, more than half (55%) responded “recommended at work” or “recommended from an acquaintance.” Asked if they would recommend it to others, 18% responded yes, and 82% said they already did. Being able to learn Japanese-style management, the high quality of lecturers, curriculum, and learning materials were cited as reasons for recommendation.

As to the item 2, “promotion of ownership,” the number of local staff was 13 at the time of completion of Phase 1, and routine work such as course implementation was managed by them. At the time of Phase 2 completion, staff number increased to 20, and the business courses, Japanese courses, mutual understanding activities were all planned and operated by local staff. In Phase 2, a manager system was institutionalized and two senior managers, and a program manager for each department were assigned at the time of Phase 2 completion. In June 2011, the directorship of the MOJC made a transition from Japanese to Japanese and Mongolian co-directorship. In the case of the business courses, capacity building of local lecturers started in full swing starting in Phase 2, and 20.5% of the Basic Business Course hours were taught by local lecturers in FY2011. Ten local lecturers were trained in Phase 2, and on-site training at companies was also conducted by Japanese and local lecturers. As for Japanese courses, local lecturers (including Mongolia-based Japanese nationals) taught 95% of the course hours in 2011.

As for the item 3, “financial stability,” the proportion of the MOJC’s income to operational expenditure was 56.5%²⁰ exceeding the target of Phase 2 which was “over 40%.” Besides, the MOJC’s self-generated income, including tuition etc., was 56.02 million tugriks (about 5.66 million yen) at Phase 1 completion (FY2006), and increased to 257.92 million tugriks (about 24.76 million yen) by the time of phase 2 completion (FY2011), which was 4.6 fold increase over FY2006²¹.

As for the item 4, “network,” the MOJC cooperated with EBRD, UNDP, JETRO and other various organizations in Phase 2. Particularly the collaboration on the Two-Step-Loan Project for Small and Medium-Scaled Enterprises Development and Environmental Protection (I), (II) implemented by JBIC back in 2006-2008 brought significant impact (see 3.2.2.3 Other Impact). For the Japanese courses, too, there was a

¹⁹ Interview of business course participants during the ex-post evaluation

²⁰ Although, this 56.5% was calculated without including the cost of Japanese experts dispatching. If included, it would be 6.3% at the time of completion of Phase 2.

²¹ One Mongolian tugrik (MNT) was equivalent to 0.101 yen in FY2006, and 0.096 yen in FY2011 according to the JICA exchange rate (rate in January 2007, and January 2012, respectively).

seminar held as well as Japanese course provided in collaboration with Ulaanbaatar City Bureau of Education and National Radio-TV Station. In mutual understanding activities, there were events coordinated with Japan Student Services Organization, including an information session for studying in Japan.

As stated above, Phase 2 achieved its project purpose. Accomplishments of the four outputs which contributed to fulfillment of the project purpose are shown in Table 2.

Table 2 Achievement of Output

	Output	Actual
Achievement of the Phase 1 Output at Completion of Phase 1, Phase 2		
1.	The MOJC will be managed efficiently and effectively, and it will be accessible to the general public. (indicators) • Number of staff and their competency • Balance of revenue and expenditure	• See Table 1 “Achievement of the Project Purpose.” (Since these indicators overlap with those of the project purpose item 2 “Ownership” and item 3 “Financial Sustainability,” they were sorted out as indicators for the project purpose.)
2.	Business courses will be continuously offered to provide practical knowledge and skills pertinent to a market economy. The implementation of the courses will be localized gradually. (indicators) • Number of business courses	Business courses were implemented as follows. 【Phase 1】 – Basic Business Course : 5 times – Entrepreneurs Support Seminar : 5 times – Practical Business Seminar for Young Business Owners : 2 times – Short seminar on various topics : 15 times – Local seminar : 14 times – Management consultation : 30 companies 【Phase 2】 – Basic Business Course : 5 times – Special course : 32 times – Professional course : 8 times – Short seminar : 36 times – Local seminar : 10 times, remote seminar : 3 times – Introductory seminar : 23 times – Management consultation : 42 companies – Model Company Development Program : 22 times – On the job training : 9 times • See project purpose (Table 1) for course management.
3.	Japanese language courses will be continuously offered to fulfill the needs of the general public, experts, and Japanese language teachers, etc. The implementation of the courses will be localized gradually. (indicators) • Number of Japanese courses	• Japanese courses were implemented as follows. 【Phase 1】 – 18 courses. Main courses were as follows. – Regular course (Japanese in movies, business Japanese, etc.) – Review of basic course – Japanese language teaching practice course – Others (Japanese course on radio, monthly Japanese proficiency test, etc.) 【Phase 2】 – 39 courses. Main courses were as follows. – Regular course (Japanese for beginners, Business Japanese, Japanese in movies &

		<p>newspapers, IT Japanese, Kanji, etc.)</p> <ul style="list-style-type: none"> – Courses for Japanese Teachers (Practice of Teaching Japanese, Teaching Method for Japanese language, open seminar on Japanese-language education, etc.) – Others (Free of charge short seminar on how to speak Japanese, monthly Japanese proficiency test, etc.) <p>• See Table 1 for course management.</p>
4.	<p>Publications and visual materials related to Japan in such fields as economy, society, and culture will be provided. In addition, the MOJC will be fully utilized for exchange programs between the two countries.</p> <p>(indicators)</p> <ul style="list-style-type: none"> • Number of events • Number of books in the library 	<ul style="list-style-type: none"> • Mutual understanding activities were implemented as follows. 【Phase 1】 : 200 times²² 【Phase 2】 : 232 times • Number of library books: about 4,000 in 2005 and 18,000 in 2011.
Achievement of the Phase 2 Output at Completion of Phase 2		
1.	<p>The MOJC will be managed effectively and efficiently by strengthened management and monitoring system.</p> <p>(main indicators)</p> <ul style="list-style-type: none"> • making annual management plan • monitoring of implementation 	<ul style="list-style-type: none"> • Annual plan was made, and its implementation was monitored, for the business courses, Japanese courses, and mutual understanding activities, respectively. Monitoring result was reflected in following years' planning. • Starting 2007, an annual report is published in Mongolian and Japanese.
2.	<p>Business courses will be offered to provide practical knowledge and skills to meet the needs of SMEs with the involvement of a larger number of local lecturers.</p> <p>(main indicators)</p> <ul style="list-style-type: none"> • planning/implementation/monitoring of business courses • number of local lecturers trained and certified 	<ul style="list-style-type: none"> • See “Actual 1” of “Achievement of the Phase 2 Output at Completion of Phase 2” above for planning/implementation/monitoring of business courses. • See “Actual 2” of the project purpose regarding training local lecturers for the business courses.
3.	<p>Japanese language courses will be offered to meet the needs of Japanese language teachers and to expand business opportunities for the society.</p> <p>(main indicators)</p> <ul style="list-style-type: none"> • planning/implementation/monitoring of Japanese courses • Number of Japanese courses planned and implemented by local staff 	<ul style="list-style-type: none"> • See item 1 of “Achievement of the Phase 2 output at Completion of Phase 1, Phase 2” for planning/implementation/monitoring of Japanese courses. • Most of the activities were planned and implemented by local staff/lecturers.
4.	<p>The exchange activities on various fields (economy, society and culture, etc.) between Mongolia and Japan will be strengthened.</p> <p>(main indicators)</p> <ul style="list-style-type: none"> • planning/implementation of mutual understanding activities 	<ul style="list-style-type: none"> • See item 1 of “Achievement of the Phase 2 Output at Completion of Phase 1, Phase 2” for planning/implementation/monitoring of mutual understanding activities. • Most of the activities were planned and implemented by local staff.

²² Total of 153 times by June 2006 (Phase 1 Terminal Evaluation Report) and 47 times from July 2006-January 21, 2007 (document provided by JICA).

• Number of activities planned and implemented by local staff	
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Source: Terminal Evaluation Report of Phase 1 and Phase 2, documents provided by JICA, and the MOJC



Vibrant lobby (students submitting applications for Japanese Language Proficiency Test)

“Course materials are kept handy to review time to time,” says a graduate of business course.

Following a business course, a textile company replaced sewing machines by those made in Japan using Two-Step-Loan. Air conditioning and lighting were also upgraded to global standard.

3.2.2 Impact

3.2.2.1 Achievement of Overall Goal

Since there is a slight gap between the overall goal 1 of Phase 1, “The process of transition to market economy in Mongolia will be enhanced” and the project purpose, the overall goal 1 of Phase 2, “Human resource development contributing to the market economy in Mongolia will be promoted”, was used to verify the achievement. As for the overall goal 2 of Phase 1 “Mutual understanding and friendly relations between the two countries will be reinforced” was almost the same as the overall goal 2 of Phase 2, “Mutual understanding between the two countries will be promoted,” the Phase 2 overall goal was used for evaluation.

Regarding the overall goal 1, “Human resource development contributing to the market economy,” business course participants exceeded 15,000 by FY2015²³. It was confirmed that in many companies to which participants belonged, knowledge acquired at the course was utilized in order to expand their business and improve management (see Table 3).

For example, a manager of a glass manufacturing company, after taking the Basic Business Course, sent many employees to the same course. The company also participated in the Model Company Development Program and reviewed various aspects of manufacturing process. To further improve product quality, a certificate system equivalent to Japan’s Certified Specialist of Glass Manufacturing was developed with the cooperation of the Ministry of Construction and Urban Development and textbooks for

²³ As of February 2016, among 68,425 corporations registered in Mongolia, 66,015 have less than 49 employees (Mongolian Statistical Information Service <http://www.1212.mn/statHtml/statHtml.do>).

levels 1 to 4 were prepared in 2010. Since it provided a clear goal for the employees, turnover of employees who joined the company within one year declined from 70% to 20%. Not only do other glass companies employ this certificate system but making it a national standard is under consideration²⁴. The manager of this company now teaches the Basic Business Course, and one day out of the unit of production management (manufacturing), the lecture is held at his factory.

Just like this manager, graduates of the MOJC business course not only improve their own business management but also contribute to the quality improvement of their industry and to development of business as a whole in Mongolia. One farm owner is trying to make her farm a model farm in order to disseminate growing of safe vegetables. One hair dresser has been trying to improve the overall quality of hair dressing industry in Mongolia through activities of the Hair Dressers Association. It is expected that they will disseminate the result of the MOJC business course in the various fields of the private sector in Mongolia.

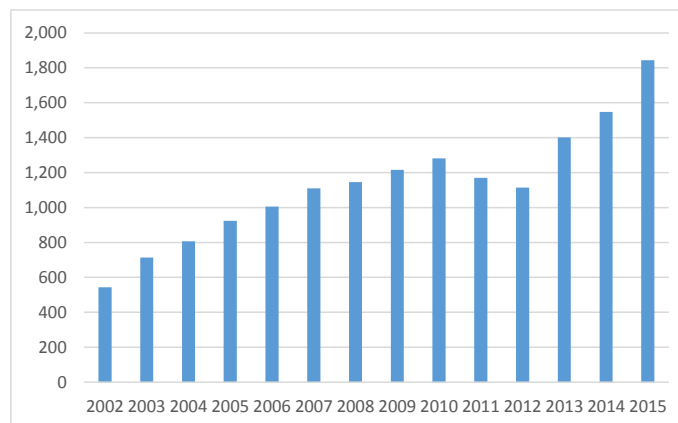
As for promotion of mutual understanding of two countries, all the business course graduates responded that they have a deeper understanding of Japanese style management, according to the beneficiary survey. And for the question asking the change in understanding of Japan and Japanese, 91% of the business course graduates and 75% of Japanese course participants responded they have a much deeper or deeper understanding of Japan and the Japanese people. Furthermore, all the participants of mutual understanding activities said “the MOJC is useful for promotion of friendship between Mongolia and Japan”.

By accumulation of activities of the MOJC, the number of the visitors exceeded 2 million in April 2016. Mongolian students studying in Japan also increased 3.4 times from 544 in FY2002 to 1,843 in FY2015 (Figure 2). It is considered that “Study in Japan Fair” and provision of various information of Japanese universities at the MOJC contributed to this increase.

As stated above, the project has achieved the overall goal.

²⁴ Construction Development Center (affiliation of the Ministry of Construction and Urban Development) hearing

Figure 2 Number of Students Studying in Japan (persons)²⁵



Source : Japan Student Services Organization (JASSO)

Table 3 Achievement of the Overall Goal

Overall Goal	
1. Human resource development contributing to the market economy in Mongolia will be promoted. 2. Mutual understanding between the two countries will be promoted.	
Indicator	Actual
1) Number of private companies and Japanese language teaching institutions recognizing the MOJC	<ul style="list-style-type: none"> • More than 15,000 people participated in the business courses by FY2015. Also, through the Chamber of Commerce of Mongolia PR of the MOJC activities, more private companies seem to recognize the MOJC. • There are 59 Japanese teaching institutions in Mongolia²⁶, all of which recognize the MOJC through its activities, such as Japanese Language Proficiency Test, Examination for Japanese University Admission for International Students, Embassy of Japan-sponsored Speech Contest, and support to Japanese Language Teachers Association²⁷.
2) Number of participant who utilize knowledge and skills acquired from the MOJC courses Number of companies with operation efficiency/profit increased	<ul style="list-style-type: none"> • According to telephone interview of 70 graduates of the 2015 Basic Business Course, 98% said their company profit increased, 94% said the knowledge acquired from the course led to the business development of their company, 68% said it contributed to the expansion of their job opportunities, and 73% said they started a business after completing a business course. As such, high impact was confirmed. • According to the beneficiary survey conducted during the ex-post survey with 22 respondents, all said the business courses had a good effect on their work (65% said very good effect, and 35% said good effect). As for specific effect to companies they belong, 91% said operation at work improved, and 41% said operation cost was reduced.

²⁵ Number of foreign students enrolled in Japanese universities, graduate schools, community colleges, specialized vocational high school, specialized training college (specialized course), educational institutions with preparatory course to enter Japanese universities, and Japanese language school (as of May 1st, 2015)

²⁶ Survey on overseas Japanese language teaching institutions (2012, The Japan Foundation)

²⁷ Established in 1998, it consists of about 100 Japanese language teachers in primary to higher education. Monthly meeting of Japanese language education seminar hosted by the association, and study sessions by primary and middle school teachers held twice a month at the MOJC with the support of the MOJC lecturers/staff.

3) Number of companies starting business with Japanese companies	<ul style="list-style-type: none"> • No statistical data available. • A graduate of the class of 2003 Basic Business Course opened a Japan arm in Tokyo in 2015 as a base to export Mongolian products to Japan. The possibility of exporting dog food to Japan was explored and business negotiation started. In tandem with it, a graduate of the class of 2005 business course built a new factory for dog food to export to Japan in 2016. Already, the samples were exhibited in Japan, and the MOJC helped them in the procedures and the promotion for the exhibition. In addition, export of rock salt and cashmere socks, and import of water purification equipment from Japan are in negotiation stage²⁸. • Six out of 22 respondents in the beneficiary survey responded that they started or expanded their business with Japan.
4) Number of Japanese course participants using Japanese in their job Number of participants who passed the Japanese Language Proficiency Test	<ul style="list-style-type: none"> • According to the questionnaire survey of graduates in 2008, 82% of Japanese course for Japanese teachers, and 53% of business Japanese courses, used Japanese after completion of the course. • No data is available for passers of the Japanese Language Proficiency Test in the past.
5) Number of participants who became Japanese teachers	<ul style="list-style-type: none"> • No cumulative data is available. In 2008, about 70% of 111 graduates of “Japanese language teaching practice course” or “Japanese language education course” continued teaching²⁹. • Seven non-teachers among 44 Japanese language education seminar participants from 2012 to 2015(44 participants, among which 26 were teachers and 18 were non-teachers) became Japanese teachers³⁰.
6) Number of Mongolian students who study in Japan	<ul style="list-style-type: none"> • Number of Mongolian students studying in Japan increased 3.4 times from 544 in 2002 to 1,843 in 2015.

3.2.2.2 The Outputs and Project Purpose after the Completion of Phase 2 until the Ex-post Evaluation

After completion of Phase 2, in four years from FY2012-2015, the business courses were held at the almost same pace in numbers and varieties as Phase 2; four Basic Business Courses (once every year), 22 special courses, and nine professional courses. A local seminar was offered once in 2012. Model Company Development Program, which started in Phase 2, was held 17 times, and on the job training which started in 2011 was held 50 times.

As to the number of participants of the business courses, 6,106 people participated in the four years between the completion of Phase 2 and FY 2015. The annual average was 1,526, which exceeded the 1,378 in Phase 2. Applicants for the Basic Business Course were 1.4-1.5 times that in FY 2011-FY2012, which decreased to 1.1-1.2 times in FY2013-2015 due to stagnation in the economy. However, in 2016 it jumped up to 1.7

²⁸ Kaizen Association Interview

²⁹ Phase 2 Mid-term Evaluation Report

³⁰ According to Japanese language education expert from the Japan Foundation, 44% is high (Although not an accurate comparison, just for reference, about 20% of participants of Japanese language education in Japan become Japanese language teachers).

times thanks to restructuring of the course, shifting class hours, and the new system for taking single subject. In recent years, the private sector has joined the business-related training industry. However, no institutions other than the MOJC take participants to an actual factory to provide practical guidance.

As for implementation of the Japanese courses, the Japan Foundation became the main body starting April 2012, and all the Japanese courses have been conducted based on JF Standard for Japanese Language Education³¹ since FY2013. From beginners to teachers, a variety of courses are offered: six levels of Comprehensive Japanese tailored to students in various levels, Japanese Language Education Seminar for training Japanese language teachers, and Survival Japanese. The MOJC is the only institution to offer Japanese language education based on JF Standard. As a leading Japanese language teaching institution in Mongolia, other Japanese teaching institutions rely on the MOJC for support.

Mutual understanding activities were implemented continuously and 158 events such as Open Seminar for Citizens, Japanese film show, introduction of Mongolian and Japanese writers' books were offered during the four years between FY2012 -FY2015 after Phase 2. In FY2015, the number of participants decreased due to construction of NUM library-information building, although it is expected to recover upon its completion³².

The number of participants in Phase 1, Phase 2, and the 4 years between FY2012 and FY2015 are shown in Table 4.

Table 4 Number of Participants

Fiscal Year ¹	Phase 1					total
	2002	2003	2004	2005	2006	
1. Business courses (Basic Business Course)	280 (31)	573 (28)	452 (49)	643 (63)	650 (58)	2,598 (229)
2. Japanese courses	163	930	191	1,640	2,807	5,731
3. Mutual understanding activities ²	2,984	6,240	3,922	7,063	5,984	26,193
1. -3. Total	3,427	7,743	4,565	9,346	9,441	34,522
4. Visitors	34,440	87,919	122,609	146,659	168,779	560,406

³¹ In order to understand deeper mutually through language communication, ability to complete social task by using language and understanding foreign cultures are two important competencies. Based on this idea, JF standard is a tool to think about how to teach and learn Japanese language, and evaluate the result of learning in order to develop these two competencies (The Japan Foundation website).

³² Two story MOJC building used to be facing one of the main streets in Ulaanbaatar. In 2014, the construction of the six story NUM library information building started in the space, which used to be a rotary of the MOJC, between the MOJC and the street, and it is expected to be completed in 2017. The new building hides the MOJC building from the street completely, and makes it impossible to enter the MOJC directly from the street, thus deterioration of accessibility is a concern. Positive impact, such as possible increase of the number of the visitors to the MOJC, is unknown at the time of the ex post evaluation.

Fiscal Year	Phase 2					
	2007	2008	2009	2010	2011	total
1. Business courses	1,588	963	1,733	1,285	1,322	6,891
(Basic Business Course)	(56)	(50)	(62)	(47)	(57)	(272)
2. Japanese courses	2,390	1,591	2,009	1,807	1,151	8,948
3. Mutual understanding activities	7,243	4,067	19,270	16,967	32,801	80,348
1. -3. Total	11,221	6,621	23,012	20,059	35,274	96,187
4. Visitors	182,001	164,255	135,719	173,737	171,078	826,790

Fiscal Year	Phase 3			Phase 4	2012-2015	2002-2015
	2012	2013	2014	2015	total	grand total
1. Business course	1,430	924	1,532	2,220	6,106	15,595
(Basic Business Course)	(54)	(53)	(45)	(49)	(201)	(702)
2. Japanese courses	2,340	3,149	3,356	4,180	13,025	27,704
3. Mutual understanding activities	17,708	16,676	21,345	14,537	70,266	176,807
1. ~3. Total	21,478	20,749	26,233	8,716	77,176	207,885
4. Visitors	168,593	180,899	148,648	114,216	612,356	1,999,552

Note 1: Above numbers are based on fiscal year (April-March). Since each phase started in January and ended in January, slight discrepancies arise between these numbers and the achievements of the project period.

Note 2: The number includes participants of the events held in the MOJC room rented by the organizers.

Source: documents provided by JICA

3.2.2.3 Other Impacts

This project had various positive non-direct impact as follows.

- Network of graduates

Among others, formulation of Kaizen Association and expansion of its activities are noteworthy. Graduates of the Basic Business Course class of 2003 organized the Association in order to share their experiences of Kaizen³³ at their own businesses after taking the course, and further disseminate their experiences. It is run voluntarily by the members, and current membership consists of 800 graduates, or 500 companies.

They organized their own business seminars and with their initiative, MOJC implemented cost-shared business tours in Japan eight times over the last five years, resulting in more than 50 participants. In 2014, 100% self-financed business tours in Japan started and 34 participants joined by FY2015. While the MOJC offers business tours in Japan to high-achieving participants of the Basic Business Course, which totaled 52 in 13 years. In total, about 150 participants (or about 3 times of the originally planned numbers) were able to participate training in Japan to learn kaizen in the field. The tour participants uniformly state that their understanding was deepened a great deal by

³³ Kaizen is a series of activities for reviewing work at production sites. Workers at the sites actively discuss measures for improvement and address the issues to improve productivity and secure safety. The concept applies not only to the manufacturing industry but also to the service industry.

actually looking at the practice of kaizen in Japan.

The seminars on various topics such as kaizen, human resource management, and marketing etc., organized by the Association, are quite popular to the members, and it is expected that they will play a role to complement the MOJC business courses. Furthermore, the Association will be a valuable resource for the MOJC to play a role of the hub for exchange by Mongolian and Japanese business people.

- Impact generated by collaborating with “Two-Step-Loan Project for Small and Medium-Scaled Enterprises Development and Environmental Protection (I) (2006-2011) and (II) (2010-2015) ”

The MOJC business courses had a significant impact on companies which utilized the Two-Step-Loan. Twenty-five companies took out loans after taking the Basic Business Course³⁴. For the graduates who developed business plans during the course and then tried to expand their business with additional capital investment, or start a new business, low interest and long term loans were valuable in Mongolia where the market interest rate is high. According to the hearing of 13 companies who took out loans, learning how to develop a business plan in the course made the loan application easy. Also, what they learned in the course was very useful in business development after taking out the loan³⁵.

The MOJC held an information session introducing the Two-Step-Loan Project and additional seminars to support development of a business plan, in addition to the Basic Business Course. The MOJC courses made loan application process smooth and companies which presented realistic business plans showed higher repayment rate, which benefited the Two-Step-Loan Project as well³⁶.

- Increase of Japanese language learners in Mongolia

The number of Japanese language learners was 2,873 in 1998, and increased to 8,159 in 2014³⁷. Although this is the result of the Mongolian people’s strong affinity toward Japan and growing popularity of Japanese animation and other factors, the MOJC

³⁴ Data up to 2012. Data not available from 2013 onward.

³⁵ Among which, 6 companies are in manufacturing (glass, textile, and furniture, etc.) and 5 are in food processing and retail (dairy products, bakery, dumpling, etc.). All utilized Two-Step-Loan for building extension, renewal of facilities, and improvement of production process. Two companies were in the service industry such as printing and used the loan to open a new shop, etc. These companies, as their businesses expand, put high value on the improvement of the quality of not only production facilities but also the work environment by installing air conditioning and lighting, preparing dining room and changing room for employees in order to develop as a whole company. Many graduates say one of the most important things learned from the business course is to think a great deal about employees (hearing during the ex-post evaluation).

³⁶ Two-Step-Loan project office was sometimes understaffed to help applicants who had trouble writing a business plan (Interview during the ex-post evaluation).

³⁷ Survey on Japanese-Language Education Abroad (The Japan Foundation). No data available in the beginning of Phase 1(2002).

contributed, too, as the following examples illustrate.

At Oyunii Ireedui School in Darkhan city, the students have been able to choose Japanese as an extracurricular activity for some time. However, right after the MOJC Japanese language specialist and staff visited the school to offer Japanese culture class in 2013, the number of students who selected Japanese class increased by 40 from the previous years. In 2014, when the school decided to terminate Japanese language electives to cut down on cost, Japanese language teachers of the school, with the advice of the MOJC, filed a petition with the Ministry of Education. In consequence, the Japanese course survived as a fee-based elective. At the time of the ex-post evaluation, 145 students from grade 6 to grade 11 take a 2-hour Japanese class twice a week. In FY2016, 51 students from the school were supposed to take the Japanese Language Proficiency Test held at the MOJC.

At Number 19 School (private), also in Darkhan, 6th graders choose either Japanese or German. German used to be twice as popular as Japanese since the school offered student exchange with German school, and textbooks are provided by the Goethe Institute free of charge³⁸. Therefore, only 7 or 8 students used to take the Japanese course. In 2015, the MOJC sent Japanese language teachers to provide mobile training and offered Japanese cultural classes such as tea ceremony and Japanese cooking class³⁹. Japanese animation was played, and calligraphy class was offered to 5th graders. In result of raising their interest in Japanese language, 20 students chose Japanese when they moved to 6th grade. For Japanese teachers of both schools, the MOJC is a valuable resource they can consult and gain advice concerning Japanese language education.

On top of that, the MOJC made Japanese textbooks in Mongolian titled “Dekiru MON in collaboration with Japanese Teachers Association, which is used at 19 elementary and middle schools in Mongolia at the time of the ex-post evaluation.

The project has achieved the project purpose of strengthening the functions of the MOJC, which are 1) to contribute to human resource development towards a market economy and 2) to promote mutual understanding between the people of Mongolia and Japan, and the overall goal in terms of human resource development contributing to the market economy in Mongolia and promotion of mutual understanding between the two countries. Since planned effects were observed and various other positive impact was confirmed, effectiveness and impact of the project are high.

³⁸ For Japanese course, photocopies are distributed due to lack of Japanese textbook.

³⁹ The MOJC staff cooked curry rice, rice balls, soy-bean soup together with principal and students.

3.3 Efficiency (Rating:②)

3.3.1 Inputs

Table 5 List of Inputs

Inputs	Plan	Actual
(1) Experts	<p>【Phase 1】</p> <ul style="list-style-type: none"> - Long-Term (4, Director, Coordinator, business course management, Japanese course management) - Short-Term (as necessary) <p>【Phase 2】</p> <ul style="list-style-type: none"> - Long-Term (Director, Coordinator, Japanese language education) - Short-Term (business field, etc.) 	<p>【Phase 1】</p> <ul style="list-style-type: none"> - Long-Term (6) - Short-Term (32) <p>【Phase 2】</p> <ul style="list-style-type: none"> - Long-Term (7) - Short-Term (58) <p>(* in total)</p>
(2) Trainees received	<p>【Phase 1】 training in Japan (as necessary)</p> <p>【Phase 2】 training in Japan (local staff and graduates of the courses)</p>	<p>【Phase 1】 training in Japan (22)</p> <p>【Phase 2】 training in Japan (54)</p>
(3) Equipment	<p>【Phase 1】 Equipment for training, etc. (as necessary)</p> <p>【Phase 2】 PC, etc.</p>	<p>【Phase 1】 Computer, color-copier, fax, books, etc.</p> <p>【Phase 2】 PCs, copier, projector, DVD camera, telephone and its exchange, LCD television, security camera, UPS, etc.</p>
(4) JICA Local Operation Cost	<p>【Phase 1】 N/A</p> <p>【Phase 2】 Cost for the MOJC operation, PR, consumables, making text, etc.</p>	<p>【Phase 1】 about 73.25 million yen</p> <p>【Phase 2】 about 84 million yen</p>
Japanese Side Total Project Cost	<p>【Phase 1】 N/A</p> <p>【Phase 2】 490 million yen</p>	<p>【Phase 1】 610 million yen</p> <p>【Phase 2】 594 million yen</p>
Mongolian Side Operational Expenses	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. site (center facility)for free 2. MOJC staff 3. operation cost <p>【Phase 2】</p> <ol style="list-style-type: none"> 1.facility 2.staff : vice director (counterpart), cleaners 3.program advisor 4.utilities:water, heat, electricity, etc. 	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. facility : MOJC completed in March 2002 by grant. 2.counterpart : co-director 3. operation cost : all the utility cost <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. MOJC 2. vice director(1) 3. utilities

3.3.1.1 Elements of Inputs

Although the number of long-term experts increased in Phase 1, this was due to replacement; it was always one expert for each post totaling four experts as planned.

The Japanese-side project cost overshoot planned cost by more than 100 million yen in Phase 2. The following activities seem to have not been included at the planning stage. Item 4) and 5) were provided under supplemental budgets after Lehman Crisis in 2007.

- 1) Seminar “Diagnosis and Guidance for SMEs: A four month guidance for 40 companies, and a two-day seminar which also served as a wrap-up of guidance (140 participants total in two days). This was implemented between October 2009 and March 2010, with a contract cost of about 54 million yen.
- 2) Cost shared training in Japan “Management Improvement of Mongolian SMEs”: A total of 22 participants (eight in FY2009, and FY2010 each, and six in 2011)
- 3) Study in Japan Fair: Introduction of Japanese universities and individual consultation. This was first offered in 2010, where five universities and 500 people participated. A year later, nine universities and 512 people participated.
- 4) Seminar for overcoming economic crisis: Contents included overcoming economic crisis and targeted at manufacturing and non-manufacturing industry, Agency for Small and Medium-sized Enterprises, and the Chamber of Commerce of Mongolia. “Management issues for SMEs and how to overcome them”, “Energy efficiency for private sectors and administrative agencies” and “Improvement of loan appraisal competencies (two times)”. Nine Japanese lecturers were dispatched for total of nine sessions in 15 days from November 2009 to February 2010 where 273 people participated.
- 5) Training in Japan: Three people from NUM, the Chamber of Commerce, and Agency for Small and Medium-sized Enterprises participated 20 days training (November 2009).

3.3.1.2 Project Cost

As for Phase 1, planned cost is unknown making comparison of plan and actual impossible. As for Phase 2, there were activities not included in initial planning at the time of the ex-ante evaluation as stated above, and its detail, including cost, became only partially clear. Actual cost ended up higher than planned (121%).

3.3.1.3 Project Period

Project Period was five years starting January 2002 up to January 2007 for Phase 1 and five years from January 2007 to January 2012 for Phase 2, as planned.

As stated above, although the project period of both phases were as planned, the planned project cost for Phase 1 was unclear which precluded comparison with actual, and exceeded the plan in Phase 2. Therefore, efficiency of the project is fair.

3.4 Sustainability (Rating: ③)

3.4.1 Related Policy and Institutional Aspects for the Sustainability of Project Effects

Mongolian development policy, “Program for supporting SMEs (2014-2016) lists six important issues: improvement of legal environment, cluster-based industrial development, research and development as well as introduction of innovation, capacity building of SMEs, increase of fund for capital, and expansion of market. This project, which aims at capacity building of SMEs, matches with Mongolian development policy at the time of the ex-post evaluation.

3.4.2 Organizational Aspects of the Implementing Agency for the Sustainability of Project Effects

The MOJC’s directorship changed from Japanese to Japanese/Mongolian co-directors in June 2011 and Mongolian director in January 2012⁴⁰. Moreover, the MOJC, which used to be a counterpart of a technical cooperation project, became a financially independent unit of NUM by the ordinance of NUM president in April the same year, and the MOJC staff became the staff of NUM. In articles issued in November 2015, the MOJC’s purpose is stipulated as “to contribute to socio economic development of Mongolia and Japan, and to promote exchange between Mongolia and Japan” and its status is defined as an “independent institution auxiliary to NUM.”

In accordance with the initial article, four departments, Operation/administration/facility, Business, Japanese, Library/information exchange, were set up (Figure 3). At the time of the ex-post evaluation, Director (1), Senior Manager (1), Accountant (1), operation/ administration/ facility (11), business (5), Japanese (6), library/information exchange (6), for a total of 31 people (26 staff and 5 part-time) are working alongside four resident Japanese experts (Chief Advisor and Coordinator from JICA, Japanese Language Expert and Coordinator from the Japan Foundation) totaling 35 people. In Phase 1 and 2, the salary of co-director and two cleaning staff were paid by NUM and the rest was born by JICA local operation cost. Since Phase 3, staff salary is paid by the MOJC. All the local staff, the director to start with, understand Japanese. The organizational structure and division of duties are clear and smooth transfer of duties are ensured in case of staff replacement so that operation continues without problem.

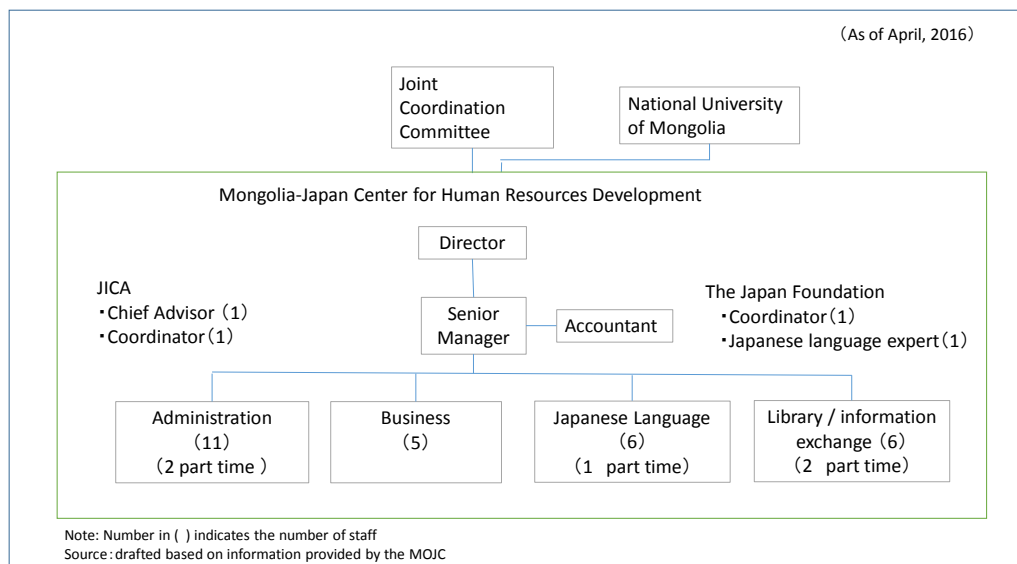
⁴⁰ Until then, JICA expert served director, but became chief advisor since then.

In January 2016, three trans-sectional teams (public relations, 5S⁴¹/kaizen, and finance) were formed, and the MOJC is working together trying to promote efficiency in operation and to enhance revenue⁴².

In terms of the relationship with NUM, by dispatching experts from MOJC to NUM and accepting student interns to the MOJC, efforts are being made to demonstrate the merit of having the MOJC in NUM. In ongoing Phase 4, Joint Coordinating Committee (JCC) meets twice a year starting FY2015 with the Ministry of Education, Culture, Science, and Sports as a chairman, and smooth communication is made among concerned parties.

As stated above, organizational sustainability is high.

Figure 3 Organization Chart of the MOJC



3.4.3 Technical Aspects of the Implementing Agency for the Sustainability of Project Effects

The business courses, Japanese courses, and mutual understanding activities, are conducted by local staff without problem. As for the business courses planning and quality management of the entire course, since the person in charge has just been replaced, it may take a while to achieve this by local staff only. Capacity development of the staff is on progress so that the local staff can do it by themselves at an early date.

In terms of the business courses, local lecturers were in charge of 31% of the Basic

⁴¹ 5S is a method for improving rationality and efficiency by practicing sorting, setting in order, standardizing, shining and sustaining the discipline.

⁴² Activities include “Let’s get rid of 100 wastes” campaign which tries to oust 25 wastes each from 4 departments. Courses and events to utilize idling classrooms were also planned by the local staff.

Business Course⁴³ hours in 2015 which is an increase from 20.5% at the completion of Phase 2. The MOJC's strategy is to offer courses with the best mix of local and Japanese lecturers since courses offered by Japanese lecturers differentiate the MOJC from other similar institutions⁴⁴. Twenty one local lecturers, all graduates of the MOJC business courses, are capable of teaching all subjects of the business courses.

In FY2016, the Basic Business Course was restructured into three courses: executive course, managers course, and basic course. Executive and manager courses, both consist of four subjects (management strategy, human resource management, marketing, and financial management), are offered by Japanese and local lecturers. The entire basic course, which consists of seven subjects (Japanese-style management, financial management, marketing, business strategy, human resource management, store management, and production management) was taught by local lecturers⁴⁵. In total, 42% of these three courses are lectured by local lecturers, and for the business course as a whole, local lecturers share has been increasing since the completion of Phase 2.

As for the Japanese courses, local lecturers taught 95% of the class hours in FY2015. Mutual understanding activities, including Origami and Kimono dressing, are also instructed by local staff.

As stated above, technical sustainability is high.

3.4.4 Financial Aspects of the Implementing Agency for the Sustainability of Project Effects

The MOJC's revenue consists of income from their activities, interest on retained earnings, allocation from NUM⁴⁶, JICA local operation cost, and others (Table 6).

Income from their activities includes business course and Japanese course tuition, participating fee for mutual understanding activities, user fee for conference rooms, lobby, etc. The share of the expenditure from the MOJC self-generated income and retained earnings against entire expenditure (operation cost) was 60.1% in FY2015⁴⁷.

⁴³ It consists of five subjects: management strategy, marketing, store management, financial management, production management (FY2015).

⁴⁴ As of lectures by Japanese experts, introducing long time experience gained in Japanese companies is particularly appreciated, especially in the area of kaizen, 5S, development of business plan, and capacity building of employees.

⁴⁵ Advanced courses (advanced finance, project management, etc.) are lectured by Japanese or local lecturers depending on contents.

⁴⁶ NUM's fund is allocated for utilities of the MOJC facility.

⁴⁷ If the expenditure from JICA headquarters (total cost of expert dispatch, training in Japan and equipment provision: 77.256 million yen) is added into the expenditure, the percentage was 21.1%.

Table 6 Revenue and expenditure of the MOJC (FY2011-FY2015)

(thousand yen⁴⁸)

	FY	2011	2012	2013	2014	2015
Revenue	MOJC self-generated revenue	11,773	25,820	20,983	28,345	20,532
	(Business courses)	(5,020)	(6,996)	(8,408)	(8,408)	(5,730)
	(Japanese courses)	(1,375)	(2,646)	(3,533)	(5,265)	(5,337)
	(Mutual understanding activities)	(469)	(1,795)	(1,347)	(1,731)	(6,520)
	(Room rental, etc.)	(4,910)	(14,382)	(7,696)	(12,941)	(2,945)
	Interest on retained earnings	3,369	(Included in room rental, etc.)	5,250	6,957	7,294
	Allocation from NUM	2,231	1,543	NA(utility cost)	2,092	NA(utility cost)
	JICA local operation cost	22,062	9,626	7,544	8,054	5,931
	Other	978	13,519	13,062	11,735	11,165
	Total	40,412	50,508	46,838	57,184	44,922
Expenditure	Total	28,533	46,219	39,796	55,942	42,860
	(Expenditure from MOJC revenue and retained earnings)	(3,263)	(21,531)	(19,190)	(34,061)	(25,764)
Balance		11,879	4,288	7,043	1,242	2,062

Source: documents provided by JICA

Under the understanding that both the Mongolian and Japanese sides are going to contribute in fund and resources to co-operate the MOJC at least for a while, efforts are being made to bear the operation cost by themselves as much as possible by increasing their income through diversification of business courses and so on. The share of self-generated income versus total expenditure has been increasing steadily as stated before.

Tuition fee is set considering the fee of training at other similar institutions and the application ratio. Tuition for the Basic Business Course was 600,000MNT (about 33,600yen)⁴⁹ in FY2015. In FY2016, raising the fee was discussed due to inflation and to increase income. However, the fee was left unchanged, and the number of subjects decreased from five to four instead by course restructuring. In the case of the Japanese courses, other language schools' tuitions are studied every year and the highest level is set for the MOJC course so that the MOJC does not weigh on private sector.

As the MOJC proceeds with restructuring business courses, starting new Japanese courses (course for younger children, etc.), implementing business tour, and enhancement of public relations to meet the gradually changing needs of participants as well as seeking

⁴⁸ The MOJC's self-generated income, interest on retained earnings, and allocation from NUM are in local currency and calculated in yen. Above figures are rounded down to the nearest thousand, and some figures do not add up.

⁴⁹ One MNT was equivalent to 0.056 yen in March 2016, according to JICA exchange rate (available at JICA website). Other institution which provides similar training charges 400,000MNT for one and a half month course. Another one charges 150,000MNT for three days quality management course. Compared to them, the MOJC's tuition is set at the reasonable level.

increase of revenue, further increase of revenue is expected.

Therefore, financial sustainability is high.

As stated above, no major problems have been observed in the policy background and the organizational, technical, financial aspects of the implementing agency. Therefore, sustainability of the project effects is high.

4. Conclusion, Lessons Learned and Recommendations

4.1 Conclusion

This project was implemented in order to support Mongolia's transition to a market economy by developing human resources in the business sector to support the real economy and contribute to promoting mutual understanding between Mongolia and Japan. In Phase 1, Mongolia-Japan Center for Human Resources Development was established, and three programs: business courses, Japanese language courses, and mutual understanding activities started. In Phase 2, the project aimed at further development of the three programs and enhancement of the MOJC's function.

This project has been highly consistent with Mongolia's development plan to promote the private sector, and development needs to improve management of many small and medium-sized enterprises that have been established through the transition to a market economy. It was also relevant to Japan's ODA policy at the time of ex-ante evaluation which focused on human resource development for transition to a market economy. Therefore, its relevance is high.

In the two phases, the total number of participants for each of the business courses, Japanese courses, and mutual understanding activities was about 9,000, 15,000, and 107,000, respectively. The project purpose of enhancement of the functions of the MOJC to contribute to human resource development towards a market economy and to promote mutual understanding between the people of Mongolia and Japan was achieved. After completion of Phase 2, the three programs continued, and the cumulative number of participants for each of the business courses, Japanese language courses, and mutual understanding activities was about 16,000, 28,000, and 176,000 respectively by the end of FY2015. Furthermore, as the business course graduates contributed to the expansion of business and the increase of profits of the companies they belonged to, the positive impact is apparent. Therefore, its effectiveness/impact are high.

Although the project period was as planned for both phases, the planned project cost for Phase 1 was unclear which precluded comparison with actual costs, while actual cost exceeded the planned cost for Phase 2. Therefore, the efficiency of the project is fair.

Since support of SMEs was still one of the development policies of Mongolia at the

time of this ex-post evaluation, and no major problems have been observed in the organizational, technical, financial aspects of the MOJC, the sustainability of the project's effects is high.

In light of the above, this project is evaluated to be highly satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Implementing Agency

None.

4.2.2 Recommendations to JICA

• Continuous engagement from Japan side

Considering the significance of the MOJC's existence, in order to continuously provide high-quality service to meet the needs of users, engagement of Japan-side remain indispensable. It could include dispatch of Japanese experts to business courses, and training of the MOJC staff and business course graduates in Japan (same can be said for the Japanese courses). That way, the MOJC can take advantage of its strength: the high profile and credibility of the MOJC, network with the business community through continuous cooperation with business course graduates and Kaizen Association. Thus, the MOJC can be utilized and developed further as a base for business exchange and promotion of mutual understanding between Mongolia and Japan which are showing signs of gaining momentum for economic exchange after signing the Japan-Mongolia Economic Partnership Agreement (EPA).

4.3 Lessons Learned

• Collaboration with the Two-Step-Loan Project for Small and Medium-Scaled Enterprises Development and Environmental Protection

Although combination of business-related training and funding is implemented by other cooperation partners such as EBRD, support for SMEs in Mongolia by Japan was its success case. Low interest rate loans are precious resource in Mongolia where market interest rate is high, in order to expand business after acquiring knowledge for management improvement and drafting a business plan. However, the loan application process can be a high hurdle for SMEs. The MOJC supported preparation of business plan, and paved a way to fundraise and develop business.

For the Two-Step-Loan Project, the loan procedure and appraisal become straightforward if the application is based on a realistic business plan, and high repayment rate is expected. Thus, this collaboration benefited both the MOJC and the Two-Step-Loan project.

In terms of supporting SMEs, by combining technical support such as management guidance with funding or close cooperation with other institutions available to provide low interest funds, a more powerful effect of cooperation is expected.

Kyrgyz Republic

FY2015 Ex-Post Evaluation of Technical Cooperation Project
“Kyrgyz Republic-Japan Center for Human Development” and
“Kyrgyz Republic-Japan Center for Human Development Project Phase 2”

External Evaluator: Nobuko Fujita,
Foundation for Advanced Studies on International Development

0. Summary

This project¹ was implemented to develop the human resources of small and medium-sized enterprises (SMEs) so as to promote Kyrgyzstan’s transition to a market economy and promote mutual understanding between Kyrgyzstan and Japan by implementing business courses, Japanese language courses, and mutual-understanding activities² at the Kyrgyz Republic-Japan Center for Human Development (hereinafter, “KRJC”). The project aimed at developing the KRJC’s basic structure in Phase 1 and at enhancing the KRJC’s function in Phase 2.

This project was consistent with Kyrgyzstan’s development plan, which aimed to transform the nation to a market economy and to develop human resources that were capable of coping with a market economy. It was also relevant to Japan’s ODA policy, which focused on supporting transitions to market economies. Therefore, its relevance is high.

In the two phases combined, the total number of participants for the business courses, Japanese language courses, and mutual-understanding activities was about 10,000, 2,600, and 45,000, respectively. The project’s purpose—enhancing the KRJC’s functions to contribute to SMEs’ human-resource development to promote the transition to a market economy, and to promote mutual understanding between the people of Kyrgyzstan and Japan—was achieved. Following Phase 2, Phase 3 was implemented; the cumulative number of participants for each of the business courses, Japanese language courses, and mutual-understanding activities was about 12,000, 3,200 and 62,000 respectively by the end of FY2015. This resulted in the business course graduates founding companies and expanding their businesses, and it contributed to Japanese language education for all of Kyrgyzstan. The KRJC was fully utilized as an institution for human-resource development, contributing to the nation’s transition to a market economy and providing a

¹ In this report, “this project” indicates Phase 1 and Phase 2, the targets of the current ex-post evaluation, which are evaluated as one project. After the completion of Phase 2, Phase 3 and Phase 4 were implemented (see 1.1 Background).

² To enhance mutual understanding between Kyrgyzstan and Japan, events such as the Satsuki, Tanabata, Bon, and Doll Festivals; Japanese drum performances; rice-cake pounding; calligraphy lessons; and lectures on understanding Kyrgyzstan and “Let’s Talk in Japanese” were implemented.

key place to promote the countries' mutual understanding. Therefore, effectiveness and impact of the project are high.

Although the planned project cost for Phase 1 was unclear, precluding a comparison with the phase's actual cost, the number of the Japanese long-term experts dispatched for the phase was as planned; the actual cost was within the planned amount for Phase 2. The project period was as planned for both phases. Therefore, efficiency of the project is high.

Although no major problems have been observed in policy background or in the organizational and technical aspects of the KRJC, some minor problems have been observed in terms of financial aspects, particularly regarding future financial balance. The future plan was still under consideration at the time of this ex-post evaluation; thus, the sustainability of the project effects is fair.

In light of the above, this project is evaluated to be highly satisfactory.

1. Project Description



Project Location



The Kyrgyz Republic-Japan Center for Human Development

1.1 Background

Following the dissolution of the Soviet Union, Kyrgyzstan promoted a transition to a market economy ahead of other former-Soviet countries by introducing price liberalization, foreign capital, and accession to the World Trade Organization. However, the small size of the nation's market (with a population of 5.05 million in 2003)³, its scarce natural resources, and its high logistical costs (because it is a landlocked country) made the production of competitive exports difficult. Investment was sluggish, and per capita GDP was only \$309 in 2001. Under these circumstances, the strengthening of fragile industrial bases and the development of human resources to sustain those bases were becoming one of the key issues in Kyrgyzstan.

Concurrently, starting year 2000, JICA started Japan Center projects⁴ in Asian and

³ The population figure (from 2015) at the time of this ex-post evaluation was 5.94 million.

⁴ At the time of this ex-post evaluation, 10 Japan Centers had been established in nine countries: Cambodia, Vietnam (Hanoi and Ho Chi Minh), Myanmar, and Laos in Southeast Asia; Mongolia, Uzbekistan,

the former-Soviet countries to establish Japan Centers as bases for training practitioners who would promote transitions to market economies and realizing “aid with a Japanese flag.” In Kyrgyzstan, the Cooperation Committee⁵ and the government of Kyrgyzstan established the KRJC on the premises of Jusup Balasagyn Kyrgyz National University (hereinafter, KNU) in 1995. When the Cooperation Committee was dissolved in 2003, JICA took over the operation of the KRJC as the Japan Center projects of JICA, so this project began.

The Kyrgyz Republic-Japan Center for Human Development project (April 2003-March 2008; hereinafter, “Phase 1”) was implemented to develop human resources so as to promote Kyrgyzstan’s transition to a market economy and to promote mutual understanding between the peoples of Kyrgyzstan and Japan by implementing business courses, Japanese language courses, and mutual-understanding activities. The Kyrgyz Republic-Japan Center for Human Development Project Phase 2 (April 2008-March 2013; hereinafter, “Phase 2”) immediately followed Phase 1 and aimed to enhance the KRJC’s function based on the infrastructure developed during Phase 1.

Following the completion of Phase 2, in response to a request for a project specializing in supporting human-resource development in business, the Project for Capacity Development of Business Persons through Kyrgyz Republic-Japan Center for Human Development (April 2013-March 2016; hereinafter, “Phase 3”) was implemented. After Phase 3, to promote the diversification of industries in Kyrgyzstan and to reinforce the Kyrgyzstan’s relationship with Japan, Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic-Japan Center for Human Development (April 2016-March 2021; hereinafter, “Phase 4”) is now being implemented⁶.

1.2 Project Outline

Overall Goals	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. The process of transitioning to a market economy in the Kyrgyz Republic will be enhanced. 2. Mutual understanding and friendly relations between the two countries will be reinforced. <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. The KRJC will perform the core function of human-resource development in business to create market-oriented economic reforms
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Kazakhstan, and Kyrgyzstan in Eastern and Central Asia; and Ukraine.

⁵ The government of Japan and the governments of 12 states of the former USSR established the Cooperation Committee in 1993 to provide humanitarian and technical assistances to the newly independent states.

⁶ Japanese language courses were provided as part of the JICA technical cooperation project, with support from the Japan Foundation in Phase 1 and Phase 2. Starting in Phase 3, these courses have been conducted mainly with support from the Japan Foundation.

	<p>in the Kyrgyz Republic.</p> <p>2. The KRJC will be utilized as the key place to promote mutual understanding between the peoples of the Kyrgyz Republic and Japan.</p>
Project Purposes	<p>【Phase 1】</p> <p>1. The KRJC will play a key role in the human-resource development of the Kyrgyz Republic as it moves toward a market economy.</p> <p>2. The KRJC will promote mutual understanding between the peoples of the two countries through information services and other programs.</p> <p>【Phase 2】</p> <p>The functions of the KRJC will be further strengthened. They are 1) to contribute to human-resource development among SMEs in the Kyrgyz Republic so as to move it toward a market-oriented economy, and 2) to promote mutual understanding between the peoples of the Kyrgyz Republic and Japan.</p>
Outputs	<p>【Phase 1】</p> <p>1. The KRJC will be managed efficiently and effectively, and it will be accessible to the general public.</p> <p>2. Business courses will be continually offered to provide practical knowledge and skills that are pertinent to a market economy. The implementation of these courses will be gradually localized.</p> <p>3. Japanese language courses will be continually offered to fulfill the needs of the general public, professionals in the business and public sectors, and Japanese language teachers. The implementation of these courses will be gradually localized.</p> <p>4. Publications and visual materials related to Japan will be provided for such fields as economy, society, and culture. In addition, the KRJC will be utilized for exchange programs between the two countries.</p> <p>【Phase 2】</p> <p>1. The overall management of the KRJC will improve.</p> <p>2. The function of providing necessary knowledge and practical skills for business will be further strengthened.</p> <p>3. The function of providing Japanese language education based on the diverse needs as well as the opportunities to study Japanese language in the Kyrgyz Republic will be further strengthened.</p> <p>4. The function of providing information on the economic, social, and cultural aspects of both the Kyrgyz Republic and Japan will be further strengthened.</p>
Total Cost (Japanese Side)	【Phase 1】 : 888 million yen 【Phase 2】 : 686 million yen
Period of Cooperation	【Phase 1】 : April 2003-March 2008 【Phase 2】 : April 2008-March 2013
Implementing Agency	【Phase 1】 : Ministry of Finance and KNU 【Phase 2】 : Ministry of Finance, Ministry of Education and Science, and KNU
Other Relevant Agencies / Organizations	None
Supporting Agency / Organization in Japan	The Japan Foundation (Japanese language course)
Related Projects	【Technical Cooperation Project】 -Project for Capacity Development of Business Persons through Kyrgyz Republic-Japan Center for Human Development (2013-2016)

	<p>-Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic-Japan Center for Human Development (2016-2021)</p> <p>-Community Empowerment in Issyk-Kul Oblast* (2007-2011)</p> <p>-Community Empowerment Project through Small Business Promotion by One Village One Product (OVOP) Approach in Issyk-Kul region* (2012-2016)</p> <p>(*In this report, both phases are called “OVOP Project”⁷.)</p>
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1.3 Outline of the Terminal Evaluation

1.3.1 Achievement Status of Project Purpose at the Time of the Terminal Evaluation

In the terminal evaluation report for Phase 2 (2012), the achievement of the project purpose was expected by the time of the project’s completion, considering that all four outputs leading to the project’s purpose were expected to be achieved. In addition, the increase in the number of visitors and activity participants (as well as their high satisfaction level) also showed signs of achievement. On the other hand, financial vulnerability and a lack of medium- to long-term planning were pointed out.

1.3.2 Achievement Status of the Overall Goal at the Time of the Terminal Evaluation

In the terminal evaluation report for Phase 2, there was no mention of the prospective achievement of the overall goal, but one of the indicators—recognition of the KRJC in the Kyrgyzstan private sector—was evaluated as being sufficiently high. Furthermore, the report concluded that the KRJC had become a base for developing exchange and mutual understanding between the two countries, and its function was strengthened.

1.3.3 Recommendations at the Time of the Terminal Evaluation

Concerning the operational management of the KRJC, suggestions included conducting a financial analysis and making a medium-term plan for the KRJC to be able to continue its activities as a nonprofit organization (NPO) after the completion of Phase 2.

Regarding the business courses, recommendations included developing the staff’s capacity, enhancing the network with Kyrgyz economic organizations, and enriching the short courses. Regarding the Japanese language courses, the suggestion was to strengthen collaboration with the Japan Foundation to smoothly introduce its Japanese language classes starting in FY2013.

⁷ The project tried to activate communities through the OVOP movement to formulate sustainable systems of community development. The project supported the organization of small-scale businesses using local resources and offered both technical assistance (accounting, quality management, wrapping, marketing, and organizational management) and study tours. Thus far, the project has been successful in planning and developing felt products utilizing local materials, commercializing by organizing production union, and exporting to Japan and Europe through collaboration with Ryohin Keikaku Co., Ltd. (MUJI).

2. Outline of the Evaluation Study

2.1 External Evaluator

Nobuko Fujita, Foundation for Advanced Studies on International Development

2.2 Duration of the Evaluation Study

For the current ex-post evaluation, following study was conducted.

Duration of the Study: January 2016-March 2017

Duration of the Field Study: May 23-June 8 and July 18-July 30, 2016

2.3 Method of Evaluation

In this report, Phase 1 and Phase 2, which are the targets of this evaluation study, were evaluated together as one project. As for the project purpose, the phrasing was slightly different for Phase 1 and Phase 2, but given the indicators, the targets were similar. Therefore, Phase 2's project purpose was used to verify overall achievement.

3. Results of the Evaluation (Overall Rating: A⁸)

3.1 Relevance (Rating: ③⁹)

3.1.1 Relevance to the Development Plan of the Kyrgyz Republic

The main development strategy at the time of the ex-ante evaluation of Phase 1 was the National Poverty Reduction Strategy (2002-2005). Improving the investment environment to support the development of the private sector was mentioned as the most urgent issue. As the transition to a market economy was a clear policy goal for Kyrgyz, this project's goal of supporting the transition through human-resource development was consistent with the Kyrgyzstan development policy.

In the Country Development Strategy (2007-2011), which followed National Poverty Reduction Strategy, ensuring sustainable growth through the diversification of industry was listed as a priority issue. To realize this goal, the following would be implemented: continual promotion of a market economy through privatization, promotion of SMEs, and human-resource development.

The national development plan at the time of completion of Phase 2, "National Sustainable Development Strategy for the Kyrgyz Republic (2013-2017)" (January 2013) stated that, because the number of big businesses establishment was limited, effort would be made to improve the environment for SMEs by promoting them to raise their competitiveness and to effectively utilize the labor force.

This project, which aimed at human resource development of SMEs to play a key

⁸ A: Highly satisfactory; B: Satisfactory; C: Partially satisfactory; D: Unsatisfactory

⁹ ③: High; ②: Fair; ①: Low

role in the market economy, was highly consistent with Kyrgyzstan development policies from the time of the ex-ante evaluation of Phase 1 through the completion of Phase 2.

3.1.2 Relevance to the Development Needs of the Kyrgyz Republic

At the time of the ex-ante evaluation of Phase 1, the managers of private corporations in Kyrgyzstan needed drastically different management principles and methods than would managers in a planned economy, so the promotion of a market economy through human-resource development was an important development need for Kyrgyzstan¹⁰. At the time of the completion of Phase 2 (2012), SMEs in Kyrgyzstan accounted for 42% of the nation's GDP and were playing a big role in the economy. In the meantime, there was a lack of human resources in wide-ranging areas (management, finance, sales, etc.); a lack of marketing knowledge regarding the market economy; and a lack of information concerning institutions, regulations, and tax systems¹¹.

3.1.3 Relevance to Japan's ODA Policy

Japan's ODA policy regarding Kyrgyzstan at the time of ex-ante evaluation of Phase 1 was based on policy discussions of economic cooperation in 1995. Four areas of focus were identified: supporting the transition to a market economy, basic human needs, economic infrastructure, and agriculture. This work would allow Kyrgyz to efficiently cope with issues (such as its lack of human resources) as part of a process to promote democratization and marketization and to build a new, free nation. Also, in policies of Silk Road Diplomacy¹², the building of human resources and institutions to promote democratization and marketization were listed as important issues. The Country Assistance Program for the Kyrgyz Republic, which was prepared later (drafted in 2007), mentioned infrastructure building for economic growth as one of the important areas. Since the contribution of human-resource development to a market economy was stressed in order to realize it, the project was consistent with Japan's ODA policy. Furthermore, the project was also diplomatically appropriate because it continued and developed the activities of the KRJC after the dissolution of the Cooperation Committee in 2003 to maintain and promote a friendly relationship with Kyrgyzstan, which continues to have a strong affinity toward Japan.

¹⁰ One of the graduates of a business course, looking back at the early phase of the transition to a market economy, said "We were just like babies abandoned in desert."

¹¹ <http://stat.kg/en/statistics/download/operational/366/>

¹² In 1997, then Prime Minister Hashimoto announced the Silk Road Diplomacy toward Central Asia and the Caucasus, paving the way for policies to strengthen ties with these countries based on their 1) geopolitical importance, as they share borders with Russia, China, and the Middle East; 2) economic importance, as they have energy resources such as oil and natural gas; and 3) historical and cultural ties with Japan.

As stated above, this project was highly relevant to Kyrgyzstan's development plan and development needs, as well as to Japan's ODA policy. Therefore, its relevance is high.

3.2 Effectiveness and Impact¹³ (Rating:③)

3.2.1 Effectiveness

3.2.1.1 Achievement of Project Purpose

As stated in 2.3 Method of Evaluation, the project purposes of Phase 1 and Phase 2 are shared, so the Phase 2 project purpose was used to judge overall achievement. As no numerical target was set for the indicators, a comparison of planned and actual results was not possible; the project was evaluated positively if improvement and expansion of activities were observed in Phase 2, based on the accomplishments of Phase 1. The indicators and actual outputs are shown in Table 1. Regarding the indicators of outputs for Phase 1, their statuses at the completion of Phase 2 were reviewed to determine progress.

Table 1 Achievement of Output

Output		Actual
Achievement of Phase 1 Outputs at the Completion of Phase 1 and Phase 2		
1.	<p>The KRJC will be managed efficiently and effectively, and it will be accessible to the general public.</p> <p>(indicators)</p> <ul style="list-style-type: none"> -Number of KRJC staff members and their working capabilities - 	<p>【At the time of completion of Phase 1】</p> <ul style="list-style-type: none"> -At the time of completion, 10 full-time and three part-time staff members were working at the KRJC. -Regarding the business courses, competent staff assisting Japanese experts played an active role in planning and operation. Regarding the Japanese language courses, managers who understood teaching methods and class management worked actively on the project. For the mutual-understanding activities, local staff members were able to adequately plan and operate events with support from Japanese experts. <p>【Phase 2】</p> <ul style="list-style-type: none"> -At the time of completion, 12 full-time and four part-time staff members were working at the KRJC. -Regarding the business courses, although Japanese experts planned the entirety of the courses, operations and management were conducted by local staff based on the operation manual, which was renewed occasionally. IT courses were planned and operated by Kyrgyz lecturers and staff members. -For the Japanese language courses, two full-time lecturers conducted the classes and performed management and administration. Along with two part-time lecturers, existing courses were operable by local staff/lecturers. -Regarding the mutual-understanding activities, local staff implemented the activities with support from Japan

¹³ Sub-rating for Effectiveness is to be put with consideration of Impact.

		Overseas Cooperation Volunteer (JOCV, Youth Activities), librarians, and operation staff. Local staff planned and implemented new events, including a New Year's calligraphy event.
2.	<p>Business courses will be continually offered to provide practical knowledge and skills pertinent to a market economy. The implementation of the courses will be gradually localized.</p> <p>(indicators)</p> <p>-Number of business courses</p>	<p>【Phase 1】</p> <p>-Medium-term Course for Entrepreneurs (5 months): one time</p> <p>-Practical Business Management ("A" Course, 3 months): 3 times</p> <p>-Management Improvement Course (for an individual company; between a few days and a month): 20 times</p> <p>-Seminars on specific topics: 35 times</p> <p>-IT course for people with special hearing needs: 13 times</p> <p>-Local seminars (human-resource development in the tourism industry, marketing, etc.): 3 times</p> <p>【Phase 2】</p> <p>-A Course: 9 times (twice per year except for once in FY2009)</p> <p>-Courses on specific subjects: 13 times</p> <p>-Management Improvement Course: 19 times</p> <p>-Seminars on specific topics: 59 times</p> <p>-IT course for the people with special hearing needs: 29 times</p> <p>-IT course for the general public: 6 times</p> <p>-Local seminars (business basics, etc.): 11 times</p> <p>(See item 1. for course management.)</p>
3.	<p>Japanese language courses will be continually offered to fulfill the needs of the general public, professionals in the business and public sectors, and Japanese language teachers. The implementation of these courses will be gradually localized.</p> <p>(indicators)</p> <p>-Number of Japanese language courses</p>	<p>【Phase 1】</p> <p>-Beginners I and II (1 year), Intermediate I and II (1 year), and Advanced (4 months): every year</p> <p>-Junior Course: once</p> <p>-Preparation for Japanese Language Proficiency Test: once</p> <p>-Video Course: every year</p> <p>-Translator/Interpreter Course: Once</p> <p>【Phase 2】</p> <p>-Introductory: 3 times</p> <p>-Beginners I and II (1 year), Intermediate I and II (1 year), and Advanced (4 months): every year</p> <p>-Junior Course: 3 times</p> <p>-Preparation for Japanese Language Proficiency Test: 4 times</p> <p>-Course for Japanese language instructors: once</p> <p>(See item 1. for course management.)</p>
4.	<p>Publications and visual materials related to Japan will be provided for such fields as economy, society, and culture. In addition, the KRJC will be utilized for exchange programs between the two countries.</p> <p>(indicators)</p> <p>-Number of times the home page is accessed</p> <p>(reference indicator)</p>	<p>Number of times the home page was accessed:</p> <p>【Phase 1】</p> <p>-640/month (average for May-September 2007)</p> <p>【Phase 2】</p> <p>-Between 934 and 1,374/month (2011), between 1,028 and 1,908/month (2012)</p> <p>Number of events for the promotion of mutual understanding:</p> <p>【Phase 1】</p> <p>-46 times (through September 2007)</p> <p>【Phase 2】</p>

	-Number of events for the promotion of mutual understanding	-214 times. Major events such as festivals were held once per month. Small-scale events such as paper folding or calligraphy courses, tea ceremonies, kimono dressing events, and so on were also conducted. A seminar for understanding Kyrgyzstan was conducted for the JOCV and for Japanese residents.
Achievement of Phase 2 Outputs at the Completion and Phase 2		
1.	The overall management of the KRJC will improve. (main indicator) -Annual and ad hoc JCC meetings -Monthly meetings to facilitate communication among the three programs -Formulation, implementation, monitoring, and quarterly revisions of annual operational, financial, and organizational plans -Types and number of publicity programs	-Since FY2004, meetings of the Joint Coordination Committee (hereinafter JCC) were held every year except for 2006 and 2010 ¹⁴ ; in these meetings, the KRJC's activities, financial reports, and annual plans were discussed and approved. -A KRJC management meeting was held every week; this enabled the sharing of information and close coordination of three programs. Besides, annual operation plans, PR plans, and organograms were made and revised quarterly. Financial planning and financial reports for the entire KRJC were also made. -By October 2012, about 280 PR activities were conducted through various media such as the KRJC website, newspapers, magazines, TV, radio, and posters. Starting in June 2011, monthly newsletters (in Russian and Japanese) were issued ¹⁵ .
2.	The function of providing necessary knowledge and practical skills for business will be further strengthened. (main indicator) -Scheduled formulation and implementation of annual implementation policy and course plan -Improvement in the monitoring system -Number of identified and trained local lecturers	-Initially, Japanese experts formulated and implemented an annual implementation plan. Since FY2011, these plans were also made in English and shared with local staff. -At the completion of the A Course and 3 months afterward, a questionnaire survey was conducted to determine the participants' satisfaction levels and the impact on their business. The course's structure and contents were improved according to the needs of the participants, and the operation was reviewed based on the survey results. A database of course participants was made. The monitoring method was articulated in a manual, and a technical transfer to local staff was conducted. -Thirty-eight local lecturers were trained.
3.	The function of providing Japanese language education based on the diverse needs as well as the opportunities to study Japanese language in the Kyrgyz Republic will be further strengthened. (main indicator) -Scheduled formulation and implementation of annual implementation policy and course plan -Improvement in the monitoring	-An implementation policy and annual course plan were made. Due to political turmoil in 2010, some of the activities were postponed, but otherwise, most activities were implemented as planned. -Japanese experts, local lecturers, and KRJC staff conducted monitoring of the activities. Local lecturers improved their classes through teaching plans, class observations, trainings, written reports, and study sessions. After each course, a questionnaire was conducted to identify problems and make improvements. -During Phase 2, 19 local lecturers taught Japanese classes at the KRJC. -Local staff was basically in charge of the Japanese

¹⁴ The reasons for the JCC cancellations were that, in 2006, no Kyrgyz-side co-director had been appointed, and that, in 2010, there was political and social turbulence.

¹⁵ This was issued until July 2013. Then, it became quarterly; it continues to be published on this basis as of the time of the ex-post evaluation.

	system -Number of identified and trained local lecturers -Number of courses initiated by local staff	language courses and of implementing course management.
4.	The function of providing information on the economic, social, and cultural aspects of both the Kyrgyz Republic and Japan will be further strengthened. (main indicator) -Scheduled formulation and implementation of annual implementation policy and course plan -Improvement in the monitoring system -Number of mutual-understanding activities initiated and implemented by local staff	-An implementation policy and a plan for the promotion of mutual understanding were made every year and were conducted smoothly. -Questionnaire survey was conducted after various events to check participants' levels of satisfaction and their status update. The results were utilized to improve activities and to revise the annual plan each quarter. -Full-time local staff members were in charge of day-to-day operations.

Sources: Midterm and terminal evaluation reports for Phase 1 and Phase 2, documents provided by JICA, and the KRJC hearing

The indicators of the project purpose and the actual performance are shown in Table 2. The Phase 2 indicators were used for evaluation; achievements were compared with the status at the completion of Phase 1 to the extent that this was possible.

Table 2 Achievement of the Project Purpose

Phase 2 Project Purpose	
The functions of the KRJC will be further strengthened. They are 1) to contribute to human-resource development among SMEs in the Kyrgyz Republic so as to move it toward a market-oriented economy, and 2) to promote mutual understanding between the peoples of the Kyrgyz Republic and Japan.	
Indicator	Actual
1 Improvement of Recognition	
1-1. Number of visitors	【Phase 1】 126,170 (FY2003-2007) 【Phase 2】 228,920 (FY2008-2012)
1-2. Number of participants at KRJC activities	【Phase 1】 25,376 【Phase 2】 32,805 (see Table 3 for details)
1-3. Satisfaction level of visitors and participants	【Phase 1】 Business courses: 89%; Japanese language courses (Beginners I and II and Intermediate I and II): 96%; mutual-understanding activities: data not available. 【Phase 2】 Business courses: 91% (A Course, average of eight courses during FY2008-2012); Japanese language courses: 91% (FY2012). The courses lectured by Japanese teachers are particularly appealing to the participants, while satisfaction level for courses by Kyrgyz lecturers is sufficiently high; mutual-understanding activities: 90% (FY2012, periodic seminars)

1-4. Proportion of participants from regions other than the city of Bishkek	<p>【Phase 1】 Most of the activities were conducted in Bishkek, and the participants were mostly from Bishkek.</p> <p>【Phase 2】 No data available for the business or Japanese language courses, but some activities were conducted in local areas, including those where JOCV was dispatched, and in coordination with the OVOP project. As for mutual-understanding promotion, 18 events (12%) were held outside of Bishkek, and about 7,600 people (28%) participated¹⁶.</p>
2 Promotion of Ownership	
2-1 Proportion of local lecturers out of total course hours	<p><Business courses></p> <ul style="list-style-type: none"> -at the completion of Phase 1: 60% -at the completion of Phase 2: 65% <p><Japanese language courses></p> <ul style="list-style-type: none"> -at the completion of Phase 1: data not available -at the completion of Phase 2: 89% (FY2012)
2-2. Number of local staff members assigned as program managers of the KRJC	<ul style="list-style-type: none"> -at the completion of Phase 1: five managers -at the completion of Phase 2: one senior manager, five managers, and one assistant manager (seven in total).
2-3. Upper-level tasks undertaken by the local staff	<ul style="list-style-type: none"> -at the completion of Phase 1: The competency and management ability of the staff were high, but due to their high potential and their opportunities to study abroad, turnover was high. -at the completion of Phase 2: All the business courses, Japanese language courses, and mutual-understanding activities were conducted by local staff. After the midterm evaluation, upper-level tasks were gradually handed over to local staff, and a staff member was assigned to the senior manager to oversee management of the entire KRJC in July 2011.
3 Financial Sustainability	
3-1. Proportion of the KRJC's own revenue to local expenditure	<ul style="list-style-type: none"> -at the completion of Phase 1: 10% (FY2007) -at the completion of Phase 2: 34% (FY2012)
4. Networking	
4-1. Number of activities in cooperation with related organizations	<p>【Phase 1】 None for the business courses. There was a collaboration with the Japanese Teachers Association for a Japanese speech contest.</p> <p>【Phase 2】 Numbers are not available, but the following cooperation was implemented.</p> <p><Business courses></p> <ul style="list-style-type: none"> -The KRJC's lecturers gave lectures and offered seminars at 10 universities and other institutions. -The KRJC collaborated with the European Bank for Reconstruction and Development (EBRD) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The KRJC helped A Course graduates to register as consultants for EBRD. The lecturers from GIZ gave lectures at the KRJC, and the KRJC helped train those lecturers. <p><Japanese language courses></p> <ul style="list-style-type: none"> -The KRJC continually helped the Japanese Teachers Association by supporting events such as the Japanese speech contest. <p><Mutual-understanding activities></p> <ul style="list-style-type: none"> -The KRJC held many events in cooperation with KNU and other institutions. These included Japanese drum performances at the

¹⁶ Calculated from documents provided by JICA.

	Kyrgyz Russian Slavic University and Kyrgyz-Russian Academy of Education, seminars on paper folding at the Kyrgyz State University of Construction, Transportation and Architecture, and a kodo (incense making) seminar at the Bishkek Humanities University. A Study in Japan Fair was also offered in FY2009 and from FY2011-2015, and 24 universities and institutions participated.
4-2. Number of activities in cooperation with returnees of scholarship program or the JICA training program in Japan	<p>【Phase 1】 Data not available</p> <p>【Phase 2】 The number is not available. However, participants in the JICA training program presented the fruits of their training at the KRJC, and returnees of scholarship program joined mutual-understanding activities such as “Let’s Talk in Japanese.”</p>

Sources: Midterm and terminal evaluation reports for Phase 1 and Phase 2, documents provided by JICA, and the KRJC hearing

Regarding item 1, “improvement of recognition,” the cumulative number of visitors exceeded 350,000, and the number of activity participants in the two phases reached around 58,000. Both numbers for Phase 2 significantly exceeded those for Phase 1.

The number of participants for each activity is shown in Table 3. As for the business courses, various courses were offered, as shown in output 2 of Table 1. Starting in FY2006, the Practical Business Management Course (also called the “A Course” and became the flagship course of the KRJC), in which marketing, business planning, quality management, human resource management, and financial management were offered over three months, was offered twice per year since then; it had 644 participants by the end of Phase 2.

Regarding the Japanese language courses, the total number of participants declined to 902 in Phase 2 from 1,666 in Phase 1. This was because of the political unrest in 2010, which constrained some of the activities, and because Kyrgyz people’s interest in learning Japanese peaked around 2006. As the number of university students majoring in Japanese decreased, demand for Japanese language teachers also decreased. This in turn made the number of participants decrease for the Japanese language-teachers courses, and as did the need for incoming Japanese language teachers to brush up their teaching methods at the KRJC. A shift of interest from Japanese to Chinese and Korean had some influence on this trend. In Kyrgyzstan, mastering Chinese or Korean is advantageous in job searches and for working away from home. Furthermore, there is little financial burden required to study Chinese or Korean and to study abroad because many scholarships are offered to study in China and because free language classes are offered at the Korea Center; thus, many people are attracted to the study of these languages¹⁷.

Regarding the mutual-understanding activities, 45,404 people participated across the

¹⁷ At the time of the ex-post evaluation, although total number is unclear, at universities only 3,000 students were studying Chinese, or about 7 times the number studying Japanese (Confucius Institute). As for Korean, 3,000 primary to middle school students were studying Korean (Korea Center), which is 8 times the number studying Japanese; the popularity of K-pop and Korean dramas had some influence.

two phases (FY2003-2012). The number of participants in Phase 2 was about 1.5 times that of Phase 1. The number of visitors also increased, with Phase 2 having about 1.8 times the number of Phase 1.

Table 3 Number of Participants

FY	Phase 1					Total
	2003	2004	2005	2006	2007	
1. Business courses		1,130	519	963	2,593	5,205
(A Course)				(43)	(108)	(151)
2. Japanese courses	409	379	520	231	127	1,666
3. Mutual-understanding activities	307	735	4,043	4,442	8,978	18,505
1-3 total	716	2,244	5,082	5,636	11,698	25,376
4. Visitors	N/A	N/A	N/A	N/A	5,190	126,170

FY	Phase 2					Total
	2008	2009	2010	2011	2012	
1. Business courses	2,467	642	1,191	346	358	5,004
(A Course)	(51)	(113)	(109)	(113)	(107)	(493)
2. Japanese courses	209	162	158	181	192	902
3. Mutual-understanding activities	3,281	6,004	3,500	6,693	7,421	26,899
1-3 total	5,957	6,808	4,849	7,220	7,971	32,805
4. Visitors	69,537	60,204	34,104	32,995	32,080	228,920

FY	Phase 3			2013-2015	2003-2015
	2013	2014	2015	Total	Total
1. Business courses	515	337	470	1,322	11,531
(A Course)	(126)	(104)	(85)	(315)	(959)
2. Japanese courses	228	271	137	636	3,204
3. Mutual-understanding activities	5,661	4,195	6,382	16,238	61,642
1-3 total	6,404	4,803	6,989	18,196	76,377
4. Visitors	32,735	17,302	27,139	77,176	432,266

Source: documents provided by JICA

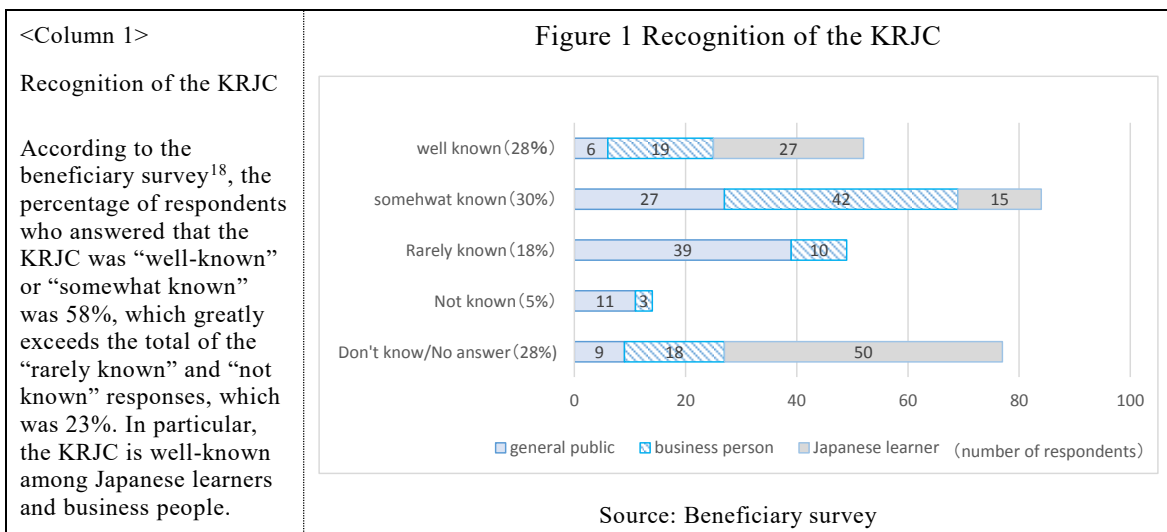
As stated in indicators 1-3 in Table 2, the participants' satisfaction remained high throughout Phase 1 and Phase 2. In Phase 2, activities were conducted in local areas outside of Bishkek.

Regarding item 2, "promotion of ownership," the percentage of teaching hours by local lecturers slightly increased from 60% at the end of Phase 1 to 65% during Phase 2. All of the Japanese language courses were taught by Japanese lecturers until 2002, but 89% of the course hours were taught by local lecturers in 2012. In Phase 1, high turnover among the business-course staff was a concern, but the average working years increased from 2.1 years in Phase 1 to 3.5 years in Phase 2.

For item 3, “financial stability,” the proportion of the KRJC’s income (tuition, membership fees, rent, etc.) spent locally was 10% (FY2007) at the end of Phase 1, which increased to 34% (FY2012) by the end of Phase 2. The amount increased by more than 3 times, from about 3 million yen (FY2007) to 11 million yen (FY2012).

As for item 4, “networking,” the KRJC implemented many activities in collaboration with EBRD and GIZ for the business courses, with the Japanese Teachers Association for Japanese language courses, and with universities inside and outside of Kyrgyzstan for the mutual-understanding activities in Phase 2; this was much more extensive than in Phase 1.

As stated above, based on the accomplishments in Phase 1, the KRJC’s functions of human-resource development and mutual-understanding promotion were strengthened; therefore, Phase 2’s project purpose was achieved.



3.2.2 Impact

3.2.2.1 Achievement of the Overall Goal

Because both of the overall goals of Phase 1 were considered to be of a higher level than they should have been, the overall goals of Phase 2 were used to verify achievement¹⁹ (see Table 4).

¹⁸ The beneficiary survey was conducted during the ex-post evaluation and targeted the participants in the business courses (A Course only), Japanese language courses, and mutual understanding activities in Phases 1 and 2. The total number of respondents was 100 (57 from business courses, 17 from Japanese language courses, and 26 from mutual-understanding activities—of whom 13 each were from the Kyrgyz and Japanese sides). The surveys were conducted through face-to-face interviews (34 respondents), mailed surveys (29 respondents), and telephone interviews following mailed surveys (37 respondents). The business course participants were 49% male and 51% female; the Japanese course participants were 6% male, 88% female, and 6% unidentified; and the mutual understanding participants were 23% male, 62% female, and 15% unidentified. The survey was conducted in Bishkek in May-August 2016.

¹⁹ Regarding one of the overall goals of Phase 1, the enhancement of the transition to a market economy, in the World Bank and IFC’s Doing Business overall ranking, Kyrgyzstan improved from 104th place in 2005 to

For the overall goal, there were eight indicators without specific targets. The indicators for overall goal 2 were added, so 10 indicators were examined in all. The indicators and actual performance are shown in Table 4.

Table 4 Achievement of the Overall Goals

Phase 2 Overall Goals	
1. The KRJC will perform the core function of human-resource development in business to create market-oriented economic reforms in the Kyrgyz Republic	
2. The KRJC will be the key place to promote mutual understanding between the peoples of the Kyrgyz Republic and Japan.	
Indicator	Actual
1-1. Number of private companies recognizing the KRJC	-The Chamber of Commerce and Industry of the Kyrgyz Republic publicizes actively the KRJC's business courses to its members (by placing posters in front of its office and its mailing system), and the KRJC is well-known among its members ²⁰ .
1-2. Number of private companies that have improved business efficiency and profit by completing the KRJC's business course	-According to the follow-up survey, which was conducted three months after the completion of the A Course, among the 351 respondents (graduates of FY2006-2015), 123 (35%) stated that "sales increased," 72 (21%) started new companies, and 98 (28%) expanded their businesses ²¹ .
1-3. Number of private companies started after completing the KRJC's business course	-According to the beneficiary survey at the time of the ex-post evaluation, which targeted the A Course graduates, of the 57 respondents, 14 (25%) started new companies after learning about the practice of making a business plan, and 16 (28%) started a new project at their companies. Higher motivation was mentioned by 42% of the respondents, and 49% said that their business practices had improved. Furthermore, some graduates encouraged young employees to start businesses and supported such start-ups (see column 2).
2-1. Number of Japanese language teaching institutions and teachers recognizing the KRJC	-The Japanese Teachers Association was established by the Japanese teachers of the KRJC as core members when the KRJC operated under the Cooperation Committee. The KRJC lecturers, staff members, and graduates are still the key members of this group, and all the members recognize the KRJC ²² . -During the ex-post evaluation, the graduates of the Japanese course (9 graduates, including 4 successive directors of the Japanese Teachers Association) all shared an understanding that "except for universities with Japanese language majors such as KNU and Bishkek Humanities University, the KRJC is the most trustworthy Japanese language education institution."
2-2. Number of participants becoming Japanese teachers	-Among Japanese course participants, four graduates became Japanese teachers, and many other participants were already Japanese teachers prior to participation in the KRJC courses ²³ .

67th place in 2016. It was in 35th place for starting a company, and 6th place for ease of registering a corporation (among 189 countries). As the direct causal relationship with the KRJC is unclear, this is just reference information.

²⁰ The Chamber of Commerce and Industry of the Kyrgyz Republic has a membership of 911 institutions, including SMEs, large corporations, and 40 unions of entrepreneurs from every sector and all over the country. SMEs account for 91% of the membership (Chamber of Commerce and Industry of Kyrgyz Republic).

²¹ Documents provided by KRJC

²² There are 41 Japanese language teachers, including those in local areas (as of 2015). The Japanese Teachers Association membership is 33 (Japanese Teachers Association).

²³ KRJC

2-3. Number of Kyrgyz students studying in Japan	-The number of students studying in Japan increased year by year from 33 in 2004 to 62 in 2007 and 98 in 2010. However, after the Great East Japan Earthquake, the number decreased to 75 in 2012 ²⁴ . Recently, the number has been increasing again, but there are other factors (such as promotional measures by the Japanese government), and it is difficult to ascribe direct causation to the KRJC's activities.
2-4. Number of participants utilizing the knowledge and skills acquired in the KRJC Japanese language courses	-The total number is not available, but according to the beneficiary survey at the time of the ex-post evaluation, 56% (9 out of 16) of the respondents said that completing the KRJC Japanese course helped them in searching for or changing jobs. Nine graduates interviewed during the ex-post evaluation were using the knowledge acquired in the Japanese course thoroughly, such as by teaching Japanese at universities.
2-5. Whether or not the participants in the KRJC courses and events were able to understand Japan better	-Regarding the promotion of understanding related to Japan, 99.5% of the participants in the KRJC Japanese language courses (FY2014 and 2015) said that they had more interest in and a better understanding of Japan after the courses. According to the beneficiary survey, all the Japanese course graduates said that they have a better (or much better) understanding of Japan and the Japanese people after taking Japanese language courses at the KRJC.
2-6. Whether or not the Japan-side participants in the various KRJC events were able to understand Kyrgyzstan better	- By participating in seminars on understanding Kyrgyzstan (which were intended for JOCV and Japanese residents in Kyrgyzstan) and in Japanese cultural events that brought Japanese and Kyrgyz people together, the Japan-side participants came to have a better understanding of Kyrgyz society ²⁵ . -In cooperation with Japanese universities, exchange programs and Japanese study tours provided opportunities for Japanese students to better understand Kyrgyzstan ²⁶ .
2-7. Whether or not Kyrgyz-Japan friendship and cooperative relationships were strengthened through the various KRJC activities	-The total number of participants in the mutual-understanding activities amounted to 61,642 by FY2015. Notably, the Satsuki Festival is an annual event that took place not only on campus but at an adjacent park, and many citizens look forward to it ²⁷ .

One of the overall goals, to “perform the core function of human-resource development in business to create market-oriented economic reforms,” was achieved. As shown in Table 4, course information was widely disseminated by the Chamber of Commerce and Industry of Kyrgyz Republic, and many KRJC business course graduates went on to work at private companies. At the KRJC, a follow-up survey was conducted three months after the completion of the A Course. Among the 351 respondents²⁸, the impact included sales increases (for 35% of participants), business expansion (28%), and the founding of companies (21%) (see Table 4, indicators 1-2). Furthermore, according to the beneficiary survey, at the time of the ex-post evaluation, A Course graduates reported

²⁴ This is the number of foreign students enrolled in Japanese universities, graduate schools, community colleges, specialized vocational high schools, specialized training colleges (specialized courses), educational institutions with preparatory courses for entering Japanese universities, and Japanese language schools (Japan Student Service Organization).

²⁵ Beneficiary survey targeted at participants of mutual-understanding activities

²⁶ KRJC

²⁷ KRJC and mutual-understanding activity participants

²⁸ The target group was all the A Course graduates, which was about 700 people.

improving business operations (49%) or starting companies (25%). Based on these two studies, supposing that 21-25% of A Course graduates start companies, the resulting number of companies would be 200-250. New job opportunities also rose due to start-ups and business expansions.

The KRJC's lineup of business courses and seminars was comprehensive so that it could meet various demands. A Course was for systematically learning business, the Management Improvement Course was for actual improvements of individual companies, the short seminar was for learning topics in a short time, and the E Course was for managers or managerial staff members. A Course is characterized as halfway between a 2-year MBA program at KNU Graduate School of Management and a several-day business seminar offered by the Chamber of Commerce and Industry; this mini-MBA course is one and only in Kyrgyz and teaches the basics of business in three months. It is particularly popular among SMEs in Kyrgyzstan because it offers individual guidance for making a business plan, advice for each participant's business challenges (for which in-depth instruction sometimes extends well beyond class hours), and exposure to real business cases from Japan. The Chamber of Commerce and Industry actively recommended the KRJC course to its members²⁹.

The second overall goal, that the KRJC "will be the key place to promote mutual understanding between the peoples of the Kyrgyz Republic and Japan," was also achieved. The KRJC, with its long history, has become the most trustworthy Japanese-language educational institution for adults and students in Kyrgyzstan³⁰. The only other ways to learn Japanese on a full scale are through the Japanese language majors at KNU and Bishkek Humanities University and from small-scale language schools. The KRJC gets a strong evaluation because it has provided high-quality Japanese language education for 20 years and over³¹, and it has contributed to improve Japanese language education across Kyrgyzstan through the Japanese speech contest, seminars and study sessions, and collaborations with the Japanese Teachers Association.

The beneficiary survey also targeted participants in the Japanese course and mutual-understanding activities, showing that the participants had a better understanding of Japan after these activities (Table 4, indicator 2-5). Moreover, among Japanese residents in Kyrgyzstan³², many stated that they were able to increase the exchange with people in Kyrgyzstan through the Seminar on Understanding Kyrgyzstan and by jointly

²⁹ Chamber of Commerce and Industry of Kyrgyz Republic

³⁰ Japanese course graduates

³¹ Japanese language education started in 1995 at the Japan Center (under the Cooperation Committee), and until September 2005 (when the KRJC became an NPO), it was offered free of charge.

³² The number of Japanese residents in Kyrgyzstan was 156 as of October 2014 (<http://www.mofa.go.jp/mofaj/area/kyrgyz/data.html>). The number of Japanese children (elementary and middle school) was about 25, including those in local regions, as of May 2016 (The Japanese Women's Association).

participating in the Satsuki Festival and other kinds of events³³. Some school-aged Japanese children have spent a long time in Kyrgyzstan, and some elementary students experienced calligraphy at the KRJC for the first time in their lives. The KRJC's events, such as festivals and rice-cake pounding, are precious opportunities for Japanese children to be in contact with Japanese culture. Library books in Japanese are well read by both the Kyrgyz people and Japanese residents and by both children and adults.

As stated above, the achievement level regarding both overall goals is high.

3.2.2.2 The Outputs and Project Purpose from the Completion of Phase 2 through the Ex-Post Evaluation

From the completion of Phase 2 through the ex-post evaluation, the outputs and project purpose were maintained, and more activities were conducted.

After the completion of Phase 2, the A Course was offered twice a year (as before), and short courses on specific subjects and seminars were continually offered during the three years of Phase 3. The E Course (for executives) was also offered starting in Phase 3. According to the beneficiary survey conducted during the ex-post evaluation, merits of the KRJC business courses included attending lectures given by Japanese experts, being able to learn Japanese-style management, and high-achieving participants having opportunities to go on study tours in Japan³⁴.

The A Course is continually offered by dispatched Japanese experts who have teamed up with local lecturers. In FY2016, three Japanese lecturers and 10 local lecturers took part³⁵.

As for the Japanese language courses, the Japan Foundation has been in charge since Phase 3. The lectures and course management are implemented by both a Japanese language expert (dispatched by the Japan Foundation) and local lecturers (two full-time and three part-time). The local lecturers taught between 83.3 and 85.2% of the class hours in FY2013-2015. As mentioned before, the Chinese and Korean languages have recently become more popular than Japanese. Although Japanese language skill provides no advantages when job hunting, Japanese culture (including animation and comics) and Japanese technological competence are becoming motivations to learn Japanese, and it is encouraging that the number of the students studying Japanese in scola (elementary to middle school) has been increasing (Figure 2). At the KRJC, the target participant age

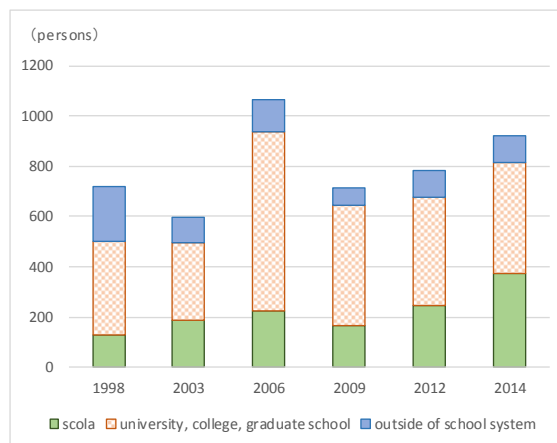
³³ The beneficiary survey targeted mutual understanding activities participants.

³⁴ The three to five highest-achieving participants of each round of the A Course were sent to trainings in Japan for 16 to 21 days. Ten graduates from Phase 1 and 16 from Phase 2 participated in this training, along with KRJC staff members and local lecturers.

³⁵ Japanese lecturers taught marketing, financial management, production management, and quality management. Local lecturers focused on business planning, organization and human-resource management, basic accounting, and management accounting.

was lowered from 18 to 15 starting in FY2015. Moreover, a Junior Course for those under 15 began in FY2016. This course’s structure is designed to attract participants, and it is expected to acquire applicants continually. As for the mutual-understanding activities, cultural events organized by local staff members have attracted many participants prior to the ex-post evaluation.

Figure 2 Number of Japanese Language Students in Kyrgyzstan



Note: “University, college” includes both Japanese language majors and those taking electives

Source: The Japan Foundation’s annual surveys on overseas Japanese language teaching Institutions, plus the KRJC for 2014

The number of participants in the three years of Phase 3 (FY2013-2015) is shown in Table 3. The number of annual visitors ranged from 17,000 to 33,000 in FY2013-2015. On top of that, many more people joined events outside of the KRJC, such as those at concert halls. The number of the business course participants increased by 1,322 from the completion of Phase 2 through FY2015, reaching a cumulative total of 11,531. The number of Japanese course participants increased by 636 from the completion of Phase 2 through FY2015, reaching a cumulative total of 3,204. In the same period, the number of participants in mutual-understanding activities increased by 16,238, reaching a cumulative total of 61,642.

As for the participants’ satisfaction levels, 73-91% of the A Course participants (FY2013-2015) and 70-81% of the Japanese course participants (FY2014-2015) were satisfied. Regarding the mutual-understanding activities, 96% of the participants at the Satsuki Festival of FY2013 rated it as either “Very good” (62%), or “Good” (33.5%). Regarding the cultural events such as paper-folding and tea ceremonies, 78% said they were “Very good” or “Good” (FY2013).

As stated above, the effects of the outputs and the project purpose continue to be seen.

3.2.2.3 Other Impacts

This project had various indirect positive impacts, as follows.

<Formulation of the A Course Alumni Organization “G-Club” and Other Networking>

The G (Graduates)-Club was organized in 2012, and occasional seminars are held exclusively for its members at the KRJC³⁶. According to the beneficiary survey, an informal network has been created among various industries due to the KRJC, making positive impacts on these businesses³⁷.

<Collaboration with the Community Empowerment Project in Issyk-Kul Region (OVOP Project)>

The KRJC held business seminars in Issyk-Kul region for people associated with the OVOP project in 2008, 2009, and 2012. In addition, a five-day Management Improvement Course was offered at the KRJC, focusing on inventory management, preparation of balance sheets, cash management, and budget management; this course was for the representatives in charge of accounting for OVOP+1³⁸, a total of six participants.

Furthermore, a business tour for A Course participants was conducted in Issyk-Kul region, with a Japanese expert on the OVOP project invited to serve as the lecturer. Those associated with OVOP were able to attend business-practices training at the KRJC, and the A Course participants could see the actual sites in which marketing and branding were completed for exporting goods to the Japanese and European markets.

<Impact of the IT Course for People with Special Hearing Needs>

An IT Course for people with special hearing needs started in Phase 1 and continued until FY2015, teaching 328 people how to use PCs³⁹. Subsequently, three graduates of the upper-level course became trainers and gave instructions to beginners. The skills acquired in this course were utilized for work and for private applications, and the participants became able to communicate with people in other countries such as Kazakhstan, Uzbekistan, and Russia. The course also led to an international exchange among people

³⁶ Lecture topics included “Psychology in Service” by a lecturer of the Uzbekistan-Japan Center for Human Development and “Issues to Be Considered for Entering the Japanese Market” by a representative from a Japanese company that is working on the OVOP project.

³⁷ For example, one A Course graduate who started a business received full-fledged legal support from an A Course classmate who had started a legal consulting firm. Many graduates enjoy cross-industrial information exchange and accommodate each other by offering classmate discount (per the beneficiary survey at the time of the ex-post evaluation).

³⁸ A public union was in charge of the business and logistics for the OVOP project; it has 20 staff members (as of June 2016).

³⁹ Similar courses were started by The Social Rehabilitation Center “Equal Possibilities to All” supported by UNDP and Korea Center; AKAK Social Center supported by IFC; and Kyrgyz Technical University supported by GIZ. Thus, the KRJC course was suspended for FY2016.

with special hearing needs, such as TV conferences with people in Japan and Pakistan⁴⁰.

<Business Course Held in the Republic of Tajikistan>

In FY2014 and 2015, the Practical Management Course (a modified A Course) has been offered at the University of Central Asia (UCA) in Tajikistan co-hosted by the KRJC and UCA⁴¹.

No negative impact was confirmed.

As stated above, the project has achieved the project purpose of strengthening the functions of the KRJC, which are 1) to contribute to human-resource development among SMEs in the Kyrgyz Republic, and 2) to promote mutual understanding between the peoples of the Kyrgyz Republic and Japan. Regarding the overall goal, the KRJC was sufficiently utilized as a key place for human-resource development, for market-oriented economic reform, and for promoting mutual understanding between the countries. Therefore, effectiveness and impact of the project are both high.

<Column 2> Learning the importance of human-resource development at the KRJC

Ms. J, a graduate of the A course during Phase 2, is the manager of a snack manufacturing company that has 12 employees. She was formerly a biology teacher of school, but after the disintegration of the Soviet Union, since her salary was cut down, she started a grocery store as a side business to supplement her income. She noticed a potential niche for corn snacks with no additives therefore anybody can eat at ease in Kyrgyzstan. As a result, she retired from the school, and started making such snacks in 2008. However, she had no experience in manufacturing, so she needed knowledge of production management. She joined the KRJC business course in 2010. After learning the basics of management, quality control, marketing, and wrapping, she immediately used those skills in her business. By 2014, her production and sales has both quadrupled compared to their 2008 levels.

“The KRJC is the source of new technologies and knowledge, and graduates pay great attention to their activities,” says Ms. J. She is now planning to export her corn snack to Kazakhstan through a joint venture proposed by a Kazakh classmate from the JICA training she attended in Japan.

“I learned two things at the KRJC. One is to take care of employees, and the other is to meet customers’ requests.” She always keeps these lessons in mind and puts them into practice. During the JICA training in Japan, she learned that Japanese companies put a great deal of effort into their employees’ capacity development. Thus, she sent four of her employees to the KRJC training courses. In Kyrgyzstan, employee turnover is very high, but no one quits her company. (Actually, one person did quit but soon came back.) “All the employees are partners,” she says.

She recommended that a young employee who works as a driver start to think about his career plan. She asked, “Do you want to be a driver when you get old? Is there anything else you can do?” Today, the driver is preparing a seed business under her guidance. She gives advice to many more potential entrepreneurs and plans to open a formal course for start-ups in the near future.



(Photo: KRJC Business course graduate)

⁴⁰ Association for Audio Visual Disabilities

⁴¹ The program was a joint lecture by the Tajikistan side and the Kyrgyz side (local lecturers only).

3.3 Efficiency (Rating:③)

3.3.1 Inputs

Table 5 List of Inputs

Inputs	Plan	Actual
(1) Experts	<p>【Phase 1】</p> <ul style="list-style-type: none"> - Long-Term (KRJC co-director, coordinator, business course management, Japanese course management) - Short-Term (intensive business course, Japanese course, etc.) <p>【Phase 2】</p> <ul style="list-style-type: none"> - Long-Term (co-director/chief advisor, coordinator, Japanese course management) - Short-Term (business, about 20) 	<p>【Phase 1】</p> <ul style="list-style-type: none"> - Long-Term (7) - Short-Term (40) <p>(Resident posts: four, as planned)</p> <p>【Phase 2】</p> <ul style="list-style-type: none"> - Long-Term (7) - Short-Term (19) <p>(Resident posts: three, as planned)</p>
(2) Trainees received	<p>【Phase 1】</p> <p>Training in Japan (KRJC staff and training participants)</p> <p>【Phase 2】</p> <p>Training in Japan (local staff and graduates of the courses, around nine people per year)</p>	<p>【Phase 1】</p> <p>Training in Japan (60)</p> <p>【Phase 2】</p> <p>Training in Japan (43)</p>
(3) Equipment	<p>【Phase 1】</p> <p>Equipment for training, books, etc.</p> <p>【Phase 2】</p> <p>PCs, TVs, books, audiovisual equipment, etc.</p>	<p>【Phase 1】</p> <p>Book-binding machine, vehicles, PCs, network printers and related software, books, DVDs, CDs, etc.</p> <p>【Phase 2】</p> <p>PCs, printers, etc.</p>
(4) JICA Local Operation Costs	<p>【Phase 1】</p> <p>Part of the operation cost (course management, international communication, and part of the staff's salary)</p> <p>【Phase 2】</p> <p>Cost for the KRJC operation, PR, consumables, text creation, etc.</p>	<p>【Phase 1】</p> <p>151 million yen</p> <p>【Phase 2】</p> <p>140 million yen</p>
Japanese Side Total Project Costs	<p>【Phase 1】 N/A</p> <p>【Phase 2】 830 million yen</p>	<p>【Phase 1】 888 million yen</p> <p>【Phase 2】 686 million yen</p>
Kyrgyzstan Side Operational Expenses	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. Co-director 2. Facility (the 2nd floor of KNU's No.7 building) 3. General cost (facility maintenance, utilities, domestic communication fees, etc.) <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. Co-director 2. Facility (the 2nd floor, part of the 3rd floor, and the basement of KNU's No.7 building) 3. Utilities 	<p>【Phase 1】</p> <ol style="list-style-type: none"> 1. Co-director 2. Facility (entire 2nd floor and part of the 3rd floor of KNU's No.7 building) 3. General cost: utilities <p>【Phase 2】</p> <ol style="list-style-type: none"> 1. Co-director 2. Facility (same as planned) 3. Utilities (about 600,000 yen per year), KRJC parking for official cars (starting in April 2012)

3.3.1.1 Elements of Inputs

The planned and actual inputs are shown in Table 5. Concerning Japanese input in Phase 1, although the details were not specified in the plan, there were four resident long-term experts, as planned. In Phase 2, the political unrest of April 2010 and the ethnic conflict in the south of the nation that June caused temporary political and economic disorder, and there was no president of KNU for a while; this made holding JCC meetings difficult. The input decreased in part due to the cancellation of many mutual-understanding activities such as the Satsuki Festival thus actual project cost was less than planned. Kyrgyzstan-side inputs were delivered as planned.

3.3.1.2 Project Cost

For Phase 1, the planned cost was unknown, making comparisons of the planned and actual costs impossible. Meanwhile, for Phase 2, the actual cost was less than planned.

3.3.1.3 Period of Cooperation

The period of cooperation lasted for five years for Phase 1, from April 2003 through March 2008, and for five years for Phase 2, from April 2008 through March 2013, as planned.

Although the planned project cost for Phase 1 was unclear (which precluded comparison with the actual cost), the number of long-term experts was the same as in the plan. The cost for Phase 2 was less than planned. The project period was as planned for both phases. Therefore, efficiency of the project is high.

3.3 Sustainability (Rating:②)

3.4.1 Related Policy and Institutional Aspects for the Sustainability of Project Effects

The “National Sustainable Development Strategy for the Kyrgyz Republic (2013-2017)”, national development plan aims to improve the business and investment environment because the economy leads the sovereignty of the state and national security. With respect to the promotion of SMEs, the plan aims to create economic development by starting new businesses and ensuring more efficient utilization of existing SMEs. In the Kyrgyzstan development policy, the promotion of SMEs is still an important issue.

Moreover, in a joint statement from October 2015 on “solidarity and partnership for democratic nations,” Japanese Prime Minister Abe and President Atambayev of the Kyrgyz Republic stated that they expect the KRJC to become a core institution for business people and that it will promote the development of a market economy and

increase the number of experts who have Japanese language ability.

As stated above, the project's policy and institutional sustainability is high.

3.4.2 Organizational Aspects of the Implementing Agency for the Sustainability of Project Effects

The KRJC is operated in one of the building provided by KNU. The KRJC is legally an NPO that KNU established in 2005; it has independent organizational management and expenditures. On the other hand, its director is appointed by KNU, and in case of a change in government (and thus the replacement of the president of KNU, which is a national university), KNU's policy toward the KRJC could change abruptly. However, important decisions are made at the JCC, which includes KNU, the Ministry of Finance, the Ministry of Education, the Embassy of Japan, and the JICA Kyrgyz Republic Office. For the KRJC, being on the campus of KNU has many advantages. For example, it can utilize the various facilities of KNU, and the Japanese Taiko drum team⁴² can practice with no hesitation.

After turning over responsibilities gradually to the local side during Phase 2 (based on the establishment in Phase 1 of the goal to enhance the degree of operational independence), daily operations and management are now (at the time of the ex-post evaluation) conducted smoothly by local staff. In April 2016, the KRJC transitioned from a Kyrgyz-Japan joint directorship to a Kyrgyz sole directorship. The Kyrgyz initiative in the decision-making process has been strengthened, and the responsibilities of the director⁴³ and staff are growing. A senior manager who was appointed in 2011 assists the director and manages all of the KRJC.

At the time of the ex-post evaluation, three resident Japanese experts (the JICA chief advisor, a coordinator, and a Japanese language education expert from the Japan Foundation) work alongside a director, 11 full-time staff members, and three part-time staff members from the Kyrgyz side (see Figure 3). This is enough to continue ongoing activities, but to expand activities and develop new programs, an increase of the number of staff members especially in charge of the business courses is required⁴⁴.

The staff members receive capacity-building training in a systematic manner, utilizing opportunities such as trainings in Japan. For the business course staff in particular, auditing the business courses is mandatory in terms of staff capacity building, and they will be expected to perform not only course operations and management but also

⁴² As part of the mutual-understanding activities, the Japanese Taiko drum club was started in 2003 on the instructions of JOCV. Currently, it operates with local members only. As the only Taiko team in Central Asia, it enjoys high popularity and is frequently invited to a variety of events across the country and in Kazakhstan.

⁴³ The current director was assigned to the co-director in October 2013.

⁴⁴ KRJC

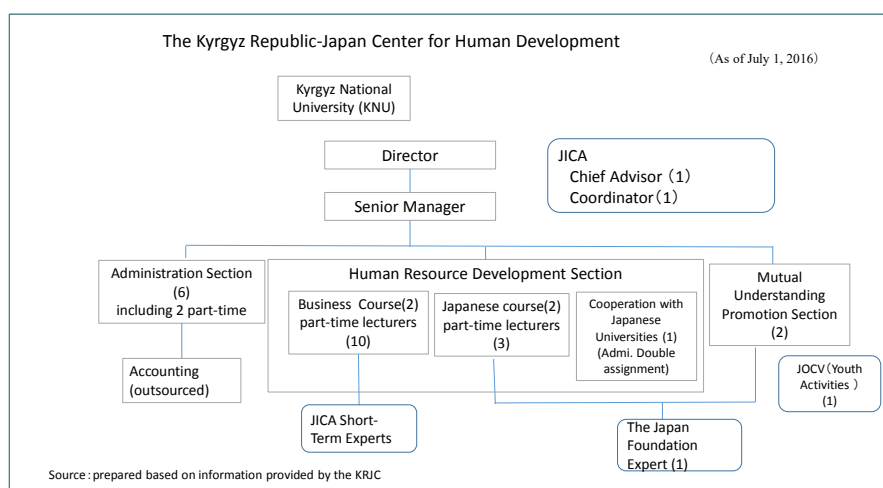
some of the lectures and business consulting in the future.

All the full-time staff members are on renewable one-year contracts that are typically renewed, and employment is protected legally. The salaries of the staff members are high when compared to those of staff members at national universities or employees of private companies⁴⁵.

The number of years that full-time staff members have spent working in the organization depends on the section. Business-course staff members are hired with a requirement of English proficiency, and they stay at KRJC for a relatively short time because they have other job opportunities. On the other hand, staff members who are hired with Japanese language proficiency tend to stay longer. The average length of service at the KRJC is 5.1 years as of the time of the ex-post evaluation⁴⁶.

As stated above, organizational sustainability is high.

Figure 3 The KRJC Organizational Chart



3.4.3 Technical Aspects of the Implementing Agency for the Sustainability of Project Effects

In terms of operations and management, the operation manuals prepared in Phase 2 were updated during Phase 3, and as of the ex-post evaluation, new manuals are prepared for every operation. The business courses, Japanese language courses, and mutual-understanding activities all operate smoothly.

As for the business courses, 38 lecturers have been trained as stated before, and 76% of the course hours for the A Course (in the first half of FY2015) were taught by local

⁴⁵ KRJC

⁴⁶ The average number years spent working at KJRC is 2.5 years for the business courses, 4.6 years for the Japanese language courses, 4 years for the mutual understanding and 7.4 for administration (per a document provided by KRJC).

lecturers. Until FY2014, there was a policy to limit Japanese lecturers' course hours to less than half of the total in preparation for the KRJC's complete transfer to the Kyrgyz side. However, because the participants were expecting to be taught by Japanese lecturers, this policy was changed to offer lessons by Japanese lecturers as necessary, starting in FY2015⁴⁷. In the beneficiary survey, many respondents said that, although local lecturers are better in subjects such as the tax system and legislation, quality management is best learned from Japanese lecturers. When asked what was useful in terms of Japanese-style management, 44% of the respondents answered kaizen⁴⁸; they also listed 5S⁴⁹ and the valuing of quality.

Regarding Japanese language courses, the local lecturers' share of class hours was 83.3% in FY2015, which is more or less the same level it has been at since the completion of Phase 2. On the other hand, many participants want to learn the Japanese language at the KRJC precisely because of its Japanese teachers. This tendency is particularly strong among upper-class students⁵⁰.

The local staff implements mutual-understanding activities without problems, including the operation of events and teaching.

As stated above, the project's technical sustainability is high.

3.4.4 Financial Aspects of the Implementing Agency for the Sustainability of Project Effects

The KRJC's total revenue consists of income from its activities (tuition, etc.), allocations from KNU, JICA's local operation costs, and other sources (Table 6). KNU provides facilities to the KRJC and bears cost for facility maintenance and utility. The income shares relative to the total revenue from FY2015 is 39.3% for income from its own activities (including interest on retained earnings), 14.8% for allocations from KNU, 33.5% for JICA's local operation costs, and 12.5% for other sources. The total income from KRJC's activities and KNU's allocations adds up to 54.1%.

Income from the KRJC's activities includes tuition for business courses (41.2%) and Japanese language courses (15.0%), participation fees for mutual-understanding activities and user fees for the library (17.7%), and room rentals and interest on retained earnings (26.2%). Business course tuition is the largest income source.

⁴⁷ KRJC Japanese experts

⁴⁸ Kaizen is a series of activities for reviewing work that is done at production sites. Workers at the sites actively discuss measures for improvement and address issues to improve productivity and ensure safety. The concept applies not only to the manufacturing industry but also to the service industry.

⁴⁹ 5S is a method for improving rationality and efficiency by practicing sorting, setting in order, standardizing, shining, and sustaining discipline.

⁵⁰ The Japanese Teachers Association and Japanese course graduates

Table 6 Revenues and Expenditures of the KRJC (FY2011-2015)

(thousands of yen⁵¹)

	FY	2011	2012	2013	2014	2015
Revenue	KRJC self-generated income	8,768	10,996	11,445	17,437	12,720
	(Business courses)	(1,568)	(5,806)	(6,586)	(9,385)	(5,241)
	(Japanese language courses)	(1,224)	(1,650)	(2,333)	(2,426)	(1,902)
	(Mutual-understanding activities)	(332)	(618)	(725)	(3,863)	(2,250)
	(Room rentals, interest, etc.)	(5,644)	(2,922)	(1,801)	(1,762)	(3,328)
	Allocations from KNU	12,032	13,730	15,282	17,335	4,788
	JICA's local operation cost	27,088	25,539	16,120	9,978	10,842
	Other	0	0	2,964	5,123	4,048
	Total	47,888	50,265	45,812	49,873	32,399
Expenditure	Total	44,770	45,467	41,215	47,939	31,040
	(Expenditures from KRJC self-generated income)	(5,650)	(6,198)	(6,849)	(15,513)	(11,361)
Balance		3,117	4,798	4,597	1,934	1,359

Note: Except for FY2015, the allocations from KNU include hypothetical rent and hypothetical utility fees. There is no actual revenue from KNU; the same amount is included in the expenditures.

Source: Documents provided by JICA

The share of the total expenditures (operation costs) from the KRJC revenue increased from 14% at the completion of Phase 2 to 37% at the time of the ex-post evaluation⁵².

Recently, due to university education reform in Kyrgyzstan, the policy to require national universities to have financial independence has been enhanced, and after June 2015, KNU requested that the KRJC return part of the space it was using—or else to move, and pay a utilities fee. As a result of discussions at JCC and other meetings, it was decided to contribute 20% of the KRJC's revenue to KNU to account for utility and administration expenses starting in April 2016. If calculated with numbers from FY2015, this would be equivalent to almost half of the revenue from the business course tuition. Regarding the handling of this issue in the future, the main management issues and countermeasures are assessed in a study called "Data Collection Survey on Management and Needs Analysis for the Japan Centers in Asia," which also includes management analyses of all the Japan Centers except the one in Ukraine at the time of the ex-post evaluation.

Concerning the business courses, the declining number of applicants was a concern; this decline is due to private training and consulting institutions that have recently appeared, including the ones established by KRJC graduates, as well as economic stagnation and other factors. However, a sufficient number of people applied in FY2016⁵³.

⁵¹ The KRJC's self-generated income, interest on retained earnings, and allocations from KNU are in local currency, and the numbers in the table are converted to yen. The above figures are rounded to the nearest thousand, so some figures do not add up.

⁵² If the expenditure from JICA headquarters (total cost of expert dispatch, and training in Japan: 89.505 million yen) is added to the expenditures, this percentage was 13% in FY2015.

⁵³ There were 74 applicants for the 60-person class.

The tuition for the A Course in FY2016 was 18,000 soms (about 27,360 yen⁵⁴) for the daytime course and 20,000 soms (about 30,700 yen) for the evening course. Each year, tuition is set based on the tuitions of other institutions and the number of applicants. According to the beneficiary survey, the KRJC's tuition was considered mostly reasonable when compared with those of MBA programs at universities and other similar institutions⁵⁵. Under these circumstances, raising the tuition drastically seems difficult; a full strategy, including a renewal of the course curriculum, is called for.

As stated, there is a concern in terms of income and expenditure, and because the countermeasures are still under consideration, the program's financial sustainability is fair.

Some minor problems have been observed in terms of the financial aspects of the implementing agency. Therefore, the sustainability of the project effects is fair.

4. Conclusion, Lessons Learned, and Recommendations

4.1 Conclusion

This project was implemented to develop the human resources of SMEs so as to promote Kyrgyzstan's transition to a market economy and promote mutual understanding between Kyrgyzstan and Japan by implementing business courses, Japanese language courses, and mutual-understanding activities at the KRJC. The project aimed at developing the KRJC's basic structure in Phase 1 and at enhancing the KRJC's function in Phase 2.

This project was consistent with Kyrgyzstan's development plan, which aimed to transform the nation to a market economy and to develop human resources that were capable of coping with a market economy. It was also relevant to Japan's ODA policy, which focused on supporting transitions to market economies. Therefore, its relevance is high.

In the two phases combined, the total number of participants for the business courses, Japanese language courses, and mutual-understanding activities was about 10,000, 2,600, and 45,000, respectively. The project's purpose—enhancing the KRJC's functions to contribute to SMEs' human-resource development to promote the transition to a market economy, and to promote mutual understanding between the people of Kyrgyzstan and Japan—was achieved. Following Phase 2, Phase 3 was implemented; the cumulative number of participants for each of the business courses, Japanese language courses, and

⁵⁴ One Kyrgyz som was equivalent to 1.535 Japanese yen in March 2016, according to the rate JICA used (available at JICA website).

⁵⁵ For example, tuition for a MBA course at the American University of Central Asia is \$5,750 per year (https://auca.kg/en/costs_scholarships_and_financial_aid/); an MBA course at KNU costs 37,000 soms per year, and the National Management Academy's MBA course costs 46,000 soms per year.

mutual-understanding activities was about 12,000, 3,200 and 62,000 respectively by the end of FY2015. This resulted in the business course graduates founding companies and expanding their businesses, and it contributed to Japanese language education for all of Kyrgyzstan. The KRJC was fully utilized as an institution for human-resource development, contributing to the nation's transition to a market economy and providing a key place to promote the countries' mutual understanding. Therefore, effectiveness and impact of the project are high.

Although the planned project cost for Phase 1 was unclear, precluding a comparison with the phase's actual cost, the number of the Japanese long-term experts dispatched for the phase was as planned; the actual cost was within the planned amount for Phase 2. The project period was as planned for both phases. Therefore, efficiency of the project is high.

Although no major problems have been observed in policy background or in the organizational and technical aspects of the KRJC, some minor problems have been observed in terms of financial aspects, particularly regarding future financial balance. The future plan is still under consideration at the time of this ex-post evaluation; thus, the sustainability of the project effects is fair.

In light of the above, this project is evaluated to be highly satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Implementing Agency

<Considering further Collaboration with the OVOP Project>

In Kyrgyzstan, the introduction of market-oriented economy has made progress to some extent, and the changing needs of SMEs has been observed. Because of the small size of the domestic market, it is necessary to export to the neighboring countries such as Kazakhstan and Russia to create business expansion. Kyrgyzstan joined the Eurasian Economic Union (EAEU) in August 2015, creating a tailwind, and interest in the overseas market is rising among business course participants. The KRJC is reassessing its business course's contents for the future, and if this topic is included, the OVOP project would be an excellent case study. On top of the courses in basic theory and knowledge, introducing a successful case of an export from Kyrgyzstan to developed markets will help properly meet the participants' needs. As stated in 3.2.2.3 Other impacts, the KRJC has collaborated with the project in various ways. Some of the local staff members of the OVOP project are able to provide experience-based training as lecturers. The KRJC is expected to incorporate a production-site survey and an introduction to practical know-how in its business courses and to develop further collaborations with the OVOP project.

<Making a Comprehensive Strategy to Strengthen Financial Sustainability>

At the KRJC, the Kyrgyzstan-side sole directorship was established in April 2016, and efforts are being made to further strengthen the organization's finances. In FY2016, a survey of needs for the business courses and a financial analysis of the KRJC are planned. To pursue improvement in the KRJC's financial status and a comprehensive review of the business courses, it is necessary to create a complete medium-term strategy that includes financial planning. The KRJC is expected to provide services that meet local needs if it is to maintain its competitiveness into the future, based on its 14 years of accomplishments, such as providing high-quality courses and a human-resource network that has accumulated among the graduates of its business courses. To do so, it must map out definite advantages that other institutions do not possess, such as its ability to provide business know-how to cope with the latest economic environments or its services that put exporting into perspective.

4.2.2 Recommendations to JICA

<Continued Dispatch of Japanese Experts >

As stated in the section on technical sustainability, because teaching Japanese-style management is the specialty of the KRJC business courses, experienced Japanese business lecturers seem necessary. The continued dispatch of Japanese lecturers and the building of an effective partnership with local lecturers are proposed.

<Further Utilization of the KRJC through Cooperation with Other Projects in the Field of Export Promotion in Kyrgyzstan >

The value of the KRJC's existence will be further reinforced if it can accommodate the changing needs and economic environments caused by Kyrgyzstan's accession to the EAEU and other events, based on trust and on its accomplishments to date. Specifically, since about 20% of GDP in Kyrgyzstan is agriculture and livestock industry, it is expected that the KRJC will be further utilized in the field of food sanitation, which is considered to be an urgent issue for promoting the export of agricultural products and for ensuring quality management and the improvement of inspection systems for agricultural products in particular. For example, the ongoing technical cooperation projects called "The Project for Promotion of Exportable Vegetable Seed Production" (2013-2018) and "The Project for Development of the Rural Business with Forest Products" (2015-2019) both aim to promote exports. It is possible to hold seminars at the KRJC with those dispatched Japanese experts to these projects as lecturers; in the medium term, it is possible to add a function of consulting and support for export promotion to KRJC (after strengthening the KRJC's implementation system).

4.3 Lessons Learned

<Usefulness of the Follow-Up Survey>

The follow-up survey, which is implemented not only at the completion of the business course but also three months after the completion of that course, is useful not only for ensuring prompt feedback from the survey results but also for assessing impact. For many human-resource development projects, questionnaires are conducted at the end of the trainings. By implementing a follow-up survey after a certain period of the training course, the training institution can effectively utilize the results to improve the course's contents. Furthermore, if this is combined with the development of a database for the implementation agency, the operation capacity will be expected to be reinforced in the long term.

Country Name		Lao-Japan Human Resource Cooperation Center (Phase 2)			
Lao People's Democratic Republic					
I. Project Outline					
Background	<p>Since 1986, it has been a priority issue for Lao P. D. R. to carry out economic reform for the transition to a market economy and develop human resources to address this issue. In 1995, the National University of Laos (NUOL) was founded, and the Faculty of Economic and Business Management (FEBM) began to develop qualified human resources. Meanwhile, the idea to establish the Japan Center² as the base for training the practitioners who promote market-oriented economic reform and realize "aid with a Japanese flag" in Asian and former Soviet Union countries on the road to a market economy came about. In Laos, the Government of Lao and the Government of Japan agreed on Japanese technical assistance for FEBM of NUOL and establishment of the Lao-Japan Human Resource Cooperation Center (LJC) in 1998. Succeeding the "Project for the Lao Japan Human Resource Cooperation Center" (September 2000 to August 2005, hereinafter referred to as "Phase 1"), the project was commenced.</p> <p>After the project's completion, the following projects were implemented: "Project for the Capacity Development of Business Persons through Laos-Japan Human Resource Development Institute" (September 2010 to August 2014, hereinafter referred to as "Phase 3") and "Project on Capacity Building for Supporting Private Sector Development and Japanese Investment in Lao P. D. R. through LJI of NUOL" (September 2014 to August 2019, hereinafter referred to as "Phase 4"). The facility of LJC is located at NUOL, which was completed in March 2001 through grant aid project "the Project for Construction of Facility and the Lao-Japan Human Resource Cooperation Center in the National University of Laos".</p>				
	Objectives of the Project	<p>By capacity building of LJC management and implementing the business courses, Japanese language course and mutual understanding programs³, the project aimed at developing the human resources in the business sector and promoting mutual understanding between Laos and Japan, thereby contributing to develop the base for training the business persons and promoting mutual understanding at LJC.</p>			
<p>1. Overall Goal:</p> <p>1) LJC will perform the core function of human resource development in the field of business area for market-oriented economic reform of Lao P. D. R.</p> <p>2) LJC will be utilized as the key place for mutual understanding between the people in Lao P. D. R. and Japan.</p> <p>2. Project Purpose:</p> <p>1) LJC will provide service to enhance human resource development for the market-oriented economic reform of Lao P. D. R.</p> <p>2) The information and opportunities to participate in activities for mutual understanding are provided for people of both countries by the Center.</p> <p>Note: LJC was renamed as Laos Japan Human Resource Development Institute (LJI) in 2010. "LJI" is used in this evaluation report.</p>					
Activities of the project	<p>1. Project site: Vientiane</p> <p>2. Main activities: Training of LJI staff for strengthening the organizational structure, provision of the business and Japanese language courses, implementation of the activities for promoting the mutual understanding, etc.</p> <p>3. Inputs (to carry out above activities)</p>				
	Japanese Side		Laotian Side		
Ex-Ante Evaluation	2005	Project Period	September 2005 to August 2010	Project Cost	(ex-ante) 530 million yen
					(actual) 608 million yen
Implementing Agency	Ministry of Education, National University of Laos (NUOL)				
Cooperation Agency in Japan	<p>Japanese language course: The Japan Foundation</p> <p>Business course: Panasonic Excel International Co., Ltd. (Current Relo Panasonic Excel International Co., Ltd.)</p>				

¹ As FY2015 external ex-post evaluation, 11 projects related to the Japan Center (technical cooperation projects) in eight countries including the project were evaluated together. This aimed at not only ex-post evaluation of individual projects, but also comprehensive analysis of these projects, in order to draw comprehensive and versatile lessons to further improve the Japan Center projects. Since the project cost was less than 1 billion yen, the ex-post evaluation was conducted in accordance with the internal evaluation method with the simplified field survey, and therefore, the report format for the internal evaluation was used.

² At the time of the ex-post evaluation, 10 Japan Centers were established in nine countries: Southeast Asia (Cambodia, Vietnam (Hanoi and Ho Chi Minh), Myanmar and Laos), East and Central Asia (Mongol, Uzbekistan, Kazakhstan and Kyrgyz) and Ukraine.

³ Mutual understanding programs included showing Japanese movies, introducing Japanese culture such calligraphy, tea ceremony, dance and Japanese cuisines and introducing Laotian traditional culture. Also, job fairs and overseas education fairs were conducted to respond the interests in getting jobs with Japanese companies or studying in Japan, in collaboration with Japanese related organizations.

II. Result of the Evaluation

< Special perspectives considered in the evaluation of Effectiveness/Impact >

- There are some indicators of the Project Purpose and Overall Goal which are indicators to show activity achievement or overlap with each other, which makes achievement confirmation difficult. Without quantitative target in indicators, it was not possible to sufficiently verify the achievement against the plan, which is the basic principle in JICA evaluation. Hence, when some improvement was confirmed at the time of the ex-post evaluation by comparing the situations during the project period, it was positively evaluated as an achievement.

1 Relevance

<Consistency with the Development Policy of Laos at the time of Ex-ante Evaluation and Project Completion>

The National Socio-Economic Development Plan (NSED) (2005-2010), which was effective at both ex-ante evaluation and project completion, prioritized the securement of sustainable economic growth and the promotion of human resource development in every area. Thus, the project objectives (human resource development for a market-oriented economy) were consistent with Laotian development policies.

<Consistency with the Development Needs of Laos at the time of Ex-ante Evaluation and Project Completion >

In Laos, it was urgent to further activate the business activities and train advanced business persons to compete with neighboring countries before the establishment of the ASEAN community⁴, which had been agreed upon by ASEAN member countries in 2003. The company personnel and managers of small and medium-sized enterprises (SME) required the acquisition of practical knowledge and know-how of the market-oriented economy. Regarding Japanese language education, the number of learners was increasing at the time of the ex-ante evaluation, and training of the teachers and excellent course content was necessary. Also, LJI was expected to be a base for cultural exchange.

<Consistency with Japan's ODA Policy at the time of Ex-ante Evaluation>

Based on the policy dialogue in 1998, one of the prioritized areas was human resource development. The priority was human resource development for promotion of market-oriented economic reform, strengthening of administrative functions, support related to basic human needs, agricultural development, infrastructure development, and so on, and the assistance objectives included not only the capacity development of the public officers but also the private sector personnel. Additionally, in JICA's Country Assistance Plan for Laos in 2004, one prioritized area was the activation of the private sector, indicating that the base of the private sector had not been developed to cope with the drastically changing external environment.

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement for the Project Purpose at the time of Project Completion>

The project objective (provision of the services related to the training of businesspeople and information and opportunities for mutual understanding) has been achieved. LJI provided many business courses, Japanese language courses and activities for mutual understanding throughout the project period. With regard to the business courses, it is noteworthy that the MBA course⁵ was established from 2008 based on the advanced business courses and that LJI started the service of business diagnosis by visiting companies directly. Both the course participants and companies who received the services answered that they were satisfied with the services. The total number of the visitors to the library exceeded 210,000.

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

LJI has mostly continued the provision of these services related to the training of businesspeople and information and opportunities for mutual understanding. In particular, regarding the business program among the three principal programs, LJI has provided MBA courses that have applicants more than twice as the enrollment quota, business courses⁶ and customized courses upon the request of the enterprises. The number of those who completed these courses from 2011 to 2014 varied from 700 to 1,000. The reason why the number of those who completed the regular business courses in 2015 decreased compared to the previous year is that, according to LJI, the courses provided the same content every year, which caused a decreased number of potential applicants. Also, the number of site consultations has been on a decreasing trend because they have been subject to fees since 2015. The number of those who completed the Japanese language courses⁷ from 2011 to 2014 varied from 200 to 400. On the other hand, the activities to promote mutual understanding have been implemented on a smaller scale, with the number of the events and participants falling to half that from 2011. This is because events for introducing Laotian and Japanese culture that had been implemented before are not currently being conducted. The number of the visitors to LJI depends heavily on each year, as influenced by the event contents. The number of the visitors to the library decreased by half from 2011 because the library was set up at each faculty of NUOL.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

The Overall Goal has been partially achieved. According to the interview with the beneficiaries at the ex-post evaluation with those who completed the business course and MBA courses during the project period, 11 of 14 and 13 of 13 answered that "their work performance has improved," respectively. Additionally, 10 of 14 and 10 of 13 "got promoted or the salary increased," and 12 of 14 and 13 of 13 answered that "they contributed to their organization," respectively. In the companies to which the course participants belong, words such as "5S"⁸, "kaizen"⁹ and "muda (waste or uselessness)" have become common as words commonly used among SMEs in Vientiane.

⁴ Originally, the ASEAN community had been expected to be established by 2020, but actually established in 2015, earlier than planned.

⁵ A two-year evening course for the business persons (not students) operated by LJI jointly with the Faculty of Economics and Business Management of NUOL. One of its appealing points is "Japanese style management," and Japanese lecturers give lectures based on field experience, such as business planning and marketing. It is highly evaluated, as it corresponds to the participants' needs and the lectures provide the latest information about each theme in an interactive way.

⁶ Regular business courses are provided as short-term courses. The themes include business plans, practical marketing, business communication, etc.

⁷ Japanese language courses were provided as part of the JICA technical cooperation project with support from the Japan Foundation until August 2012. Since October 2012, they have been conducted mainly with support from the Japan Foundation.

⁸ 5S is a method for improving rationality and efficiency by practicing sorting, setting in order, standardizing, shining and sustaining the discipline.

⁹ Kaizen is a series of activities for reviewing work at production sites. Workers at the sites actively discuss measures for improvement and address the issues to improve productivity and secure safety. The concept applies not only to the manufacturing industry but also to the service industry.

Regarding the number of the private companies that started the business with overseas companies set as an indicator, one case was confirmed at the ex-post evaluation survey. Among the 18 persons interviewed who completed the Japanese language course, five became Japanese teachers, and six went to Japan to study. Additionally, 16 of these and 13 of the 15 persons interviewed who participated in the mutual understanding activities answered that “they improved their impression toward Japan and Japanese culture.” Thus, by participating in LJI’s courses and mutual understanding events, business people’s capacity building and mutual understanding have been promoted to some extent. However, the indicators of the Overall Goal included the “number of member companies of the Chamber of Commerce” and “percentage of Vientiane citizens recognizing LJC” but were not influenced by the project activities.

<Other Impacts at the time of Ex-post Evaluation>

First, there are various impacts attributing to the upgrade of LJI from a center attached to NUOL to an institute equivalent to the department in 2008. For example, LJI’s MBA course became a degree course. Also, LJI has begun to conduct research activities with the approved budget granted by NUOL as a research subsidy and worked with other educational institutions and private sector to give feedback with practical knowledge and cases to its own courses. Besides, LJI has tie-up contracts with the Lao National Chamber of Commerce and Industry and universities in Japan and Thailand, conducts joint training with the Lao Institute of Banking, and implements MBA study tours together with a university in Thailand. Second, positive impacts have been observed in Japanese language education. LJI supported Savannakhet University to establish Japanese language course. The university started Japanese language courses in January 2014, which contributed to an increase in Japanese language learners in the province. The university has a plan to set up a faculty of Japanese language in 2016. In Laos, the education of a second foreign language, including Japanese, was introduced in 2010. In addition, LJI personnel visit primary and secondary schools in Vientiane to introduce the Japanese language and culture and receive students for summer courses. Third, a network of businesspeople has been built with participation of the MBA course graduates. They organized an “alumni association” in October 2011 and hold a general assembly biannually to exchange information and report the training in Japan. Less than half of the graduates participate in this network, according to the interview survey.

<Evaluation Result>

In light of the above, the project’s purpose has been achieved, and its effects have mostly continued. LJI’s implementation structure for the three programs for capacity building of businesspeople, Japanese language education and the promotion of mutual understanding has been developed, but at the time of the ex-post evaluation, it was confirmed that the mutual understanding program has been scaled down even though the business courses and Japanese language courses have continued. As for the capacity building of business persons, various positive impacts have been observed and are attributed to LJI upgrading to an institute. Therefore, the effectiveness/impact of the project are high.

Achievement of project purpose and overall goal

Aim	Indicators	Results																																										
(Project Purpose) 1) LJC will provide service to enhance human resource development for the market-oriented economic reform of Lao P. D. R. 2) The information and opportunities to participate in activities for mutual understanding are provided for people of both countries by the Center.	1. No. of the participants in the services of the Business Programs of LJC	(Project Completion) Achieved. Table: Number of the participants in the business courses and MBA courses <table border="1"> <thead> <tr> <th></th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Business courses</td> <td>1,123</td> <td>695</td> <td>251</td> <td>263</td> <td>477</td> <td>2,809</td> </tr> <tr> <td>MBA courses</td> <td></td> <td></td> <td></td> <td>35</td> <td>35</td> <td>70</td> </tr> </tbody> </table> Note: The years are the fiscal years of LJI (April to March), and the total number does not strictly show the achievements of the project period. - 54 on-site consultations for the companies were provided by 2010. (Ex-post Evaluation) Continued. - Besides the regular business courses and MBA courses, three customized courses for the private companies have been annually implemented since 2012. - MBA courses have been provided each year since 2010 (participant quota: 35). Table: Number of the participants in the business courses and MBA courses <table border="1"> <thead> <tr> <th></th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Business courses</td> <td>622</td> <td>808</td> <td>835</td> <td>723</td> <td>990</td> <td>474</td> </tr> <tr> <td>MBA courses</td> <td>35</td> <td>31</td> <td>29</td> <td>31</td> <td>31</td> <td>29</td> </tr> </tbody> </table> Note: The years are the fiscal years of LJI (April to March). - Thirty-seven on-site consultations were conducted from 2011 to 2015. The number of the consultations has been on a decreasing trend. - More than 10,000 participants completed business courses from Phase 1 till 2015. If participants in the seminars are included, this number is more than 13,000 persons. 256 have completed an MBA course.		2005	2006	2007	2008	2009	Total	Business courses	1,123	695	251	263	477	2,809	MBA courses				35	35	70		2010	2011	2012	2013	2014	2015	Business courses	622	808	835	723	990	474	MBA courses	35	31	29	31	31	29
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MBA courses	35	31	29	31	31	29																																						
2. % of the participants who are satisfied with the services of the business programs of LJC	(Project Completion) Achieved. - A total of 88% and 84% of the participants answered that they were satisfied with the MBA and business courses of the project (September 2005 to August 2010), respectively (survey conducted by the Terminal Evaluation Team). - All companies were very satisfied with the on-site consultations. (Ex-post Evaluation) Continued. - A total of 89% and 84% of participants answered that they were satisfied with the MBA course and business courses of Phase 3 (September 2010 to August 2014), respectively (survey conducted by LJI). - The participants of the MBA course in 2015 and 2016 rated the lecturers at 86 and 89, respectively. The satisfaction survey was not conducted for the business course.																																											
3. No. of the participants in the services of the mutual understanding program of LJC (including the use of the facility)	(Project Completion) Achieved. Table: Number of the participants in the Japanese language courses and mutual understanding programs <table border="1"> <thead> <tr> <th></th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Japanese language course</td> <td>537</td> <td>493</td> <td>341</td> <td>438</td> <td>515</td> <td>2,324</td> </tr> <tr> <td>Mutual understanding program</td> <td>1,940</td> <td>2,862</td> <td>9,011</td> <td>11,292</td> <td>3,545</td> <td>28,650</td> </tr> </tbody> </table> Note: The years are the fiscal years of LJI (April to March), and the total number does not strictly show		2005	2006	2007	2008	2009	Total	Japanese language course	537	493	341	438	515	2,324	Mutual understanding program	1,940	2,862	9,011	11,292	3,545	28,650																						
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Japanese language course	364	252	217	230	422	372																	
Mutual understanding program	3,832	6,002	1,843	5,827	2,927	2,389																	
	4. % of the participants who are satisfied with the services of the mutual understanding program of LJC	<p>(Project Completion) Achieved.</p> <ul style="list-style-type: none"> - More than 90% of the participants of the Japanese language course in 2005 and 2006 answered that they were satisfied with the course content, material and lecturers (survey conducted by the Japan Foundation). The data from 2007 to 2009 were not available. - Though there was no satisfaction survey on the mutual understanding program, the terminal evaluation mentioned that the participants appreciated all activities including the cultural presentation and students exchange. <p>(Ex-post Evaluation) Partially continued.</p> <ul style="list-style-type: none"> - A total of 71.4% and 43.8% of participants was satisfied with the teaching method in the Japanese language course in 2012 and 2015, respectively. A total of 38.9% and 73.8% self-evaluated that they improved their Japanese skills in 2012 and 2015, respectively. - The information on the satisfaction of the mutual understanding programs was not available. 																					
	5. No. of visitors of LJC	<p>(Project Completion) Achieved.</p> <ul style="list-style-type: none"> - The number of visitors to LJI from 2005 to 2010 was 1,123. NUOL students used the facility almost every day. - The total number of the visitors to the library for five years (until January 2010) was 210,728. <p>(Ex-post Evaluation) Partially continued, but the number of the library users has been decreasing.</p> <ul style="list-style-type: none"> - The numbers of the visitors to LJI was 506 (2011), 472 (2012), 1,841 (2013), 2,443 (2014) and 285 (2015). - The number of the visitors to the library was 33,601 in 2011 and decreased every year to 18,175 in 2015. 																					
	6. No. of membership issued at LJC in a year	<p>(Project Completion) Achieved.</p> <ul style="list-style-type: none"> - The number of the issued membership from 2005 to 2010 was 5,500. <p>(Ex-post Evaluation) Partially continued, but drastically decreasing.</p> <ul style="list-style-type: none"> - The number of the issued membership was 588 in 2011, which has been decreasing every year to 111 in 2015. 																					
<p>(Overall goal)</p> <p>1) LJC will perform the core function of human resource development in the field of business area for market-oriented economic reform of Lao P. D. R.</p> <p>2) LJC will be utilized as the key place for mutual understanding between the people in Lao P. D. R. and Japan.</p>	1. No. of private companies in Vientiane recognizing LJC	<p>(Ex-post Evaluation) Partially achieved.</p> <ul style="list-style-type: none"> - LJI is acknowledged by approximately the half of the enterprises in Vientiane through LJI's PR activities and information sharing (interview with Lao National Chamber of Commerce and Industry: LNCCI). 																					
	2. No. of member companies of Chamber of Commerce	<p>(Ex-post Evaluation) Not achieved.</p> <ul style="list-style-type: none"> - The number of member companies of LNCCI was 277 at the time of the project completion. Since then, the number has annually increased by 20-47, which was 518 at the time of the ex-post evaluation. The increase was not influenced by LJI services (interview with LNCCI). 																					
	3. No. of participants of the business program of LJC who became entrepreneurs	<p>(Ex-post Evaluation) Partially achieved.</p> <ul style="list-style-type: none"> - The business program does not target those who want to start a business. - According to the ex-post evaluation survey, three of the 13 interviewed persons who completed the business course and four of the 13 interviewed persons who completed the MBA course became entrepreneurs, respectively. 																					
	4. No. of the private companies which started the business with the overseas companies after participating in the business program of LJC	<p>(Ex-post Evaluation) Partially achieved.</p> <ul style="list-style-type: none"> - It was confirmed from the interview conducted at the ex-post evaluation that one person who had completed the business course started a business importing used vehicles from Japan and that a few have plan to or are willing to expand their business overseas in the future. 																					
	5. No. of Lao private companies improving working efficiency and ethics after participating in the business program of LJC	<p>(Ex-post Evaluation) Achieved.</p> <ul style="list-style-type: none"> - Phrases including "5S, kaizen and muda" are used as common business words among those engaged in SME in Vientiane, and concrete results such as improvement of customer management were reported (interview with LJI). - According to the ex-post evaluation survey, 11 of the 14 persons interviewed who had completed the business course and 13 of the 13 persons interviewed who had completed the MBA course answered that "their work performance improved." Also, two of the two employers interviewed who had sent their staff to the business course answered that "the staff improved their work and contributed to the company." 																					
	6. No. of students learning in Japan	<p>(Ex-post Evaluation) Not achieved.</p> <ul style="list-style-type: none"> - The number of students leaning in Japan was 281 in 2010, which slightly decreased to 214 in 2015. - Among those who completed the Japanese language course during the project period, 6 went to Japan for study, as far as LJI knows. 																					

7. Level of mutual understanding	(Ex-post Evaluation) Partially achieved. - According to the ex-post evaluation survey, 88% of the interviewed persons who had completed the Japanese language course and 87% of the persons who had participated in mutual understanding activities answered that they improved the impression of Japan and Japanese culture. - No data were available on the Japanese participants' understanding level.
8. % of the sampling number of Vientiane citizens recognizing LJC	(Ex-post Evaluation) Not achieved. - The data were not available. The main target of LJI activities for mutual understanding is the students of NUOL but not general citizens. - Students of nearby high schools participated in the mutual understanding activities. Also, LJI provides outreach activities to introduce Japanese language and culture to elementary and junior high schools.
9. No. of participants of the Japanese language course of who became Japanese teachers	(Ex-post Evaluation) Achieved. - According to the ex-post evaluation survey, 5 of the 18 interviewed persons who completed the Japanese language course (including 13 from the intermediate course) became Japanese teachers.

Source: LJI, Japan Foundation, Beneficiary survey, Documents provided by JICA, Terminal Evaluation Report, and Japan Student Services Organization.

Note: Indicators 3, 4, 5 and 9 of the Overall Goal had been originally set as those for the Project Purpose. However, they are the indicators to verify the changes brought by the services of LJI, and therefore they are used for verification of the Overall Goal at the ex-post evaluation.

3 Efficiency

The project period was as planned, but the project cost exceeded the plan because more short-term experts were dispatched than planned (ratio against the plan: 100% and 115%, respectively). Therefore, the efficiency of the project is fair.

4 Sustainability

<Policy Aspect>

The importance of human resource development for industrialization and modernization is described in the 7th NSEDP (2011–2015). The draft of the 8th NSEDP (2016–2020) mentions that the needs for socioeconomic development, including human resource development of SMEs for the economic integration of ASEAN and accession to the World Trade Organization, have not been met and sees capacity building as an important issue.

<Institutional Aspect>

As explained earlier, LJC was upgraded to the institute of NUOL, and the staff became civil servants, which contributed to the stability of employment. Laotian staff of LJI are a director, four sub-directors, 13 personnel in the Personnel and General Affair Section, eight in the Business Section, seven in the Japanese Language Section and five in the Mutual Understanding Section and Library. The number of the personnel is sufficient to provide business courses, including MBA and Japanese language courses. Regarding the business courses, most of the theory lectures are given by Laotian lecturers. On the Japanese side, there are two long-term JICA experts (Chief Advisor and Project Coordinator) dispatched to Phase 4, which is currently being implemented (September 2014 to August 2019), several consultants in charge of the business course operation and lectures, two experts from the Japan Foundation and two Japanese language teachers employed by the Laotian side. As mentioned in the effectiveness/impact section, the upgrading of LJI has brought various advantages to LJI, such as business expansion. As for the activities for promoting mutual understanding, these are limited to those related to Japanese language education. However, LJI expects other activities to be implemented with the budget from Japan, including cultural exchange. The policy and structure on the mutual understanding activities are not clearly defined.

<Technical Aspect>

LJI personnel has knowledge and skills for the lectures to a great extent, as the lectures of the business courses are given by mostly Laotian lecturers and the curriculum of the MBA course is developed using the initiatives of Laotian personnel. This is because they have had opportunities to gain practical knowledge and skills while working as the counterpart personnel of the Japanese lecturers from Phase 1 until the time of the ex-post evaluation when Phase 4 is implemented. Additionally, because LJI was upgraded to an institute to provide the MBA course as a degree program, LJI became able to recruit excellent lecturers especially for the business courses. Also, for the lecturers' capacity building, they are encouraged to improve their skills by participating in training. LJI provides its staff with support to take the MBA course. Laotian lecturers are engaged in 79% of the lecturer time for the business courses in 2014. More Laotian than Japanese lecturers are responsible for the theory part, whereas the Japanese give lectures based on field experience, such as business planning and marketing. Laotian lecturers in the Japanese language courses have sufficient knowledge and skills according to the Japan Foundation experts. There are seven of them, and three have master's degrees from universities in Japan (one is taking the course); the other four have had Japanese language training in Japan or another country.

<Financial Aspect>

The budget allocation from NUOL to LJI has drastically increased since 2010 because the salaries of LJI staff who became civil servants were added into the budget after LJI was upgraded to an institute. Also, LJI's income from tuition and user fees increased by 160% by 2014 (16,957 million yen in 2010 to 27,419 in 2014). This increase is attributed to the increase in income from MBA courses, commission fees (language training for JOCV and so on) and income from customized courses. The difference after deducting the expenditure from LJI's income has been calculated for the

Table: Revenue and expenditure of LJI (thousand yen)

	2010	2011	2012	2013	2014
LJI self-generated income	16,957	17,077	19,713	20,990	27,419
(Income from the business course)	(10,694)	(9,887)	(4,882)	(17,358)	(16,878)
(Income from the Japanese course)	(1,323)	(935)	(944)	(1,728)	(3,305)
(Other incomes)	(4,940)	(6,255)	(13,887)	(1,904)	(7,236)
Allocation from NUOL	3,259	4,832	12,032	14,760	13,314
JICA local operation cost	12,539	12,670	10,719	10,624	9,678
Others	NA	NA	3,780	6,193	6,223
Total of the revenue	32,755	34,579	46,244	52,567	56,634
Total of the expenditure	30,906	32,410	43,242	51,309	52,098
(Expenditure from LJI self-generated income and allocation from NUOL)	(18,366)	(19,739)	(28,742)	(34,492)	(36,195)
Balance	1,849	2,169	3,002	1,258	4,536

(Source) Documents provided by JICA.

Note: Years are the fiscal years (April to March). Above figures are rounded down to the nearest thousand, and some figures do not add up.

fund for facility maintenance. The accumulated fund in 2014 was 4.536 million yen, and the sum of the funds accumulated by 2014 was 18.902 million yen. Most of the differences come from the MBA course (15.068 million yen (1,076.273 million kip)¹⁰). The percentage of the Laotian side's share in the total expenditure for LJI operation has increased (59% in 2010 to 69% in 2014)¹¹, while the percentage of JICA local operation cost has decreased (41% in 2010 to 19% in 2014). An issue is that the budget is not sufficiently allocated for the programs for the promotion of mutual understanding because the policy and structure is not very clearly defined.

<Evaluation Result>

In light of the above, some problems have been observed in terms of the institutional and financial aspects of the implementing agency. Therefore, the sustainability of the project effects is fair.

5 Summary of the Evaluation

The Project Purpose has been achieved, and its effects have mostly continued. In other words, LJI's implementation structure for the three programs for (i) capacity building of the business persons, (ii) Japanese language education and (iii) the promotion of mutual understanding has been developed. Business and Japanese language courses have continued up until the time of the ex-post evaluation. Regarding the capacity building of business persons, various positive impacts have been confirmed, such as MBA courses as a degree program due to LJI's upgrade to being an institute. On the other hand, the number of the events and participants in mutual understanding activities has been on a decreasing trend. The policy and structure for the mutual understanding program is not clear, and therefore, the budget allocation for the program is not sufficient. With regard to efficiency, the project cost exceeded the plan because more short-term experts were dispatched than planned.

Considering all of the above points, this project is evaluated to be satisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing agency:

- It is recommended for LJI to clearly define the policy for the mutual understanding program and roles of LJI and the Japan Foundation (and JICA) and develop an action plan including not only Japanese language education but also cultural exchange events so that LJI can continue its three main programs for (i) capacity building of the business persons, (ii) Japanese language education and (iii) promotion of mutual understanding. The budget for the mutual understanding program may be drawn from part of the revenues from LJI courses.
- The percentage of the Laotian side's share in the total expenditure for LJI operation has steadily increased. As a mid-term plan for the next few years, it is indispensable to clarify how much portion should be borne by LJI (including the allocation from NUOL), JICA and the Japan Foundation, and to share common perceptions among the three actors. It is recommended that LJI play a leading role, with support from the Japanese side, to develop the policy for the overall management of its major three programs and make budget plans.

Lesson learned for JICA:

- During the project period, LJI was upgraded to an institute equivalent to the department of NUOL, which enabled LJI to provide MBA courses as a degree program. Also, this upgrade has produced benefits for LJI, including giving its staff civil servants status (stabilized employment), business expansion through collaboration with outside organizations, utilization of university subsidies, and so on. In the projects planning to establish a new institution (LJI in the case of the project) with the university as a counterpart organization, it is necessary to ensure the sustainability of this institution after support has been completed. When the counterpart organization aims to be a sustainable organization as an institution of the university, like LJI, the project is expected to promote the upgrade of the organizational status by strengthening the course quality that matches a degree program and conducting or encouraging discussion with the university and the Ministry of Education.



(Building of LJI)



(MBA course graduates)

¹⁰ One Laotian kip was equivalent to 0.014 Japanese yen in March 2015, according to JICA Exchange rate (available at JICA website).

¹¹ If the expenditure from JICA Headquarters (total cost of expert dispatch, training in Japan and equipment provision: 76.823 million yen) is added into the expenditure, the percentage in 2014 was 21%.

External Evaluator: Sachiko Matsumoto (Foundation for Advanced Studies on International Development)

Country Name	Uzbekistan-Japan Center for Human Development (Phase 2)
Republic of Uzbekistan	

I. Project Outline

Background	<p>Since becoming independent in 1991, Uzbekistan has gradually liberalized its economy toward a more market-oriented one. Accordingly, the country's government has prioritized the development of human resource to contribute to a market economy. Simultaneously, the idea to establish the Japan Center² as the base for training practitioners who promote market-oriented economic reform and realize "aid with a Japanese flag" in Asian and former Soviet Union countries on the road to a market economy. In Uzbekistan, the Japanese and Uzbekistani governments agreed on establishing the Uzbekistan-Japan Center (hereafter referred to as "UJC"). Following "the project for the Uzbekistan-Japan Center for Human Development" (December 2000 to November 2005, hereafter referred to as "Phase 1"), this project (hereafter referred to as "Phase 2") was implemented to further strengthen the functions of the UJC.</p> <p>Since the project newly rolled out training nationwide, UJC Bukhara opened in 2007 in collaboration with Bukhara State University. UJC Bukhara was expected to serve for assessment of training needs and consideration of effective and efficient management methods for training in other regional cities in Uzbekistan.</p> <p>After the project's completion, the following projects were continuously implemented: "Project for Capacity Development of Business Persons through Uzbekistan-Japan Center for Human Development" (December 2010 to November 2015, herein after referred to as "Phase 3") and "Project for Capacity Development of Business Persons and Networking through Uzbekistan-Japan Center for Human Resource Development" (December 2015 to November 2020, herein after referred to as "Phase 4").</p>														
Objectives of the Project	<p>The project sought to strengthen the UJC staff's capacity as well as build and institutionalize the management system to provide three main programs, which are business courses, Japanese-language courses and mutual understanding activities³ effectively and efficiently. In so doing, the project was expected to develop the base for training business people and promote mutual understanding between the two countries at the UJC.</p> <p>1. Overall Goal: 1) Human resources related to the private sector responding to the market economy in Uzbekistan will be developed. 2) Mutual understanding between the people both of Uzbekistan and Japan will be promoted.</p> <p>2. Project Purpose: The function of the UJC as a base contributing 1) to human resources development in area of Small and Medium-sized Enterprises (SMEs) of Uzbekistan toward a market economy, 2) to mutual understanding between the people both of Uzbekistan and Japan, will be promoted.</p>														
Activities of the project	<p>1. Project site: Tashkent, Bukhara 2. The main activities were as follows. 1) Development of an annual plan for the UJC and operation plans for each course. 2) Implementation of business courses, Japanese-language courses, and mutual-understanding activities in the capital city (Tashkent) and regional cities (mainly in Bukhara). 3) Capacity building of the UJC staff. 4) Enhancement of public relations etc.</p> <p>3. Inputs (to carry out above activities)</p> <table border="0"> <tr> <td>Japanese Side</td> <td>Uzbekistan Side</td> </tr> <tr> <td>1. Experts: 99 persons(cumulative)</td> <td>1. Staff allocated: 2 persons</td> </tr> <tr> <td>2. Trainees received: 65 persons</td> <td>2. 2 floors in International Business Center in Tashkent, Facility of Bukhara State University in Bukhara</td> </tr> <tr> <td>3. Equipment: Audiovisual equipment, photocopy machines, personal computers, books for UJC libraries</td> <td>3. Expenses of utilities including water, electricity, heat and others (Expenses for UJC Bukhara were borne by Bukhara State University).</td> </tr> <tr> <td>4. Local operation costs</td> <td></td> </tr> </table>					Japanese Side	Uzbekistan Side	1. Experts: 99 persons(cumulative)	1. Staff allocated: 2 persons	2. Trainees received: 65 persons	2. 2 floors in International Business Center in Tashkent, Facility of Bukhara State University in Bukhara	3. Equipment: Audiovisual equipment, photocopy machines, personal computers, books for UJC libraries	3. Expenses of utilities including water, electricity, heat and others (Expenses for UJC Bukhara were borne by Bukhara State University).	4. Local operation costs	
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Ex-Ante Evaluation	2005	Project Period	December 2005 to November 2010	Project Cost	(ex-ante) 650 million yen (actual) 740 million yen										
Implementing Agency	Ministry of Foreign Economic Relations, Investment, Trade (MFERIT)														
Cooperation Agency in Japan	Japanese language courses: The Japan Foundation Business courses: PADECO Co., Ltd.														

¹ As FY2015 external ex-post evaluation, 11 projects related to the Japan Center (technical cooperation projects) including this project in eight countries were evaluated together. This aimed at not only ex post evaluation of individual projects, but also comprehensive analysis of these projects, in order to draw comprehensive and versatile lessons to further improve the Japan Center projects. Since this project cost was less than 1 billion yen, the ex-post evaluation was conducted in accordance with the internal evaluation method without the field survey by a Japanese consultant, and therefore, the report format for the internal evaluation was used.

² At the time of the ex-post evaluation, 10 Japan Centers had been established in nine countries: Southeast Asia (Cambodia, Vietnam [Hanoi and Ho Chi Minh], Myanmar and Laos), East and Central Asia (Mongolia, Uzbekistan, Kazakhstan and Kyrgyz) and Ukraine.

³ Mutual understanding activities were periodic cultural events (Japanese calligraphy, origami, Uzbek traditional music instrument), showing Japanese movies, study-abroad fairs and management of UJC libraries.

II. Result of the Evaluation

< Special perspectives considered in the evaluation of Effectiveness/Impact >

- The indicators of the project purpose and the outputs, which did not follow a logical relationship, were adjusted, and one of the indicator of the project purpose was replaced with the proxy indicator, for it was difficult to collect current data. Moreover, indicators without quantitative target numbers could not be analyzed using the basic evaluation principle of JICA, which entails verification of the level of achievement based on planned targets. In this regard, when there is an improvement at the time of ex-post evaluation relative to the situation during the project-implementation period, it is positively evaluated as an achievement.

1 Relevance

<Consistency with the Development Policy of Uzbekistan at the time of ex-ante evaluation and project completion>

Supporting SMEs and human resources contributed to a market economy is in compliance with the presidential decree of 1991 and the government's development policy known as "Welfare Improvement Strategies (2008-2010)." At the time of project completion, consistency with the development policy of the government of Uzbekistan was confirmed by the government's proclamation that 2011, the year after Phase 2 completion, would be the "year of small business and private enterprise."

<Consistency with the Development Needs of Uzbekistan at the time of ex-ante evaluation and project completion >

Regarding consistency with the development needs of training SMEs, between ex-ante evaluation (2005) and project completion (2010), there was an increase of number of companies from 268,600 to 459,500. Over this same period, share of SMEs in GDP increased from 38% to 53%, and share of SMEs in total employment from 67% to 74%⁴. SMEs account for a considerable part of the social economy of Uzbekistan, so this increase revealed significant need for human resource development of SMEs.

<Consistency with Japan's ODA Policy at the time of ex-ante evaluation>

In November 2001, Japan's study group for economic cooperation set support for Uzbekistan's gradual economic reform as one of assistance priorities. According to JICA's Country Cooperation Program, at the time of ex ante evaluation, this project was regarded as human-resource development for promoting a market economy. In August 2004, Japan initiated "the Central Asia plus Japan" dialogue and agreed on 5 areas including promotion of business relationships and cultural and human exchanges between Central Asia and Japan. Based on these policies and initiatives, the project was consistent with Japan's ODA Policy at the time of ex-ante evaluation.

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement for the Project Purpose at the time of Project Completion>

The project purpose of promoting the function of the UJC as the base of human resource development to contribute to a market economy and mutual understanding between the people of Uzbekistan and Japan has been mostly achieved. Three main courses accomplished a stable amount of participants and high levels of satisfaction. The total number of visitors to UJC Tashkent and UJC Bukhara exceeded 70,000 every year from 2006 to 2010. At the end of Phase 2 in 2010, the Japanese language courses were decreased due to the expected termination of dispatching Japanese language experts to Uzbekistan (as discussed later, the dispatch was later renewed). However, one well-known business course, the Professional Management Program (hereafter referred to as "PMP") had a great number of applicants, reaching an application-to-enrollment ratio of almost 3:1.

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

The function of the UJC as a base contributing to human-resource development of private sector and mutual understanding between both countries are strengthened and continuously being improved. The number of business course participants has increased considerably as a function of the increased number of seminars. In particular, the application-to-enrollment ratio has been greater than 2:1 for the PMP course. Japanese language courses⁵ were provided continuously from December 2010 to August 2012 by only Uzbekistani staff; during that time, there was an absence of Japanese experts. In September 2012, an assistance dispatching Japanese language experts was renewed by the Japan Foundation. Since then, the number of participants has been growing. The total number of participants in mutual understanding activities varies every year given changes in event frequency and size. The total number of visitors to UJC Tashkent and UJC Bukhara exceeded 60,000 every year from 2011 to 2015.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

The overall goal of promoting human-resource development to contribute to a market economy and mutual understanding between the people of Uzbekistan and Japan has been mostly achieved at the time of ex-post evaluation. With regard to the development of human resources for the private sector, according to the beneficiary survey⁶ held during ex-post evaluation, approximately 60% of respondents experienced revenue growth and approximately 30% of respondents opened their own business. The primary reason for this growth in revenue and entrepreneurship was useful and concrete business knowledge acquired by PMP graduates during the course. For example, marketing advice, such as not carelessly setting low prices to maintain the quality and brand identity and improving packaging to make products more visually attractive, were practical and effective. According to the PMP graduates from the alumni association (A-club), the PMP course is grounded in the business environment of Uzbekistan and covers the necessary theories and skills for basic business management. In particular, they commented that making a business plan was the most useful exercise. In addition, approximately 80% of PMP graduates had attended other short-term specialized courses (from one day/ two weeks per seminar) after the PMP course⁷. In fact, there were many successful cases of opening a new business, including one producing one of the best-selling potato chips (called "Samurai

⁴ CHUO ASIA CHUSHOKIGYO SHINKO NI KAKARU KISO JYOHU SHUSHU KAKUNIN CHOSA HOUKOKUSHO[Data Collection Survey on Small and Medium-sized Enterprises in Central Asia] (2012), JICA

⁵ Japanese-language courses were provided as part of the JICA technical cooperation project with support from the Japan Foundation until Phase 2. After the completion of Phase 2, they have been conducted mainly with support from the Japan Foundation in the following projects.

⁶ Data from two beneficiary surveys were used in this analysis. The first was a phone survey held in 2015 by JICA; the sample included 302 graduates of the PMP course during Phase 1, 2 and 3. Of these 302 graduates, we removed 102 graduates from Phase 2 period. The second was a phone-and-questionnaire survey held in 2016 by the ex post evaluation team; the sample included 24 graduates from the PMP course during Phase 2.

⁷ Out of 22 respondents of the beneficiary survey at ex-post evaluation, 18 respondents had taken other short-term specialized course. 12 respondents among them had taken more than two courses.

Chips”) by making Japanese-style crunchy chips and another opening a book café, borrowing an idea from Japanese coffee shops. Based on this evidence, the business courses are confirmed to be practical, high quality and meet participants’ needs.

The other overall goal of promoting mutual understanding between the people of Uzbekistan and Japan has been achieved through the cultural exchange activities of students through a TV conference system continued from Phase 2. The number of graduates of the Japanese language course who professionally use Japanese could not be verified, although some graduates used Japanese when attending to Japanese tourists in souvenir shops near the World Heritage Site in Bukhara.

<Other Impacts at the time of Ex-post Evaluation>

Numerous other positive impacts were confirmed. Examples include very active alumni clubs originating in business courses, with the clubs responsible for multiple activities. These club activities have become a good follow-up for the business courses, providing opportunities for additional learning and new business creation. As for the promotion of mutual understanding, as the effect of information giving activities related to studying in Japan, the number of students studying in Japan significantly increased to 471 in the year 2015 (25th in terms of world rank), up from 139 people in the year 2006 (29th in terms of world rank). Particularly, the study in Japan fair and seminars organized in collaboration with Japanese universities have become very popular: Approximately 1,800 people participated in one such fair in 2015. No negative impacts has been observed.

<Evaluation Result>

In light of the above, through the project, the project purpose has been achieved at the completion of Phase 2 and its effects have continued at the time of ex-post evaluation. The overall goal has been mostly achieved and other positive impacts have been observed. Therefore, the effectiveness/impact of the project are high.

Achievement of project purpose and overall goal

Aim	Indicators	Results																																										
(Project Purpose) The function of the UJC as a base contributing 1) to human resources development in area of SMEs of Uzbekistan toward a market economy, 2) to mutual understanding between the people of Uzbekistan and Japan, will be promoted.	1. Degree of recognition of UJC business courses ⁸	(Project Completion) Achieved. - The application-to-enrollment ratio for the PMP course in 2010 was 2.8:1 (341 applicants, 124 enrollees). (Ex-post Evaluation) Continued. - The application-to-enrollment ratio for the PMP course in 2015 was 2.4:1 (148 applicants, 62 enrollees).																																										
	2. Number of users and members of the UJC ⁹	(Project Completion) Achieved Table: Visitors to UJC Tashkent and UJC Bukhara <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Tashkent</td> <td>65,084</td> <td>73,646</td> <td>74,045</td> <td>69,376</td> <td>64,492</td> <td>346,643</td> </tr> <tr> <td>Bukhara</td> <td></td> <td>5,126</td> <td>9,718</td> <td>10,440</td> <td>13,238</td> <td>38,522</td> </tr> </tbody> </table> Note: Each year refers to the sum for January through December. The total number does not strictly show achievements of the project period, for the project started in December and ended in November. - The number of members at UJC Tashkent was 487 in the year 2010. (Ex-post Evaluation) Continued. Table: Visitors to UJC Tashkent and UJC Bukhara <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Tashkent</td> <td>64,570</td> <td>59,049</td> <td>51,864</td> <td>57,587</td> <td>54,062</td> <td>287,132</td> </tr> <tr> <td>Bukhara</td> <td>13,840</td> <td>12,867</td> <td>15,887</td> <td>8,759</td> <td>9,660</td> <td>61,013</td> </tr> </tbody> </table> - The number of visitors to UJC Bukhara decreased from February 2014 to January 2016 as a result of moving to a temporary facility in February 2014, which was caused by renovations at Bukhara State University. After the renovations, it was moved to a new facility in February 2016. - The number of members at UJC Tashkent was 386 in the year 2015.		2006	2007	2008	2009	2010	Total	Tashkent	65,084	73,646	74,045	69,376	64,492	346,643	Bukhara		5,126	9,718	10,440	13,238	38,522		2011	2012	2013	2014	2015	Total	Tashkent	64,570	59,049	51,864	57,587	54,062	287,132	Bukhara	13,840	12,867	15,887	8,759	9,660	61,013
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⁸ Data for this indicator were collected by interviewing people on the street in Tashkent, asking if they had hear of UJC business courses. However, according to the Terminal Evaluation Report of the project and hearings from Japanese experts, the project target group (i.e., businesspeople), commonly transport by vehicle. Hence, the data collection method was not appropriate. For this reason, “degree of recognition” was measured via a proxy indicator of application-to-enrollment ratio for business courses. Given that there are several business courses, we used the PMP course as the main business course. The ratio was calculated by dividing the number of applicants by the number of actual participants in the PMP course, which was held in 2 batches per year, with a day and night course for each batch. In 2015, there was only 1 batch.

⁹ The primary benefit of membership is the ability to borrow books from the UJC library. There is no membership service at UJC Bukhara.

¹⁰ This indicator was originally written as “Situation of establishment of UJC’s local office and achievement of its objectives.” These indicators refer to activities and, as a result, are not appropriate as indicator of project purpose. In light of this fact, we set the proxy indicator as previously mentioned. For the satisfaction level, we used the results of the course evaluation conducted at the end of each course.

		<ul style="list-style-type: none"> - Participants' satisfaction level was 4.8 on a scale of 1 to 5 (average over courses held between October 2014 and March 2015). - The number of participants and business courses increased drastically in 2011 because half-day courses were provided free of charge in 17 cities in response to a request from Uzbekistan to roll out business courses nationwide for the "year of small business and private enterprise," as the country's government called 2011. - In 2015, business courses were held in regional cities Bukhara, Samarkand, Fergana, Qarshi and Nukus. 																																										
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<p>(Overall goal) 1) Human resources related to the private sector responding to the market economy in Uzbekistan will be developed. 2) Mutual understanding</p>	<p>1. Number of enterprises that increased benefits and efficiency¹¹ after attending UJC business courses</p>	<p>(Ex-post Evaluation) Achieved.</p> <ul style="list-style-type: none"> - According to the beneficiary survey for PMP graduates of Phase 2, approximately 60% of respondents acknowledged the course has contributed to their profit increase. Of these, a growth level of 11-50% was the most common increase (accounting for more than 40% of respondents who saw an increase). <p>Table: Profit increase (Did the course contribute to your company's profit increase?)</p> <table border="1"> <thead> <tr> <th rowspan="2">Response</th> <th colspan="2">Phone Survey in 2015</th> <th colspan="2">Ex-post evaluation in 2016</th> </tr> <tr> <th>Number</th> <th>Percentage</th> <th>Number</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Yes</td> <td>61</td> <td>60%</td> <td>14</td> <td>58%</td> </tr> <tr> <td>No</td> <td>20</td> <td>20%</td> <td>3</td> <td>13%</td> </tr> <tr> <td>No response/I don't know</td> <td>21</td> <td>21%</td> <td>7</td> <td>29%</td> </tr> <tr> <td>Total</td> <td>102</td> <td>100%</td> <td>24</td> <td>100%</td> </tr> </tbody> </table> <p>Note: Due to number rounding, the total may not be 100%.</p>	Response	Phone Survey in 2015		Ex-post evaluation in 2016		Number	Percentage	Number	Percentage	Yes	61	60%	14	58%	No	20	20%	3	13%	No response/I don't know	21	21%	7	29%	Total	102	100%	24	100%													
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¹¹ Increased efficiency has been excluded, for the scope of such an analysis is vague.

between the people both of Uzbekistan and Japan will be promoted.	2. Number of people who started a business (of graduates of business course)	(Ex-post Evaluation) Achieved. - According to the beneficiary survey for PMP graduates of Phase 2, approximately 30% of respondents opened their own business. - According to the same survey, more than 50% had salary growth and other positive effects in their careers, including promotion and career change.
	3. Number of cases that led to cooperation/exchange programs between the two countries' citizens	(Ex-post Evaluation) Achieved. - 12 cases of exchange activities were confirmed between 2011 and 2015. Of these, Japanese students from schools for students with special hearing needs and Uzbekistani students with special hearing needs continue to engage in exchange activities through the TV-conference system from Phase 2. - In 2014, new cultural events (how to wear a kimono and small concerts, etc.) were initiated in collaboration with Japanese visitors to the UJCs. - Introducing the UJC's activities to Japanese residents and visits to the companies of PMP graduates by Japanese residents was done.
	4. Number of people utilizing Japanese-language skills for business (of graduates of Japanese language courses)	(Ex-post Evaluation) Partially achieved. - No data of career choices by graduates from Phase 2 courses was available to confirm the number of graduates who utilized Japanese language skills for business. - At least two graduates from Phase 2 courses were working as Japanese language lecturers at the UJC. - Some graduates of UJC Bukhara used the Japanese language when attending to Japanese tourists in souvenir shops near the World Heritage Site in Bukhara.

Source : Documents provided by JICA, Beneficiary survey at the ex-post evaluation.

3 Efficiency

The project period was as planned, however the project cost from JICA side exceeded the plan (ratio against the plan:100% and 114%, respectively). The cause of the cost increase could not be specified by comparing the planned budget to the actual cost, for the detailed plan of the budget was not available. Therefore, the efficiency of the project is fair.

4 Sustainability

<Policy Aspect>

Human-resource development of SMEs in Uzbekistan remains the priority given the Uzbekistani government's support of SMEs and entrepreneurs under the development policy called "Welfare Improvement Strategy (2013-2015)" as well as a presidential decree (2015).

<Institutional Aspect>

The UJC is a nonprofit organization that is jointly operated by two co-directors, Uzbekistan and Japan. The staff allocation from Uzbekistan is a total of 24 people. Of these, 21 are in UJC Tashkent (1 co-director, 1 accountant, 1 administrator, 5 business course coordinators, 1 Japanese language coordinator, 3 Japanese language lecturers, 1 mutual understanding seminar coordinator, 1 IT coordinator, 1 librarian, 2 receptionists, 2 drivers and 2 security guards) and 3 people in UJC Bukhara (1 administrator/Japanese language lecturer, 1 mutual understanding program coordinator/ Japanese language lecturer, 1 accountant/receptionist). The staff allocation from Japan is 2 long-term dispatched experts (1 co-director, 1 coordinator) from the ongoing technical assistance project (December 2015 to November 2020) and 2 long-term experts from the Japan Foundation. The decision-making process and management systems of the UJC are all jointly designed and implemented. Regarding the operation of 3 programs, although Japanese experts give advices for the implementation of each course, local staff members are adequately allocated to encourage their initiatives, the operational procedures are established and the manuals are in place. According to the UJC and MFERIT, the UJC's legal status as a nonprofit organization and its tax exemptions will continue in the future.

<Technical Aspect>

From a technical aspect to continue three main programs, local coordinators and local lecturers have sufficient capability to manage the courses and teach in the classes. The staff capacity building is well considered and mechanisms are also in place. In particular, task allocations are appropriate and target-setting methods are used to enhance staff capability. As for the capacity building of local lecturers, the training of trainers (TOT) mechanism has been set up for the business course. For the Japanese language course, trial lessons are practiced to ensure quality in language courses. For the year 2014, the ratio of lecture hours provided by local lecturers was 82% for business courses and 94% for Japanese language courses, evincing sufficient usage of local human resources. In business courses, local lecturers teach business environment and institutions in Uzbekistan and localized Japanese-style business management. Japanese lecturers teach topics such as advanced marketing and advanced human resource management. Both local and Japanese lecturers have been highly praised according to the result of questionnaires by participants.

<Financial Aspect>

The revenue of the UJC's operation is covered by the UJC's self-generated income, allocation from MFERIT, JICA local operation costs and others. Strengthening the UJC's financial basis was an issue from the beginning, and, in the short term, this issue was not meant to be solved. It was recognized that financial self-sufficiency needs to be achieved strategically. One of the challenges of the financial aspect is the legal status of the UJC as a nonprofit organization, per presidential decree: A rapid increase in revenue would be considered profit-making activity, and such activity is not allowed for nonprofits. The

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
UJC self-generated income	16,214	15,774	16,790	16,618	25,093	34,703
(income from business courses)	(10,888)	(10,669)	(11,922)	(10,704)	(16,242)	(20,263)
(income from Japanese courses)	(3,429)	(3,448)	(3,409)	(4,960)	(7,265)	(12,314)
(income from mutual understanding activities)	NA	(194)	(418)	(167)	(259)	(155)
(other incomes)	(1,897)	(1,462)	(1,041)	(787)	(1,325)	(1,971)
Allocation from MFERIT	5,174	8,197	4,627	4,500	4,800	4,000
JICA local operation cost	25,822	25,972	24,782	25,539	24,486	23,023
Others	NA	NA	6,195	17,507	16,466	15,385
Total of the revenue	47,210	49,942	52,394	64,163	70,844	77,110
Total of the expenditure	43,369	51,163	53,437	68,933	69,512	68,694
(expenditure from UJC self-generated income)	(12,373)	(16,995)	(17,833)	(21,388)	(23,761)	(26,287)
Balance	3,841	-1,221	-1,043	-4,770	1,332	8,416

(Source) Documents provided by JICA.

Note: Years refer to fiscal years (April to March). The cost of facilities provided by MFERIT is not included in the table. The figures above have been rounded down (to the nearest thousandth), which means that some figures do not add up to 100%.

percentage of the share of UJC's self-generated income in the total expenditure for its operation has gradually increased from 9% at the beginning of Phase 2 (2005) to 29% at the end of Phase 2 (2010) and to 38% during the ex-post evaluation (2015). Phase after phase, the UJC has steadily increased revenue by increasing self-generated income from tuition fees. Taking into account that tuition fees are still lower than the market price¹², a certain degree of increase in tuition fees can be expected. Another positive feature is that the rent payment for the facility is granted to UJC¹³ at MFERIT's behest (to the facility owner), allowing for good location with easy access for participants.

In addition to these situations, Japan's assistance is expected to continue at least for a while. Hence, there are no major financial problems that would hinder maintenance of the positive effects brought about by the project.

<Evaluation Result>

In light of the above, no problem has been observed in terms of the policy, institutional, technical and financial aspects. Therefore, the sustainability of the project effects is high.

5 Summary of the Evaluation

The project purpose has been achieved, and the effects have been maintained at the time of ex-post evaluation. For human resource development of SMEs, various positive impacts, such as revenue growth and opening of new businesses by PMP graduates, have been observed. For sustainability, the mechanism of joint management of the UJC has been established, and local operational staff and local lecturers are allocated adequately and necessary procedures are in place to work with their initiatives, resulting development and effective use of local human resources. In terms of efficiency, the project cost exceeded the plan.

Considering all of the above points, this project is evaluated to be highly satisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing agency:

- Financial self-sufficiency has already been set as a long-term goal, but there is not enough discussion and documentation to share the recognition by stakeholders. Thus, it is recommended to set a long-term goal designed to embrace these issues (e.g., determining the ultimate goal to have costs covered by self-generated income and the time frame to achieve this plan). The ongoing project entails setting up a short-term target and executing new means to strengthen the financial base of the UJC; these activities should be considered in tandem with the long-term target.
- Based on results of the beneficiary survey, it can be said that PMP graduates think highly of the business courses; they have become great supporters of the UJC, recommending that employees, colleagues and friends take the courses. Likewise, they have established important networks of graduates. Although financial self-sufficiency of the UJC is very important (as already explained), reducing costs should be done carefully to avoid damaging the well-earned reputation of the UJC and the high quality training, which have been built over the years.

Lessons learned for JICA:

- Business courses offered by the UJC are focused on making concrete and practical contents as well as building a follow-up system for PMP course graduates. For example: i) planning and implementing short-term specialized courses that offer advanced knowledge for experienced businesspeople; ii) supporting club activities (e.g., the alumni club and topic-related clubs) to provide graduates a space for information sharing and collaboration; iii) providing consultation to solve the problems faced by graduates' companies. When designing a business course with a strong emphasis on the practical application of theory, a follow-up system, such as that offered by the UJC, should be established to encourage graduates to apply what they have learned and to promote network activities.
- The UJC is situated in the city center, at the International Business Center, and is easily accessible from the subway station. When designing to create a center/base that could accommodate frequent visits from the general public and busy businesspeople, a central location with solid accessibility is considered a priority.



Study Abroad Fair in 2015
Universities set up information booths



Business course in UJC Tashkent
Japanese expert instructing a workshop during specialized course
“advanced marketing”

¹² In 2014 and 2015, the project researched tuition fees charged for business courses offered by universities and other language programs to determine an appropriate tuition increase for business courses and Japanese-language courses (documents provided by the JICA).

¹³ The UJC is situated on the 6th and 9th floors of the International Business Center in the center of Tashkent.

Country Name	Kazakhstan-Japan Center for Human Development (Phase 2)
Republic of Kazakhstan	

1. Project Outline

Background	<p>Since the independence of the Republic of Kazakhstan (hereinafter referred to as “Kazakhstan”) in 1991 following the collapse of the Soviet Union, the government of Kazakhstan has implemented a radical economic reform policy and has had to develop the human resources to actively promote a transition to a market economy. Meanwhile, the idea came about of fostering practitioners who promote the transition to the market economy and of establishing the Japan Center² in Asian and former Soviet Union countries on the road to a market economy, as a base to realize “aid with a Japanese flag.” In Kazakhstan, which occupies a geopolitically important position, the technical cooperation project of the “Kazakhstan-Japan Center for Human Development” was implemented (from October 2000 to September 2005, hereinafter referred to as “Phase 1”), establishing the Kazakhstan-Japan Center (hereinafter referred to as “KJC”), with the main implementing agency being Kazakh Economic University³ (hereinafter referred to as “KazEU”). After that, this project (Phase 2) was carried out.</p> <p>In addition to the above, after the completion of this project, the “Project for Enterprise Development through Kazakhstan-Japan Center for Human Development” was executed (from October 2010 to September 2012, hereinafter referred to as “Phase 3”). By the completion of Phase 3, the technical cooperation project by JICA had been terminated⁴.</p>																													
Objectives of the Project	<p>By the capacity building of KJC management (including public relations activities) and the implementation of business courses, a Japanese language course and mutual understanding program⁵, the project aimed for KJC to become a base at which to develop the business human resources necessary to engage in the transition to a market economy and to promote mutual understanding between Kazakhstan and Japan.</p> <p>1. Overall goal: 1) Human resources responding to the market economy in Kazakhstan will be developed. 2) Mutual understanding between the two countries will be reinforced. 2. Project Purpose: The role and function of KJC are 1) to contribute to human resources development toward a market economy, and 2) to promote mutual understanding between the people of Kazakhstan and Japan, will be strengthened</p>																													
Activities of the Project	<p>1. Project site⁶: Almaty and Astana 2. Main activities: Training for the staff to strengthen the capacity to operate KJC, the implementation of business course, Japanese language course and mutual understanding program and so on. 3. Inputs (to carry out the above activities)</p> <table border="0"> <tr> <td>Japanese side</td> <td colspan="4">Kazakhstan side</td> </tr> <tr> <td>(1) Experts: 78 experts</td> <td colspan="4">(1) Staff allocated: 4 persons</td> </tr> <tr> <td>(2) Trainees received in Japan: 39 persons</td> <td colspan="4">(2) Space necessary for KJC, office for Japanese experts, other equipment necessary for KJC’s activities (area in both universities in Almaty and Astana)</td> </tr> <tr> <td>(3) Equipment: computers, audiovisual equipment, office supplies, equipment for the mutual understanding activities, office furniture, other equipment necessary for KJC</td> <td colspan="4">(3) Cost for electricity, water, communications, etc.</td> </tr> <tr> <td>(4) Local operation cost</td> <td colspan="4"></td> </tr> </table>					Japanese side	Kazakhstan side				(1) Experts: 78 experts	(1) Staff allocated: 4 persons				(2) Trainees received in Japan: 39 persons	(2) Space necessary for KJC, office for Japanese experts, other equipment necessary for KJC’s activities (area in both universities in Almaty and Astana)				(3) Equipment: computers, audiovisual equipment, office supplies, equipment for the mutual understanding activities, office furniture, other equipment necessary for KJC	(3) Cost for electricity, water, communications, etc.				(4) Local operation cost				
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Ex-Ante Evaluation	2005	Project Period	October 2005 to September 2010	Project Cost	(ex-ante) 934 million yen (actual) 797 million yen																									
Implementing Agency	Ministry of Education and Science, Kazakh Economic University (KazEU) (at Almaty), Kazakh University of Humanities and Laws (at Astana)																													

¹ At the FY2015 external ex-post evaluation, 11 projects related to the Japan Center (technical cooperation projects) in eight countries including the project were evaluated together. This aimed at not only ex-post evaluation of individual projects but also comprehensive analysis of these projects in order to draw comprehensive and versatile lessons to further improve the Japan Center projects. Since the project cost was less than 1 billion yen, the ex-post evaluation was conducted in accordance with the internal evaluation method with the simplified field survey, and therefore, a report format for the internal evaluation was used.

² At the time of the ex-post evaluation, 10 Japan Centers were established in nine countries: Southeast Asia (Cambodia, Vietnam (Hanoi and Ho Chi Minh), Myanmar and Laos), East and Central Asia (Mongolia, Uzbekistan, Kazakhstan and Kyrgyz) and Ukraine.

³ KazEU changed its name to “Turar Ryskulov New Economic University” in December 2014 and changed it to “Narxoz University” in April 2016.

⁴ After the completion of Phase 3, a short-term expert (for “Quality Management” was sent for roughly two weeks at one time several times a year. In addition to this, since February 2016, a long-term expert (for “Promotion of Small and Medium Enterprises”), sent to the Ministry of National Economy, is responsible for activating the business course of KJC. Besides, the impact and the sustainability of this project was evaluated, including the effects and influences attributed to Phase 3 and support by experts dispatched after that (the strict distinction between the effects by Phase 2, and others (Phase 3 and other experts’ support). Besides, the impact and the sustainability of this project was evaluated, including the effects and influences attributed to Phase 3 and support by experts dispatched after that phase (even though the strict distinction between the effects by Phase 2, and others (Phase 3 and other experts’ support) is difficult).

⁵ In mutual understanding programs, mainly cultural activities have been periodically held (such as calligraphy, Japanese flower arrangement, origami, Japanese chess (go), Yosakoi dance, etc.). In addition to these, seasonal social events, such as the Sakura festival or Star Festival, and overseas study fairs have been organized.

⁶ During Phase 2, the business course and the Japanese language course were held in Almaty, Astana and other rural cities, and most of the mutual understanding programs were conducted in Almaty. Some of them were in Astana and other rural cities. After the completion of Phase 3, the business course was mainly organized only in Almaty until FY2015, but it resumed again in Astana since FY2016.

Cooperation Agency in Japan	Japanese Language Course: The Japan Foundation ⁷ Business Course: Unico International Corporation
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II. Result of the Evaluation

【Special perspectives considered in the evaluation of Effectiveness/Impact】

The indicators of the outputs and the project purpose were duplicated; hence, we adjusted them accordingly to evaluate this project. Moreover, after March 2009, when the numerical targets were set (at the time of mid-term evaluation), the achievement level of the outputs and project purpose were comprehensively judged by these indicators, and quantitative and qualitative effects were also considered.

1 Relevance

【Consistency with the Development Policy of Kazakhstan at the time of ex-ante evaluation and project completion】

As a prioritized issue in “Kazakhstan-2030: Prosperity, Security and Ever Growing Welfare of All the Kazakhstanis” (1997), the country aimed to attain economic development to the level of more developed countries in East Asia based on a market economy by 2030 and to foster the human resources that could support this goal. Moreover, in the “Innovative Industrial Development Strategy of the Republic of Kazakhstan for 2003-2015,” the revitalization of manufacture, the development of human resources and the strengthening of small and medium-sized enterprises (SMEs) were set as goals. In this regard, this project was consistent with the development policy of Kazakhstan from ex-ante evaluation to the completion of the project.

【Consistency with the Development Needs of Kazakhstan at the time of ex-ante evaluation and project completion】

After gaining its independence in 1991, Kazakhstan has accomplished economic growth by implementing a radical economic reform policy. However, its industrial structure was heavily inclined toward mining and manufacturing. In order to correct this distorted situation, the diversification of industry, the promotion of SMEs and the development of the manufacturing industry were set as industrial policies, and there was a great need to enhance human resources that could realize these policies. In particular, as a result of the deteriorating economic situation in 2008, the interest in Japanese-style management, such as “kaizen⁸” increased. Moreover, by the beginning of Phase 2, the younger generation of the wealthy class who had an interest in Japanese culture and language had increased, affected by the popularity of Japanese animation and cartoons. Due to this situation, the need was high for educational institutions to teach the Japanese language. However, at the time of the ex-post evaluation, these interests were set aside by the rise of Korean and Chinese pop culture and working opportunities. In light of the above, this project was consistent with Kazakhstan’s development needs from ex-ante to the completion of the project.

【Consistency with Japan’s ODA Policy at the time of ex-ante evaluation】

It was confirmed at the “Bilateral Policy Consultation” in November 2002 that Japan will actively support Kazakhstan to overcome its difficulties such as the lack of human resources to introduce the democratization and economic transition to a market economy, the decrepit economic infrastructure and the collapse of the trade system. In addition to this, at “The Central Asia plus Japan” Dialogue in 2004, it was affirmed that the countries would expand their mutual cooperation and cultural exchange and deepen and expand human resources development for economic and social development.

【Evaluation Result】

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

【Status of Achievement for the Project Purpose at the time of Project Completion】

The project purpose was mostly achieved. The business course, which mostly continued for 3 to 5 days, implemented diversified courses, such as “Project Management,” “Strategic Management,” “Human Resource Management,” “Financing,” “Financial Analyses and Loan Approval Examination,” “Production and Quality Management,” “Quality Control Circle,” “Logistic Management,” “Environmental Management” and so on. The satisfaction level of the participants in these courses was high. The number of participants varied every year. Until FY2008, almost half of the courses could not fulfill the enrollment quota. Even though, in FY2009, the number of the participants surpassed its quota considerably, in the first half of fiscal year 2010, when the project was completed, the number of participants did not reach the target. The number of participants of the Japanese language course and the mutual understanding course attained the numerical target, and the satisfaction level for the courses was high. On the other hand, the capacity to operate all the courses needs to be improved. The percentage of operation expenditure covered by KJC’s revenue from their activities was 30% at the time of completion of the project, which accomplished the indicator of project purpose.

【Continuation Status of Project Effects at the time of Ex-post Evaluation】

After the completion of Phase 3, KJC continues three main courses (the business course, Japanese language course and mutual understanding program). The business course has focused on the areas in which KJC can show its strength, and in FY2014, three courses, “Quality and Production Management,” “5S⁹ and Kaizen” and “Lean Production and Kaizen” were carried out. At the time of ex-post evaluation, JICA’s short-term experts, such as a Japanese lecturer, are dispatched several times in a year, and they are mainly responsible for the program of “Quality and Production Management” and “5S and Kaizen.” These forms of guidance are practical and based on the abundant experience of Japanese experts in Japanese factories, which greatly satisfy the needs of participants (according to the interviews and answers to the questionnaires to KJC and experts). Meanwhile, the Kazakhstani lecturers, who taught different themes than the Japanese experts, sometimes led to difficulty in fulfilling the enrollment quota. Other than these programs, KJC has started customized seminars and consulting services, provided with Japanese short-term experts and Kazakhstani lecturers, mainly focusing on “kaizen” for specific local companies. These services respond to the needs of specific companies and contribute to the improvement of

⁷ The Japanese language course was provided as part of the JICA technical cooperation project with the support of the Japan Foundation from Phase 1 to Phase 3. At the time of ex-post evaluation, a permanent Japanese coordinator is dispatched from the Japan Foundation.

⁸ Kaizen is a series of activities for reviewing work at production sites. Workers at the sites actively discuss measures for improvement and address issues to improve productivity and secure safety. The concept applies not only to the manufacturing industry but also to the service industry.

⁹ 5S is a method for improving rationality and efficiency by practicing sorting, setting in order, standardizing, shining and sustaining discipline.

working sites' efficiency. Besides this, Japanese experts attended the "Kaizen conference" organized by Kazakhstan Industry Development Institute¹⁰ (hereinafter referred to as "KIDI") in order to try to promote KJC's branding and raise its reputation. The Japanese language course and the mutual understanding program continue to be conducted even after the completion of Phase 3. However, due to the launch of Chinese and Korean language and cultural courses in these years, the number of participants of the Japanese language course has tended to decrease. The percentage of operation expenditure covered by revenue from KJC's activities increased to 73% in FY 2015, without input from JICA after the completion of Phase 3.

【Status of Achievement for Overall Goal at the time of Ex-post Evaluation】

The overall goals were partially not achieved. Regarding one of the overall goals, "Human resources responding to the market economy in Kazakhstan will be developed," according to the beneficiary survey at the time of the ex-post evaluation, those who completed the business courses recognize that these courses have contributed to the improvement of their personal and company operations. Their employers also reported that the staffs' participation in the business course at KJC had good effects on their operations. At the companies that received the consulting service from KJC, practical effects were identified, such as an increase in production volume in the same working hours, a reduction of working hours and improvement of working conditions (to secure a safe aisle in the factory, cleaning of the working area, establishment of a problem-solving board, and improvement of parts storage).

On the other hand, regarding another overall goal, "Mutual understanding between the two countries will be reinforced," not many cases of collaboration and interaction among citizens and companies of both countries were found as a result of participation in the courses or programs at KJC. Nevertheless, the Japanese language courses and mutual understanding programs continue to be implemented and contribute to promoting mutual understanding between the two countries. Even though collaboration was promoted during Phase 3 between KJC and Japanese companies, such as organizing the Kaizen Forum, after the termination of Phase 3 this activity was suspended. However, in October 2016, when the BOP (Base of the Economic Pyramid) mission of JETRO was sent to Kazakhstan, KJC offered the opportunity of promoting collaboration between Kazakhstan and Japanese companies. It is expected that the actual collaboration and interaction between these companies will be realized.

【Other Impacts at the time of the Ex-post Evaluation】

The positive impacts were identified in both areas of human resource development and mutual understanding. In the business course, in cooperation with a long-term expert assigned to the development of SME, KJC aims to be the base for promoting kaizen in Kazakhstan as a business strategy that will facilitate them to survive, taking advantage of the strength of Japanese-style management and focusing on themes such as "Production and Quality Management" and "5S and Kaizen." In a practical manner, collaborating with the Entrepreneurship Development Fund (hereinafter referred to as "DAMU") and KIDI, KJC has launched the "kaizen consulting project" for the companies, contributed to improvement of the production efficiency of Kazakhstan companies and strengthened the capacity of Kazakhstani lecturers. In Kazakhstan, the Russian consultant has also recently taught kaizen. However, their guidance does not facilitate "continuous change at the working site," which is the essence of kaizen. In contrast, kaizen taught by KJC is appreciated by local companies, as it gives them more essential and practical guidance (according to the interview with the experts). In the Kazakhstani economy, the exposure of Japanese companies is not very visible, which is why the motivation for Kazakhstan companies to study Japanese-style management is not very high. Nevertheless, the perception that practice in implementing kaizen is a strength of Japanese-style management is coming to be prevalent among Kazakhstan companies, which recognize KJC's activities. This increases the reputation of KJC and the notion that "KJC is the best institution to study kaizen." Moreover, due to financial constraints, the business course was restricted its implementation in Astana (the national capital), which caused problems with government agencies of both countries not recognizing the activities of this project fully. In order to solve this situation, in FY 2016, KJC, with a Japanese short-term expert, started a consulting service for companies in Astana and reported the results of their activities to government agencies in Astana to increase the appeal of their activities.

In addition to the above, according to the results of the beneficiary survey (by questionnaire), which involved 16 ex-participants who had completed the Japanese language course in Phase 2, all of them reported positive effects of participating in the Japanese language course in KJC, claiming it had contributed to improving their capacity to use Japanese, raised interest in Japan and deepened their understanding of Japan. Among them, 11 ex-participants had built a network among Japanese language learners, which increased the effect of learning the Japanese language. Moreover, the guidance by KJC to the Association of Japanese Language Teachers was still continuing at the time of the ex-post evaluation. Based on these facts, KJC contributes to increasing the Japanese language education level in Kazakhstan in general. The cultural events are celebrated in project sites of Almaty and Astana, which promotes mutual understanding in broader areas in Kazakhstan.

【Evaluation Result】

The project purpose was almost achieved. After the completion of Phase 3, KJC had strategically narrowed the areas of guidance and had reduced the volume of business courses. However, KJC still continues the courses, aiming to produce the effect, such as kaizen, to develop human resources who can play active role in a market economy; it has done this through the provision of customized seminars or consulting services, mainly using on-site consultation for specific companies. The Japanese language course continues, even though the number of participants has decreased recently, and the mutual understanding program also continues. Some of the overall goals were not achieved, but several positive impacts were identified.

In light of the above, the effectiveness/impact of the project are fair.

Achievement of project purpose and overall goal

Aim	Indicators	Results
Project Purpose The role and function of KJC, which are 1) to contribute to human	1. The management skill of KJC staff are evaluated higher than 80%	(Project completion) <u>Partially achieved</u> - Self-evaluation and evaluation by manager was introduced to the business course, and the staff score was recorded as being 62% in February 2007, 91% in June 2008 and 80% in September 2008. However, the scores for the other period of the project were not recorded.

¹⁰ Kazakhstan's institution was established in 2010 to formulate the national policy related to Kazakhstan's industrial development. It is responsible for the planning, implementation, monitoring and evaluation of the industrial development program, and also for surveys regarding other countries' industrial policies and the integration of Kazakhstani industries.

resources development towards market economy, and 2) to promote mutual understanding between the people of Kazakhstan and Japan, will be strengthened.

(self-evaluation and evaluation by manager)

The Japanese experts evaluated the capacity of KJC's staff that they can manage the regular-patterned courses, but it was not enough for them to design and plan the courses strategically. This self-evaluation system was not applied to the staff of the Japanese language course and the mutual understanding program. The staff of the Japanese language course was equipped with the capacity to arrange the operational manual and revise the curriculum by themselves. In this situation, it was evaluated that the staff are equipped with the capacity to operate the Japanese courses. The evaluation of the capacity of the staff to run mutual understanding was the same as for the Japanese language course.

(Ex-post Evaluation) Continued

- After the completion of Phase 3 in September 2012, the courses at KJC were obliged to be executed only by the Kazakhstani staff. Nonetheless, at the time of the ex-post evaluation, all the three courses are run with no problems, which shows the much-enhanced capacity of the staff to operate three programs.

2-① Annual number of users of KJC at business course, is more than 500. Participants' average satisfaction rate is more than 80%.

(Project completion) Partially achieved.

	FY2005	FY2006	FY2007	FY2008	FY2009	First half year of FY2010
Number of participants	1,306	353	1,724	267	1,225	159
Level of satisfaction	No data	No data	80% and over	80% and over	91%	No data

※Fiscal year covers from April to March. The total number of participants stated in the table is 5,034, including those who participated in the course in the first half year of FY2005. This figure differs from the total number of participants in the entire Phase 2.

- Before setting the numerical target (FY 2008 and before), almost half of all the business courses could not fulfill the enrollment quota. This situation was caused by several factors, such as a severe competitiveness with many other educational institutions, the disadvantage of KJC's location and the low profile of KJC at that time. Because of such situations, it was not easy to collect enough participants for the business course. Moreover, the economic crisis in 2008 had an effect in reducing the number of applicants. Owing to the operational consultation mission in October 2008, KJC took remedies to ensure there would be enough participants and to improve the curriculum and formation of lecturers. Consequently, KJC could accomplish the target indicator in FY 2009. But in the first half of fiscal year 2010, the number of participants decreased due to lack of seminars that could mobilize many participants at one time, such as seminars for a specific company or university, or the forum, and KJC could not achieve the numerical target (250 participants in half a year, in proportion to 500 in a year). However, the satisfaction level of those who participated in the course was high (even though no data was found for the first half of FY2010).

(Ex-post Evaluation) Partially continued

	Last half year of FY2010	FY2011	FY2012	FY2013	FY2014
Number of participants	133	966	372	179	115
Level of satisfaction	97%	97%	95%	90%	93%

- During Phase 2, diversified classes were implemented in the business course. But in Phase 3, the only course of "Human Resource Management," "Marketing," "Production and Quality Management" and "Project Management" were conducted.
- Just after the completion of Phase 3, the business course was provided with only Kazakhstani lecturers. However, Japanese short-term experts resumed to be dispatched in FY 2013 and beyond, and at the time of the ex-post evaluation (in FY2014), Japanese experts taught "Production and Quality Management" (3 times) and "5S and Kaizen" (once), while the Kazakhstani lecturer guided "Lean Production and Kaizen" (3 times); in total, 3 courses were conducted through 7 classes. Even though the number of participants had decreased, their level of satisfaction with the lectures remained high. After Phase 3, KJC tried to change its strategy to focus on the themes which do not compete with other business courses, to emphasize on-site guidance for the course contents, and to bring about the effect and improvement in work site location than to increase the number of participants. On the other hand, the regular content taught by the Kazakhstani lecturers, such as "Marketing" or "Energy Management Systems" sometimes could not attract enough participants to satisfy the enrollment quota. The main reasons for this situation are as follows: the disadvantage of the location of KJC; low motivation to study at KJC due to the fact that the courses are taught by local lecturers against the expectation that the lecturers will be Japanese because the Center is called the "Kazakhstan and Japan Center"; competitiveness with other MBA courses; low motivation to study Japanese-style production techniques due to the low profile of Japanese companies; and an inadequate approach to the recruitment of participants (according to interviews with KJC and related persons of the Kazakhstan Economic

		Association). - The accumulated number of participants of the business course from Phase 1 to FY 2014 was 8,600 and over.																																																					
2-② Annual number of users of KJC at Japanese language course, is more than 500. Participants' average satisfaction rate is more than 80%.	(Project completion) <u>Almost achieved</u>	<table border="1"> <thead> <tr> <th></th> <th>FY2005</th> <th>FY2006</th> <th>FY2007</th> <th>FY2008</th> <th>FY2009</th> <th>First half year of FY2010</th> </tr> </thead> <tbody> <tr> <td>Number of participants</td> <td>524</td> <td>516</td> <td>728</td> <td>605</td> <td>1,258</td> <td>484</td> </tr> <tr> <td>Venue</td> <td>Almaty</td> <td>Almaty, Astana</td> <td>Almaty, Astana</td> <td>Almaty, Astana</td> <td>Almaty, Astana Karaganda</td> <td>Almaty, Astana</td> </tr> <tr> <td>Evaluation by participants</td> <td>More than 4 among 5 grades</td> <td>More than 4 among 5 grades</td> <td>Around 90% by average</td> <td>Around 90% by average</td> <td>Around 90% by average</td> <td>No data</td> </tr> <tr> <td>Completion rate</td> <td>75%</td> <td>60%</td> <td>58%</td> <td>68%</td> <td>68%</td> <td>No data</td> </tr> </tbody> </table> <p>※Fiscal year covers from April to March. The total number of participants stated in the table is 4,115, including those who participated in the course in the first half of the year, 2005. Therefore this figure differs from the total number of participants in Phase 2.</p> <p>- In FY 2009 and after, the numerical target was achieved. Before that, the Japanese language course attracted more than 500 participants, whose level of satisfaction with the courses was high, though the completion rate of the course was not satisfactory. Moreover, the Japanese language course was also conducted in Astana or Karaganda, other than Almaty where KJC is located.</p> <p>(Ex-post Evaluation) <u>Almost continuous</u></p> <table border="1"> <thead> <tr> <th></th> <th>Last half year of FY2010</th> <th>FY2011</th> <th>FY2012</th> <th>FY2013</th> <th>FY2014</th> </tr> </thead> <tbody> <tr> <td>Number of participants</td> <td>889</td> <td>598</td> <td>494</td> <td>479</td> <td>441</td> </tr> <tr> <td>Level of satisfaction</td> <td>NA</td> <td>NA</td> <td>89%</td> <td>86%</td> <td>83%</td> </tr> </tbody> </table> <p>- After the completion of Phase 2 (data about the "level of satisfaction" are partially not available), the numerical targets were almost achieved. However, the number of participants has tended to decrease recently as the course has lost ground to the popularity of Chinese and Korean language courses.</p> <p>- The accumulated number of participants in the Japanese language course from Phase 1 to FY 2014 was 6,800 and over.</p>		FY2005	FY2006	FY2007	FY2008	FY2009	First half year of FY2010	Number of participants	524	516	728	605	1,258	484	Venue	Almaty	Almaty, Astana	Almaty, Astana	Almaty, Astana	Almaty, Astana Karaganda	Almaty, Astana	Evaluation by participants	More than 4 among 5 grades	More than 4 among 5 grades	Around 90% by average	Around 90% by average	Around 90% by average	No data	Completion rate	75%	60%	58%	68%	68%	No data		Last half year of FY2010	FY2011	FY2012	FY2013	FY2014	Number of participants	889	598	494	479	441	Level of satisfaction	NA	NA	89%	86%	83%
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¹¹ There were more than 5,000 participants at one cultural event, which raised the number of participants (Documents provided by JICA).

¹² It is estimated that the sudden increase in participants this year resulted from the change of method of statistical calculation (according to the information obtained from JICA Kirgiz office).

¹⁴ One Kazakhstan tenge was equivalent to 0.327 Japanese yen in March 2016, according to the rate JICA used (available at JICA website).

	more than 30% ¹³	<table border="1"> <tr> <td>Operation expenditure</td> <td>48,059</td> <td>54,908</td> <td>55,800</td> <td>74,887</td> <td>58,484</td> </tr> <tr> <td>Percentage of operation cost which is covered by KJC</td> <td>25%</td> <td>31%</td> <td>27%</td> <td>31%</td> <td>30%</td> </tr> </table> <p>(ex-post Evaluation) <u>Continued</u> (Unit : thousand tenge)</p> <table border="1"> <tr> <td></td> <td>through 2010</td> <td>FY2011</td> <td>FY2012</td> <td>FY2013</td> <td>FY2014</td> <td>FY2015</td> </tr> <tr> <td>Income from their activities</td> <td>28,144</td> <td>31,817</td> <td>18,898</td> <td>21,021</td> <td>33,673</td> <td>29,392</td> </tr> <tr> <td>Operation expenditure</td> <td>99,362</td> <td>67,124</td> <td>43,800</td> <td>41,965</td> <td>43,445</td> <td>40,434</td> </tr> <tr> <td>Percentage of operation cost which is covered by KJC</td> <td>20%</td> <td>55%</td> <td>43%</td> <td>50%</td> <td>78%</td> <td>73%</td> </tr> </table>	Operation expenditure	48,059	54,908	55,800	74,887	58,484	Percentage of operation cost which is covered by KJC	25%	31%	27%	31%	30%		through 2010	FY2011	FY2012	FY2013	FY2014	FY2015	Income from their activities	28,144	31,817	18,898	21,021	33,673	29,392	Operation expenditure	99,362	67,124	43,800	41,965	43,445	40,434	Percentage of operation cost which is covered by KJC	20%	55%	43%	50%	78%	73%
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Operation expenditure	99,362	67,124	43,800	41,965	43,445	40,434																																				
Percentage of operation cost which is covered by KJC	20%	55%	43%	50%	78%	73%																																				
<p>Overall goal</p> <p>1) Human resources responding to the market economy in Kazakhstan will be developed</p> <p>2) Mutual understanding between the two countries will be reinforced.</p>	<p>1. Cases and the number of such cases where KJC participants contributed to increased profits and efficiency in their companies</p>	<p>(Ex-post Evaluation) <u>Almost achieved</u></p> <ul style="list-style-type: none"> - According to the results of the beneficiary survey questionnaire collected at the time of ex-post evaluation from eight of those who completed the business course in Phase 2, seven out of the eight answered that they had improved their operation (such as to start a new business, to improve their operation practice, to raise their motivation, etc.), and six out of eight reported that they had contributed to improving the operations at their company. On the other hand, none of them answered that the profits of their companies had improved. It is assumed that it was difficult for those who completed the business course to contribute to improving the profits of their companies because of the shortness (3 to 5 days length) of most of the business courses at KJC. - According to the survey questionnaires collected from the management executives of the companies (3 companies) who sent their staff to KJC's business course, all of them answered that their participation in the course had good effects on their operations. Specifically, "the start of new business" (2 companies), "the increase of sales volume" (1 company), and "the expansion of business clients" (1 company) were the effects identified. - The number of companies that made use of the business course of KJC as an in-house training has been increasing. It is considered that the reliability and the recognition of KJC as a training institution with business courses is improving. - Meanwhile, the "Kaizen Club" was formed in 2011 as a network of those who completed the business course. However, most of them were engaged in the occupation of "consultant," so they were hesitant to share their own business skills with others without compensation, and their activities were suspended. After that, their activities resumed in 2015. Still, the operation policy of kaizen club, which is to utilize this network for their personal business, did not get along with the aim of KJC to spread "kaizen" throughout Kazakhstan. It was difficult for them to work together cooperatively with KJC, and now kaizen club has developed its activities independently from KJC. 																																								
	<p>2. Cases and the number of such cases where collaboration and exchange between Kazakhstan and Japanese citizens / corporation were realized</p>	<p>(Ex-post Evaluation) <u>Partially achieved</u></p> <ul style="list-style-type: none"> - During the Phase 3, several collaboration and exchange activities were organized, such as holding social events co-hosted with those who completed the business course, having a meeting to watch the TV program "Project X" and exchange opinions with the overseas-affiliated Japanese companies in Kazakhstan (such as trading, bank and manufacturing companies), holding lectures given by these Japanese companies and holding the "Kaizen Forum" at KJC as part of the CSR¹⁵ program of the Japanese companies. However, after the completion of Phase 3, this collaboration was suspended. At the time of ex-post evaluation, a long-term expert tried to find opportunities for KJC to collaborate with the overseas-affiliated Japanese companies in Kazakhstan. In October 2016, when the JETRO's BOP mission was dispatched to Kazakhstan, KJC contributed by offering opportunities for Kazakhstani companies to promote collaboration with Japanese companies. - Moreover, KJC becoming an affiliated institution of university, KazEU became to be easy to collaborate with Japanese university, such as Tsukuba University to start an internship program. While the Japanese language courses and mutual understanding program were implemented actively, no spontaneous interaction between Japanese and Kazakhstan citizens be observed to be inspired by the participation in the Japanese language course or the mutual understanding programs. 																																								

Source: Results of survey by questionnaires collected from those related to KJC (including experts), the beneficiary survey, and documents provided by JICA, terminal evaluation report.

3 Efficiency

The project cost was within the plan and the project period was as planned. Therefore, efficiency of the project is high.

¹³ "Percentage of local activity expenditure covered by the Center income" means "Percentage of operation cost which is covered by the revenue of KJC's own activities."

¹⁵ Corporate Social Responsibility

4 Sustainability

【Policy Aspect】

To develop the human resources responsible to transit to market economy was prioritized as an important policy in “Kazakhstan-2030: Prosperity, Security and Ever Growing Welfare of All the Kazakhstanis” (1997) and “Development Strategy Plan till 2020 of the Republic of Kazakhstan” (2010), which is aimed to step away from the heavily inclined industrial structure to natural resources and to diversify the economic structure. In the state of the nation address by the president in November 2014, the government made clear its intention to establish a new economic plan (“The Bright Road”) so that Kazakhstan’s economy would not be affected drastically by the fluctuation of market prices for natural resources. As one of seven strategies stated in this address, it was declared that the government would position the SMEs as a locomotive to attain economic growth and would support these SMEs (from the national address by the president in 2014).

【Institutional Aspect】

After the completion of Phase 3, KJC obtained the position of affiliated institution to KazEU in 2012, and its organizational stability was strengthened. KJC hired 12 staff members, including 1 director of KJC, 1 manager of business courses, 1 manager for general affairs (with a part-time contract), 3 staff members for business courses and general affairs, and 1 manager and 2 staff members for Japanese language courses, and other staff members such as a janitor, accountant and driver, in each, were hired directly by KazEU to run KJC. The staff members of KJC are given positions as university staff and offered a benefits package, such as permission to attend lectures at the university to develop their capacity. These contract conditions facilitate the stability of employment of KJC staff. Meanwhile, the number of staff assigned to KJC cannot be considered “enough,” even though they have experience working at KJC since the period of the technical cooperation project and manage tasks and operations effectively (according to the interviews with experts and the answers to the questionnaire).

In business course, KJC is making an effort to develop the institutional system so that KJC can turn into a “base” to promote kaizen in Kazakhstan, in addition to giving guidance on “Production and Quality management” or “5S and kaizen,” which are considered comparative advantages of Japanese-style management. KJC has a reputation as the top institution to give guidance on kaizen among the companies that recognize KJC. The more companies utilize KJC’s business course for in-house training, the more KJC will win high recognition as an educational institution. As a trial business strategy, KJC has started to place more emphasis on offering consulting services that will have a practical effect on work sites than on increasing the number of participants in lectures. On the other hand, the manager of the business courses is given double assignments as a manager and lecturer of a business course, and too busy to tackle on additional work. In order to expand its operations domain to become a “base” institution of promoting kaizen in Kazakhstan, KJC needs to strengthen the number and the capacity of staff (according to the interviews with experts and the answers to the questionnaire).

【Technical Aspect】

Since the completion of Phase 3, KJC has been run only by Kazakhstani staff with no problem. The capacity to operate the courses and manage KJC has been greatly improved. In the business course, there are 7 part-time lecturers, other than the one who has an assignment as the business course manager. These lecturers teach classes, such as “Lean production and kaizen,” “Marketing” and “Energy management system” and so on, which are the ones not taken care of by short-term Japanese experts from JICA (who gave guidance of “Production and Quality management” and “5S and kaizen”). Just after the termination of Phase 3, Kazakhstani lecturers were the only persons provided with the business courses (they covered 100% of all lectures). Since FY 2013, the short-term Japanese experts resumed being dispatched to KJC, and in FY2014, Kazakhstani lecturers were engaged in 43% of the courses. The capacity of the Kazakhstani lecturers is high, as they have been strengthened by the Japanese experts and participated in the training given in Japan. However, most of them are part-time lecturers who give similar business courses in other educational institutions, which are located in more favorable places in Almaty. This practice affects the comparative advantage of their lectures at KJC and is one difficulty in gathering enough participants for the business course at KJC. At the time of ex-post evaluation, KJC is deploying practical on-site guidance, establishing “5S and kaizen” and “on-site guidance” at the center of the business course to achieve actual effect at work sites in order to differentiate KJC’s business course from others. In order for such a Japanese-style management method to be taught and guided based on practical experiences, a dispatch of Japanese short-term experts and technical transfer from Japanese experts to the Kazakhstani lecturers will still be necessary for a while.

Meanwhile, the Kazakhstani lecturers of the Japanese language course have kept teaching classes since Phase 2. Through these experiences, their capacity to teach Japanese has been enhanced so that they can manage the material of “Marugoto,” capturing its essence. The mutual understanding programs are also conducted only by Kazakhstani staff.

【Financial Aspect】

Since the completion of Phase3 in September 2012, KJC has operated their activities, applying the university’s rules and regulations, which has sometimes obliged them to restrain the expenditure for seminars held in rural areas, business trips and overtime work, which restricted their activities partially. Even in this situation, KJC developed a highly profitable program, such as customized seminars and consulting services, which enabled it to increase its revenue comparing the one at the time of completion of Phase 3. The

Table: Revenue and Expenditure at KJC (Unit: thousand yen)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenue from KJC’s activities	15,985	17,594	11,697	11,751	21,981	9,611
(from business course)	(3,076)	(8,006)	(2,505)	(3,396)	(9,051)	(4,141)
(from Japanese course)	(11,263)	(8,096)	(8,855)	(7,833)	(10,285)	(4,505)
(from other activities)	(1,646)	(1,492)	(337)	(522)	(2,645)	(965)
Allocation from KazEU	28,459	7,641	6,970	7,321	6,917	2,414
JICA local operation cost	30,929	9,219	1,011	0	0	0
Total Revenue	75,373	34,454	19,678	19,072	28,898	12,025
Total Expenditure	80,971	37,120	27,112	23,458	28,326	13,222
Difference	Δ5,598	Δ2,666	Δ7,434	Δ4,386	572	Δ1,197

Resource: Documents provide by JICA and KJC.

Remarks: “Year” is fiscal year (from April to March). The figure stated above is calculated to Japanese Yen and result of round calculation, which might cause mismatch in exact figures. Due to fluctuation of exchange rate, the Japanese yen equivalent to Kazakhstan tenge in FY 2015 differs a lot from that of FY2014. (One Kazakhstan tenge is equivalent 0.652 Japanese yen in March 2015. On the other hand, One Kazakhstan tenge is equivalent 0.327 Japanese yen in March 2016. Both are referred from rate JICA used (available at JICA website)

revenue has increased from 18,898 thousand KZT in FY 2012 to 33,673 thousand KZT in FY 2014, and slightly decreased to 29,392 thousand KZT in FY 2015. (For a record of KJC revenue in KZT, refer to the “Project Purpose” table for Indicator 3.) Meanwhile the expenditure has also increased along with the increase in KJC revenue. Therefore it is difficult for KJC to operate the activities on its own revenue, and the budget allocation from the university and FJ was incorporated to operate KJC (According to the interview with KJC). The revenue and expenditure, including the budget from the university, tends to produce deficit in most years other than FY 2014, and in FY 2015 also resulted in a deficit of 1, 197 thousand yen. (The amount in the table include neither revenue nor expenditure of the Japan Foundation).

【Evaluation Result】

In light of the above, some minor problems have been observed in terms of the technical and financial aspects. Therefore, the sustainability of the project effects is fair.

5 Summary of the Evaluation

The project purpose was almost achieved. The business course deployed a variety of courses during the period of the technical cooperation project, and participants’ level of satisfaction was high. However, the number of the participants varied in each year, and almost half of the courses could not fulfill the expected enrollment quota until FY2008. While the number of the participants surpassed largely the numerical target in FY2009, the target was not reached in the first half of FY2010. Other objectives, such as the number of participants in the Japanese language course and mutual understanding program and the percentage of expenditure covered by KJC’s income, were achieved.

According to the beneficiary survey, many of those who completed the business course and Japanese language course recognize the effect of participation in the related courses. However, not many cases related to KJC’s activities were identified to lead to collaboration and interaction between citizens and companies in both countries. At the time of ex-post evaluation, the business course continues its program, having focused strategically on offering the selected themes, such as “Production and quality management,” “5S and kaizen” and so on. In addition to this, KJC is trying to add the function of being a “base” for promoting kaizen in Kazakhstan, making use of the advantages of Japanese-style management. While the Japanese language course has recently tended to enroll fewer participants, it contributes continuously to raising the level of Japanese language education throughout Kazakhstan. The mutual understanding programs have still been conducted to contribute to promoting mutual understanding for both countries. Even though some of the overall goals have not been achieved, other positive impacts, such as the diffusion of kaizen among Kazakhstan companies, are recognized. With these outcomes, the effectiveness and impact of the project are fair.

KJC is an affiliated institution of Narxoz University at the time of ex-post evaluation. While the number of KJC staff cannot be considered enough, KJC can be considered a stable institution with respect to staff hired by KJC and the university. In principle, KJC is operated by the Kazakhstan staff with no problem. The level of Japanese language course given by the Kazakhstani lecturers is high, and the mutual understanding programs are also carried out only by local staff. Meanwhile, some additional technical transfer from Japanese experts to the Kazakhstani lecturers in the business course is still necessary for a while to differentiate its position from other similar courses run by other institutions, as well as to establish KJC as a base for promoting kaizen in Kazakhstan. From the financial aspect, KJC’s revenue from their own activities cannot cover all the expenditures of operating the courses, so the balance of revenue and expenditure tends to run at a deficit, even including the allocation of budget from the university,

Considering all of the above points, this project is evaluated to be satisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing agency:

It is recommended for KJC to enhance the comprehensive capacity to manage the entire business of this center, including the planning of attractive courses and strategic policy, beyond the sound implementation of existing courses, in order to secure enough participants and run KJC with good stability, because in Kazakhstan there are many other competitive educational institutions. At the time of ex-post evaluation, the Japanese expert supports establishing a system to give KJC the additional function of being a base for promoting kaizen throughout Kazakhstan. It would be important to foster staff who can manage KJC, by on-the-job training, identifying the advantages of service offered by KJC and the needs of clients, and involving related institutions (such as DAMU and KIDI), while the Japanese expert is dispatched.

Lessons learned for JICA:

Kazakhstan is an uppermost-middle-income country, with GNI per capita of USD 11,580 (2015, World Bank), and its industrial structure depends heavily on the natural resource industry. Moreover, few Japanese companies are operating in Kazakhstan, and most of them are trading companies with orientation of resource development. This project was implemented to enhance the capacity of SMEs, which make up the majority of enterprises in Kazakhstan; and to facilitate the transition to a market economy. From a policy point of view, the needs for this project was high. Therefore, diversified business courses were carried out at KJC. However, there are many institutions in Kazakhstan that run business courses. In addition, most of the targeted Kazakhstani companies in the project, which were SMEs, do not have strong relations with Japanese companies which are conducting business in Kazakhstan, therefore those target companies were not motivated to study Japanese-style management. Due to these factors, it was not easy for KJC to secure enough participants in the business course during the period of the technical cooperation project.

After the completion of Phase 3 of the technical cooperation project by JICA, considering these external environments, KJC changed its approach in an aim to realize practical effects and transitioned to on-site guidance, focusing on “Production and Quality management” and “5S and kaizen,” which are the comparative advantages of Japanese-style management and are strongly recognized as necessary by Kazakhstani companies. Due to this change in approach, in addition to conducting open seminars, KJC focused on more customized seminars and launched a consulting service to add the function of being a base for spreading kaizen throughout Kazakhstan.

This project is a good example of the continuous effects by changing the cooperation approach (from offering support to increasing the number of participants to help companies produce practical effects at their actual work sites) in order to accomplish the original purpose of the project (to develop human resources who can sustain the transition to a market economy), while taking into consideration internal and external business environments and conditions, as well as selecting and concentrating the area of activities to be implemented based on Japan’s advantages according to its self-analysis.



Lobby at KJC



Parts organized based on kaizen principles
so that the remaining volume is visible at a glance
(at a company whose staff participated in the business course)

Country Name	The Ukraine-Japan Center Project																
Ukraine																	
I. Project Outline																	
Background	<p>Since becoming independent in 1991 due to the dissolution of the Soviet Union, Ukraine aimed to transit to market economy and improve productivity as urgent tasks. At the same time, there was the idea to establish the Japan Center² as the base for training practitioners who promotes transitioning to a market economy and realize “aid with a Japanese flag” in Asian and former Soviet Union countries on the road to a market economy. For the purpose of promoting economic reform toward a market economy which the government of Ukraine aimed at, as well as assisting human resources development in economic front, the Ukraine-Japan Center (hereinafter referred to as “UAJC”) was established in January 1999 on the basis of the execution of memorandum between the Cooperation Committee³ and the government of Ukraine in 1997. With the abolishment of the Cooperation Committee in 2003, discussion commenced regarding a possibility to implement JICA technical cooperation project in UAJC between the Ministry of Foreign Affairs of Japan and JICA. Following the agreement of technical cooperation between Japan and Ukraine in 2004, the project was implemented in May 2006 as five-year cooperation for the future economic development of Ukraine, as well as to promote amicable relations between both countries.</p>																
Objectives of the Project	<p>The project aimed to develop a UAJC implementation structure for a business program, Japanese language courses, and mutual understanding promotion activities⁴, as well as to exchange information in both directions and develop the structure for autonomous operation of the UAJC. By doing so, the project sought for UAJC to carry out integrative functions of “human resources development for economic growth and promotion of exchanges of both countries” as well as promotion of cooperation by those functions.</p> <p>1. Overall Goal: UAJC is established for further promotion of economic growth of Ukraine and Japan-Ukraine cooperation in various areas.</p> <p>2. Project Purpose: The system is developed to ensure that UAJC carried out both functions of “human resources development for economic growth of Ukraine” and “promotion of mutual understanding and cooperation between Ukraine and Japan in social, economic, academic and cultural aspects” and UAJC exercises its responsibility.</p>																
Activities of the Project	<p>1. Project site: Kyiv</p> <p>2. Main activities: Implementation of business program, Japanese language courses, mutual understanding promotion activities. Development of UAJC autonomous implementation structure.</p> <p>3. Inputs (to carry out above activities)</p> <table border="0"> <tr> <td>Japanese Side</td> <td>Ukrainian Side</td> </tr> <tr> <td>1) Long-term Experts: 6 persons</td> <td>1) Counterparts allocated: 3 persons (Director, Vice-director, Accountant)</td> </tr> <tr> <td>2) Short-term Experts: 17 persons</td> <td>2) Land and facility :UAJC facility (KPI Library building)</td> </tr> <tr> <td>3) Trainees received: 92 persons</td> <td>3) Operation cost : 60 million yen</td> </tr> <tr> <td>4) Equipment: Audiovisual equipment, copy machine, PC, books</td> <td></td> </tr> <tr> <td>5) Local operation cost</td> <td></td> </tr> </table>					Japanese Side	Ukrainian Side	1) Long-term Experts: 6 persons	1) Counterparts allocated: 3 persons (Director, Vice-director, Accountant)	2) Short-term Experts: 17 persons	2) Land and facility :UAJC facility (KPI Library building)	3) Trainees received: 92 persons	3) Operation cost : 60 million yen	4) Equipment: Audiovisual equipment, copy machine, PC, books		5) Local operation cost	
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Ex-Ante Evaluation	2006	Project Period	May 2006 to May 2011	Project Cost	(ex-ante) 300 million yen (actual) 456 million yen												
Implementing Agency	Ministry of Economic Development and Trade Ministry of Education and Science Kyiv Polytechnic Institute (KPI)																
Cooperation Agency in Japan	Japanese language courses: The Japan Foundation																

¹ As FY2015 external ex-post evaluation, eleven projects related to the Japan Center (technical cooperation projects) in eight countries including the project were evaluated together. This aimed at not only ex-post evaluation of individual projects, but also comprehensive analysis of these projects in order to draw comprehensive and versatile lessons to further improve the Japan Center projects. Since the project cost was less than one billion yen, the ex-post evaluation was conducted in accordance with the internal evaluation method with the simplified field survey, and therefore, the report format for the internal evaluation was used.

² It is called “Japan Center” in general. There are ten Japan Centers that have been established in nine countries: Southeast Asia (Cambodia, Vietnam [Hanoi, Ho Chi Minh City], Myanmar and Laos), East and Central Asia (Mongolia, Uzbekistan Kazakhstan and Kyrgyz) and Ukraine.

³ The Cooperation Committee is an international organization that was established in 1993 to provide humanitarian and technical assistance for former Soviet countries by the government of Japan and twelve former Soviet countries.

⁴ Mutual understanding promotion activities in the UAJC include regular culture courses (calligraphy, *Ikebana* [Japanese flower arrangement], *Igo* [game of go], tea ceremony, etc.), Japanese movie shows, Japanese concerts, various types of symposiums, an overseas education fair and providing books and audiovisuals.

II. Result of the Evaluation

< Special perspectives considered in the ex-post evaluation of Effectiveness/Impact >

- There are some indicators of the Project Purpose and Overall Goal that show overlap with each other or no quantitative targets setup. Without the target in indicators, it was not possible to fully verify the achievement against the plan, which is the basic principle in JICA evaluation. When some improvement was confirmed at the time of the ex-post evaluation by comparing the situations during the project period, it was positively evaluated as an achievement.

1 Relevance

<Consistency with the Development Policy of Ukraine at the time of Ex-ante Evaluation and Project Completion>

In “Strategy for Promoting International Technical Cooperation” (2005-2007), enhancing economic competitiveness and strengthening small and medium enterprises (SMEs) are mentioned as key policies. What is more, economic recession due to the financial crisis in 2008 encouraged the government of Ukraine to further transition to a market economy, as well as to integrate with the global economy as priority issues. From 2010 onward, the economy of Ukraine has gradually recovered through financial support from the International Monetary Fund (IMF). The “Economic Reform Program” (2010-2014) carried on efficient transition to a market economy as well. Hence, the project, which aimed to contribute to human resources development for economic development, had been highly relevant to the policies of Ukraine by the time of the project completion in 2011.

<Consistency with the Development Needs of Ukraine at the time of Ex-ante Evaluation and Project Completion >

While Ukraine promoted transitioning to a market economy, practical know-how of Japanese style management was highly demanded by SMEs, particularly in terms of enhancement on their market competitiveness. In addition, the Japanese Language Proficiency Test (JLPT) was newly conducted in Kyiv in 2005, with a growing number of Japanese language learners in Ukraine. UAJC, which was the only institute other than universities, was a hub of Japanese language education and culture and responded to the needs of people in Ukraine who were interested in Japan. At the time of project completion, interests toward not only traditional culture, but also *anime* and *manga* have been raised in Ukraine. Also, there were increasing needs for human resources development for transitioning to a market economy and improving the investment environment. Therefore, this project was consistent with the development needs of Ukraine.

Additionally, the joint statement on Japan-Ukraine Global Partnership made in January 2011 mentioned UAJC as President of Ukraine and Prime Minister of Japan recognized that UAJC should remain the important element of bilateral cooperation in the spheres of science and technology, trade and investment promotion, Japanese language training, mutual cultural enrichment, enhancing mutual understanding.

<Consistency with Japan’s ODA Policy at the time of Ex-ante Evaluation>

The “Project Finding Survey” by JICA conducted in 1997 and 2003 identified “Formulation of basic ground for economic development” and “Measures for improvement on industrial environment” as priority areas for assistance. The “Joint Statement on a New Partnership in the 21st Century between Japan and Ukraine” in 2005 also indicated the necessity of the implementation of the UAJC project as a part of economic assistance.

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement for the Project Purpose at the time of Project Completion>

The project achieved its purpose. During the project period, 6,000 and over participants in the business program, over 1,000 participants in the Japanese language courses, and over 60,000 participants in the mutual understanding promotion activities. Ninety percent and over of participants expressed satisfaction, which indicates that the center provided services to meet the needs of participants. Due to these, at the time of project completion, the center’s implementing structure was established and its primarily integrated functions to promote social, economic, and cultural exchanges between Japan and Ukraine, were almost fulfilled.

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

With the continuation of the Japanese language courses and activities on the promotion of mutual understanding, a high level of participant satisfaction is maintained. Also, local staff members are enhanced their capacity of operational management by their own initiative with the support of the experts sent by the Japan Foundation for operational management of the Japanese language courses (e.g., Japanese language courses management and curriculum design) and the mutual understanding promotion activities in connection with a spread of Japanese language education. On the other hand, the business program was discontinued while the future plan for the business program was not fully shared between both countries on the completion of the project (N.B. As of the ex-post evaluation, a part of the achievement, such as Japanese-style production and quality control technology, and its know-how diffusion, are utilized by NPO Kaizen Club⁵. For the impacts of NPO Kaizen Club, which is an independent body from UAJC and KPI, see <Other Impacts at the time of Ex-post Evaluation >.) Accordingly, the primary functions and structure to develop human resources contributing to Ukraine’s economic growth are no more in UAJC and likewise UAJC is not serving its expected functions to promote social, economic, and cultural exchanges, specified in the project purpose at the time of the ex-post evaluation.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

The result of a beneficiary survey⁶ of graduates in the business program, which was conducted at the ex-post evaluation, suggests that

⁵At the time of ex-post evaluation, there are eight staff members and nine consultants (including full-time and part-time consultants) in NPO Kaizen Club. The club has 26 corporate members as of 2015. The club has been managed continuously by one of ex-staff members of the business program during the project period. According to documents provided by JICA as well as an interview with Japanese experts who engaged in this project, at the time of completion of the project NPO Kaizen Club was considered to take over the effects that produced by the business program such as methodologies for Japanese style production/quality control and its dissemination know-how. However, there has been no memorandum signed regarding handover of the program among UAJC, KPI and NPO Kaizen Club since the time of completion of the project until the time of ex-post evaluation. Although the club is located at the same floor as UAJC located in KPI library building, KPI regards the club as one of the tenants and the club’s management is independent from either UAJC or KPI.(Interviews with KPI, UAJC and NPO Kaizen Club)

⁶ The beneficiary survey which was conducted at the time of ex-post evaluation had interviews with seven in the business program and nine in the Japanese

the project brought about positive outcomes, such as streamlining of business and improvement in productivity. With relation to the Japanese language courses and mutual understanding promotion activities, the center played a “bridging” role between Japan and Ukraine and almost attained the position as a basis for both countries’ cooperation in various fields through activities contributing to promotion of mutual understanding as the Japanese language courses and Japanese culture promotion. On the other hand, a part of the overall goal, “Aims to promote further Japan-Ukraine cooperation in various fields including economic development” was partially achieved because the cooperation in the area of human resources development in business sector has hardly been continued with the termination of the business program.

<Other Impacts at the time of Ex-post Evaluation>

NPO Kaizen Club which was established in 2010, has continued their independent activities since the completion of the project and positive impacts such as streamlining of business and improvement in productivity were confirmed. The Kaizen Club organizes several seminars⁷ on “5S⁸”, “Kaizen⁹,” and provides consultation services including “Strategic Management” and “Human Resource Management” so on to local companies. There is growing number of participants in the seminars, and a number of member enterprises have joined the Kaizen Club. Also the club had been receiving cooperation from one of the supporting companies for UAJC during the project period, JT International Company Ukraine and others until the time of ex-post evaluation and conducts the Kaizen Conference¹⁰ (held once a year) with the Embassy of Japan and UAJC, various Kaizen seminars (10 to 20 times a year), and a Kaizen tour, which visits the sites of companies. Those activities intended to share and exchange experiences widely among Japanese and local companies in Ukraine are appreciated by many companies. JICA sent short-term experts (Kaizen) to Ukraine twice in fiscal year (FY) 2011 through UAJC and NPO Kaizen Club as a “follow-up cooperation” for UAJC project which aimed to assist SME’s owners and corporate executives in Kyiv and other suburb cities. On the other hand, the involvement of the Japanese experts in the Kaizen Club was limited at the time of ex-post evaluation. Consequently, the quality of skills and services provided by the Kaizen Club are not equivalent to the services and contents provided by the business program at UAJC. In addition, another Kaizen Club in a furniture manufacturing association, which was established by the graduates, also conducts regular meetings to share study cases of Kaizen.

Apart from that, there is no negative impact observed on the natural environment, relocation of residents, and land acquisition.
<Evaluation Result>

In light of the above, the project achieved its purpose at the time of completion of the project. Out of three main programs, the Japanese language courses and activities of mutual understanding are continuing, although the business program was terminated at the time of completion of the project. Due to this circumstance, it can be evaluated as partially satisfactory in terms of continuity of project effect. Similarly, the center’s function with the overall goal “to promote further Japan-Ukraine cooperation in various fields including economic development” can also be considered partially achieved. Nevertheless, it is highlighted that NPO Kaizen Club had a positive impact on the widespread use of the Kaizen system. Therefore, the effectiveness/impact of the project are fair.

Achievement of Project Purpose and Overall Goal

Aim	Indicators	Results																
(Project Purpose) The system is developed to ensure that UAJC carries out both the function of “human resources development for economic growth of Ukraine and “promotion of mutual understanding and cooperation between Ukraine and Japan in social economic and cultural aspects and UAJC exercises its responsibility.”	1. Number of participants and satisfaction level of participants regarding lecturers in the business program.	<p>(Project completion) Achieved.</p> <p>Table: Number of participants in the business program (May 2006 – May 2011)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010</th> <th>2011</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>404</td> <td>883</td> <td>1,521</td> <td>1,666</td> <td>1,905</td> <td>21</td> <td>6,400</td> </tr> </tbody> </table> <p>*Year is from January to December</p> <ul style="list-style-type: none"> - Major courses (training): two- to three-day paid course. Main subjects were “human resources development/management,” “Japanese-style problem solving technique,” “strategic management,” and so on. - Major seminars: One-day free seminars were mainly conducted during the first half of the project. From 2009 onward, two-day paid seminars became the majority. Major subjects were “Japanese-style management (including 5S, Kaizen),” “production control,” “human resources development/management,” “marketing,” “agriculture sector development,” and so on. • According to the five scales of evaluation questionnaire conducted during the project period, over 90% of participants answered either “Very good” or “Good” after completion of the course (Documents provided by JICA). • From the beginning of the project to 2010, over 90% of participants answered that they were satisfied with the lecturer (no data available in 2011). (Terminal evaluation report and documents provided by UAJC.) <p>(Ex-post Evaluation) Not Continued</p> <ul style="list-style-type: none"> • Because the future plan for business program was not fully shared between Japan and Ukraine, the business program at UAJC was terminated at the time of completion of this project. Therefore no data available for the indicator 1. • From the completion of the project onward, UAJC has been one of the co-organizers for Kaizen 	Year	2006	2007	2008	2009	2010	2011	Total	No.	404	883	1,521	1,666	1,905	21	6,400
Year	2006	2007	2008	2009	2010	2011	Total											
No.	404	883	1,521	1,666	1,905	21	6,400											

language courses.

⁷ Some seminars are co-hosted by UAJC

⁸ 5S is the methodology that demonstrates sort (Seiri), set in order (Seiton), standardize (Seiketsu), shine (Seiso), and sustain (Shituke), with the intent to improve efficiency and eliminate waste.

⁹ Kaizen is a series of activities for reviewing work at production sites. Workers at the sites actively discuss measures for improvement and address the issues to improve productivity and secure safety. The concept can be applied not only to manufacturing but also to the service industry.

¹⁰ “Kaizen Conference” has been organized by Kaizen Club once every year since 2014. The conference presents the cases of Kaizen demonstration by companies or individuals who trained, and they exchange opinions based on the presentations. A registration fee is charged, and over 200 participants attend every conference.

		<p>open seminars (conducted several times a year) and a Kaizen Conference¹¹, organized with an external organization (mainly NPO Kaizen Club). However, there is no practical presence of the UAJC in actual operation, but in publication activities and so on.</p> <p>【Reference】 Table: Number of participants in business program conducted by external organization and co-hosted by UAJC</p> <table border="1" data-bbox="534 212 1324 280"> <thead> <tr> <th>Year</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>396</td> <td>764</td> <td>387</td> <td>320</td> <td>582</td> <td>2,449</td> </tr> </tbody> </table> <p>Major subjects: “production control and quality control,” “production control in agriculture,” “Kaizen seminar” outside of Kyiv, “Kaizen seminar for small-scale business,” etc. One to two days’ duration</p>	Year	2011	2012	2013	2014	2015	Total	No.	396	764	387	320	582	2,449														
Year	2011	2012	2013	2014	2015	Total																								
No.	396	764	387	320	582	2,449																								
	<p>2. Satisfaction level of participants in the Japanese language courses and seminars.</p>	<p>(Project completion) Achieved.</p> <p>Table: Number of students in Japanese language courses (class for upper/intermediate/elementary level and for children) (2006-2011)</p> <table border="1" data-bbox="534 436 1436 504"> <thead> <tr> <th>Year</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010</th> <th>2011</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>141</td> <td>168</td> <td>183</td> <td>197</td> <td>204</td> <td>259</td> <td>1,152</td> </tr> </tbody> </table> <p>*Year is from January to December. Because the cooperation period of this project was May 2006 to May 2011, the abovementioned total number of students shows a minor difference from the actual total number during the project period.</p> <ul style="list-style-type: none"> During the project period, the satisfaction rate of Japanese language courses and seminars by participants showed a range from 93% to 98%, which indicates a high reputation. (Documents provided by UAJC) <p>(Ex-post Evaluation) Continued.</p> <p>Table: Number of students in Japanese language courses (2012-2015)</p> <table border="1" data-bbox="534 761 1204 828"> <thead> <tr> <th>Year</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>No.</td> <td>216</td> <td>231</td> <td>213</td> <td>314</td> <td>974</td> </tr> </tbody> </table> <ul style="list-style-type: none"> For enrollment in each course, according to the level, screening exams are conducted to select students. There have been around 300 applicants every year. (Each year, the one year long-term course can accommodate 20 to 25 students per class, and the elementary level has the most students. The short-term course lasts one to three months and includes set courses of preparation for JLPT and courses for children.) The satisfaction rate of students in the Japanese language courses was 98% in 2012, 98% in 2013, 97% in 2014, and 98% in 2015, which are high marks. The satisfaction rate of students in Japanese language seminars was 100% in 2011, 97% in 2012, 100% in 2013, 100% in 2014, and 93% in 2015. (Documents provided by the Japan Foundation) 	Year	2006	2007	2008	2009	2010	2011	Total	No.	141	168	183	197	204	259	1,152	Year	2012	2013	2014	2015	Total	No.	216	231	213	314	974
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Year	2012	2013	2014	2015	Total																									
No.	216	231	213	314	974																									
	<p>3. Number of cases which UAJC led to facilitating roles in business promotion, trade/investment, and academic exchange cooperation with universities and research institutes among the two countries through the business program.</p>	<p>(Project completion) Achieved.</p> <ul style="list-style-type: none"> According to a mid-term review report in 2008, there were two companies that partnered with Japanese companies (mainly manufacturing) and twelve companies that made progress in some extent of partnership with Japanese companies. (Termination evaluation report) An agreement of emission trading between the State Environmental Investment Agency of Ukraine (SEIA) and the New Energy and Industrial Technology Development Organization (NEDO) of Japan was made because of the “Energy saving seminar” conducted by UAJC. Also, in 2010 UAJC organized an orientation meeting about the “National Project” by the government of Ukraine for Japanese companies (eleven companies attended) in Ukraine to enhance business opportunities for both countries. The seminar explained projects for energy saving, railway construction, etc. and contributed to promoting business exchange. UAJC arranged business matching between Japan and Ukraine since UAJC was the only place to provide information about Japan other than the Embassy of Japan in Ukraine. UAJC assisted not only companies in Ukraine, but also companies in Japan that made inquiries from Japan. (Terminal Evaluation Report) <p>(Ex-post Evaluation) Not continued.</p> <ul style="list-style-type: none"> Due to the fact that there is no longer a business program at UAJC, there is no data available. 																												
	<p>4. Number of cases which led to supporting activities for the Japanese language teacher network in Ukraine.</p>	<p>(Project completion) Achieved.</p> <ul style="list-style-type: none"> There is no record of the number of cases. There were several events co-organized by UAJC together with the Japanese language teachers association, such as “Japanese Speech Contest” and “Japanese Seminar,” during the project period. Various activities for teachers such as study meetings and speech contests were also organized by UAJC. UAJC provided rental meeting rooms and educational materials for the association. <p>(Ex-post Evaluation) Continued.</p> <ul style="list-style-type: none"> UAJC continues to provide rental meeting rooms and educational materials for the association. 																												
	<p>5. Satisfaction level¹² of</p>	<p>(Project completion) Achieved.</p>																												

¹¹ “Kaizen Conference” has been organized by Kaizen Club once every year since 2014. The conference presents the cases of Kaizen demonstration by companies or individuals who trained, and they exchange opinions based on the presentations. A registration fee is charged, and over 200 participants attend every conference.

¹² The level of understanding was also set as an indicator with the level of satisfaction. However, there has been no record related to the level of understanding between the ex-ante evaluation and the terminal evaluation. In addition, it is assumed that the level of satisfaction is equivalent to the level of understanding in mutual understanding promotion activities. Thus, the level of understanding is removed from the indicators.

participants in mutual understanding promotion activities between Japan and Ukraine.

Table: Number of participants in mutual understanding events (including regular cultural class) (2006-2011)

Year	2006	2007	2008	2009	2010	2011	Total
No.	13,657	5,101	11,273	9,983	10,105	13,301	63,420

*Year is from January to December. Because the cooperation period of this project was May 2006 to May 2011, the abovementioned total number of students shows a minor difference from the actual total number during the project period.

- The number of participants in regular culture courses (*Ikebana* [Japanese flower arrangement], tea ceremony, calligraphy, etc.) by the time of completion of the project was 847. What is more, a Japanese movie showing, a Japanese drum concert, and various symposiums were organized as a part of mutual understanding activities.
- Satisfaction rate of participants in regular culture courses was 96% to 100% during the project period. Satisfaction rate of participants in events for mutual understanding activities other than the regular culture courses was 95% to 99%. (Documents provided by UAJC)

(Ex-post Evaluation) Continued

Table: Number of participants in mutual understanding events (including regular cultural classes) (2012-2015)

Year	2012	2013	2014	2015	Total
No	19,591	10,405	28,447	13,742	72,185

- There have been 680 participants in regular cultural classes from 2012 to 2015.
- Satisfaction rate of participants in regular culture courses was 96% to 98% from 2012 to 2015. Satisfaction rate of participants in events other than the regular culture courses was 93% to 98%.

(Overall Goal) UAJC is established functions as a hub for further promotion of economic growth in Ukraine and Japan-Ukraine cooperation in various areas.

1. Number of people, enterprises, and organizations which led to an increase in benefits and efficiency by the matching activities through the UAJC.

(Ex-post Evaluation) Partially achieved.

- There is no quantitative data available.
- As a result of the interview during the beneficiary survey at the time of ex-post evaluation, it is answered as below regarding improvement of work efficiency and productivity.

*Some examples of the answers by interview

- Three months after 5S application at the site, improvement of efficiency has been recognized.
- Japanese style of 5S raised staff members' motivations. Also, because of good reputation in applying Japanese-style methodology, new business opportunities arose.
- The quality of products has improved.

2. Number of cases which led to cooperation/exchange programs among the citizens between the two countries.

(Ex-post Evaluation) Achieved.

- There is no record of the cases.
- *Bon Odori* (Japanese Bon dance) group was launched by students who participated in the Japanese language courses and regular culture courses in 2007. They have continued their activities.
- An overseas education fair, a *Haiku* (Japanese poem) club, and a "Japanese day" event that introduces Japanese culture have been regularly conducted.
- Ukrainian who are interested in Japan, as well as Japanese living in Ukraine, visit UAJC more. It is becoming a place for cultural exchange. (Interview with UAJC)

3. Degree of recognition of UAJC.

(Ex-post Evaluation) Achieved.

- In the "Joint Statement on Japan-Ukraine Global Partnership" announced in January 2011, UAJC was highly appreciated by both countries and it was pointed out that technical transfer through the business program was very useful.
- In a beneficiary survey of 16 graduates in total, seven from the business program and nine from the Japanese language courses, regarding understanding the degree of recognition of the UAJC in general, eleven graduates answered "well recognized among Japanese language learners," six graduates answered "recognized to some extent among people in the city," one graduate answered "well recognized by business people," and eight graduates answered "recognized to some extent by business people." (Results of beneficiary survey at the time of ex-post evaluation).
- Interviews with students in the Japanese language courses at the time of ex-post evaluation provided the answers below.
 "UAJC is not as popular as the Japanese language department in universities. But UAJC is the only school other than university where we can learn the Japanese language."
 "The quality of staff, lecturers, and course curriculum is high."
 "There are events or classes about Japanese culture, history, custom, and tradition, and many things to learn."

Sources: Documents provided by UAJC, interviews with UAJC, documents provided by JICA, terminal evaluation report, beneficiary survey, and interview with NPO Kaizen Club

3 Efficiency

The project period was as planned, but the project cost exceeded the plan because more seminars on new themes were conducted than planned, as well as more training in Japan and provision of equipment (ratio against the plan: 100% and 152%, respectively). Therefore, the efficiency of the project is fair.

4 Sustainability

<Policy Aspect>

At the time of ex-post evaluation, economic reforms were the priority of Ukraine, and the “2016 Action Plan” by the government of Ukraine targets stabilization of economy and improvement of business environment for promoting investment. Japan’s ODA policy for Ukraine (March 2013) states that UAJC is positioned as an important component for Japan-Ukraine cooperation in the “Joint Statement on Japan-Ukraine Global Partnership (January 2011)”. Moreover, in “The Agreement between Japan-Ukraine for the Promotion and Protection Investment (the Japan-Ukraine Investment Agreement),” signed in February 2015, further human exchange and economic development related to investment for both countries is expected. As mentioned above, sustainability in terms of the policy aspect is high.

<Institutional Aspect>

As a part of the international department of KPI, under supervision of an Ukrainian director-general, who was sent by KPI, local staff members in the Japanese language courses (two operators/lecturers, one part-time Japanese staff member locally hired, and nine lecturers), in the cultural program (mutual understanding promotion activities) (two operators and eight lecturers), in administration (two persons), and in the library (two persons) have managed each activity with support from one Japanese expert dispatched from the Japan Foundation. Local staff members in the Japanese language courses and programs for promoting mutual understanding, which assist in promoting the Japanese language, have developed their capacity under the supervision of experts from the Japan Foundation and provide high-quality services stably. On the other hand, the implementation structure of the business program at UAJC was terminated at the same time as this project was completed. As a co-organizer, UAJC still joins business-related seminars – but is not practically involved – that NPO Kaizen Club and other external organizations conduct.

<Technical Aspect>

It has been seen that capacity building of local staff members during the project period in operation of the Japanese language courses and promoting mutual understanding programs is well developed. Also, there has been a certain number of participants in the courses of the UAJC. It is judged that technical sustainability in operation has been established. The Japanese language courses highly satisfied students with the support of Japanese experts from the Japan Foundation, as well as monitoring and training by local managers. However, as mentioned above, the business program was terminated at the time of this project’s completion. Some methodologies and know-how that UAJC used to teach are still applied by NPO Kaizen Club.

<Financial Aspect>

After completion of the project in 2011, there has been no revenue from the business program. Thus, the total revenue of the UAJC consists of self-generated income (the Japanese language courses, regular cultural lectures, membership, etc.), allocation from KPI, and others (including allocation from the Japan Foundation), according to an interview with the UAJC. After the project completion, the self-generated income has been decreased while its peak reached in 2013. Because the balance, which exceeded the self-generated income of the UAJC, is covered by allocation from KPI and others, it is judged that sustainability in terms of the financial aspect is not assured.

<Evaluation Result>

In light of the above, although sustainability in the policy aspect is high, institutional and technical aspect of the sustainability are fair due to the termination of the services of the business program. Furthermore, in financial aspect the self-generated income has decreased after reaching a peak in 2013. The expenditures which exceed the self-generated income have been covered by allocation from KPI and other incomes.

Therefore, the sustainability of the project effects is fair.

5 Summary of the Evaluation

The project achieved its purpose by the implementation of the program at the time of project completion. In terms of continuity of project effect, a partial effect on the project can be demonstrated because of the discontinuation of the business program, out of three primary programs accompanied by the expiry of this project, while the remaining two programs (the Japanese language courses and mutual understanding promotion activities) are continuing at the time of ex-post evaluation. Thus, the UAJC’s function is served partially as bases that are expected to contribute to the overall goal of “facilitation of Ukraine’s economic growth and the exchanges between Japan and Ukraine in various fields.” On the other hand, some positive impacts, including improvement of companies’ operational efficiency and productivity and activities of NPO Kaizen Club established during the project, can be confirmed. For the reasons mentioned above, the effectiveness and impact of the project are determined to be fair. Without the business program, which used to be one of the three main programs, both the institutional and technical sustainability of the project can also be evaluated as fair, although a high level of sustainability is observed from policy aspects. As for financial aspects, the center is operated not only by self-generated income but also funded by financial contributions from KPI and other financial resources. The sustainability of project effect, therefore, is considered to be fair. Regarding the efficiency, the project cost exceeded the planned.

Table: Revenue and expenditure during 2010-2011 (thousand yen)

FY	2010	2011 (Until May)
UAJC self-generated income	9,713	781
(Income from business program)	3,658	617
(Income from Japanese language courses)	3,870	40
(Income from mutual understanding promotion activities)	1,255	87
(Others)	928	35
JICA local operation cost	22,889	2,569
Allocation from KPI	9,856	1,773
Total Revenue	42,458	5,123
Total Expenditure	37,465	5,298
Balance	4,993	△175

Table: Revenue and expenditure after completion of the project (thousand yen)

FY	2012	2013	2014	2015
UAJC self-generated income	7,710	8,372	6,490	4,719
(Income from tuition)	7,556	8,190	6,228	4,653
(Income from membership)	154	182	262	66
Allocation from KPI	1,992	3,276	2,694	708
Others*	11,625	12,704	15,707	14,689
Total Revenue	21,327	24,352	24,891	20,116
Total Expenditure	21,327	24,352	24,891	20,116
Balance	0	0	0	0

(Source) Documents provided by UAJC and JICA.

* “Others” mentioned on the table “Revenue and expenditure after completion of the project” includes not only support from the Japan Foundation but also income from dispatching lecturers for cultural programs, as well as a Kimono rental service. The breakdown of that income was not available at the time of ex-post evaluation, and it is a small amount. For that reason, “UAJC self-generated income” only includes income from tuition and membership and excludes the small income on the table.

Note: Years are the fiscal years (April to March). The above figures are rounded down to the nearest thousand, and some figures do not add up.

Considering all of the above points, this project is evaluated to be partially satisfactory.

III. Recommendations & Lessons Learned

Recommendations for implementing agency:

- Business-related seminars by external agencies such as the Embassy of Japan in Ukraine, local enterprises, and the NPO Kaizen Club were continuously provided on irregular base even at the time of ex-post evaluation although UAJC joined as a co-hosted organization. For further increase of the UAJC's presence and recognition in business field, active and continued cooperation with these external institutions is highly recommended.

Recommendation for JICA:

- It is assumed that UAJC, as a part of KPI, potentially serves a considerable role as a basis for industry-academia-government collaboration, technology innovation, and business networking, while UAJC no longer has its function to conduct the business program. Japan's assistance to Ukraine, particularly in industrial development toward Ukraine's market economy and capacity development of business persons, has a high demand in Ukraine. It is expected to be considered on Japan's assistance for KPI and UAJC in the fields of science, technology, and industrial development to the extent possible.

Lesson learned for JICA:

- Along with the completion of this project, the business program and its services by UAJC have been terminated. UAJC was financially dependent on JICA during the project. After the completion of the project, both Japan and Ukraine sides did not fully share view of future plan for business program. Under this circumstance it became difficult to operate the business program, one of three important components of the UAJC project. Regarding the utilization of achievement after the completion, it is believed that continuity of the project effect and project sustainability were affected by ambiguous arrangement, for example, succession of business property such as textbooks and the dissemination method of the business know-how. An exit strategy is recognized as one of the issues of all ongoing Japan Center projects in each country. Nevertheless, it is indispensable to establish a sustainable management model (e.g., strengthening of partnerships with external agencies, including private enterprises) with a profit-oriented mindset during the planning process and project implementation stage to maintain the sustainability of technical and financial situations in order to maintain outcomes of the Japan Centers which generate various effects and positive impacts.



(Building of the library in KPI, where the UAJC is located)



(Entrance of the library in the UAJC)