

Annual report 1996

Japan International
Cooperation Agency
Annual Report

1996

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1996

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**Japan International Cooperation Agency
Annual Report 1996**

- Part 1: International Cooperation and the Japan
International Cooperation Agency
- Part 2: Regional Activities
- Part 3: Approaches to Programs
- Appendixes: Overall Results of JICA's activities in 1995

Photographs

Front cover: Japan International Cooperation Agency

Back cover: entry for the photography contest to promote
international cooperation

Mr. Inoue Shujin

Preface

Japan International Cooperation Agency (JICA) has been extending technical cooperation and facilitating grant aid for developing countries based on its mission statement of "human development, national development, bringing people together" for 22 years now.

Over this period, Japan and the international community have undergone tremendous changes. Those brought about by the end of Cold War are most striking, as witnessed by the integration of East and West Germany, the dissolution of the Soviet Union, and the transition to market economy in the countries of Central and Eastern Europe. Now, with the 21st century approaching, we are searching for a new world order.

These changes in the international environment have also had an impact on international cooperation. Traditional developing countries are no longer the only partners in development cooperation. The list of partners has grown to include countries and regions such as Central and Eastern Europe, Central Asia, Indochina, Palestine, and South Africa. At the same time, the content of cooperation has expanded beyond technology transfers and infrastructure building in such areas as agriculture, forestry, fisheries, mining, and medical care, to "soft" support for market economic transition, democratization and other reforms.

Japan is being called upon by the international community to promptly respond to these new assistance needs, and to demonstrate leadership toward the solution of global issues such as environmental degradation, overpopulation, HIV/AIDS and poverty. As economic and technical cooperation is an important pillar of Japanese international contribution, the expectations of both developing and industrialized countries for Japanese development cooperation have further increased.

JICA, on its part, is meeting these new challenges through efforts toward more efficient and effective cooperation. In order to ensure this cooperation is well suited to the nation-building efforts of each recipient, JICA intends to promote human resources development and institutional building with even greater attention to the specific circumstances and needs of each country and region.

The 1996 annual report of JICA is published in order to deepen public understanding of the activities of JICA. It is our hope that this will lead to continued broad support in a variety of international cooperation fields.

October 1996



Kimio Fujita
President

Japan International Cooperation Agency

Contents

Explanatory notes

Glossary for development assistance and JICA

■ Part 1 International cooperation and Japan International Cooperation Agency

Chapter 1 Japan's ODA and the work of JICA

Japan's ODA and JICA	3
An overview of JICA activities in 1995	9

Chapter 2 New developments in the work of JICA

JICA and human development	12
Country-specific approach	17
Strengthening project planning, management, operation and evaluation functions	20
Efforts to address environment, population, WID and educational issues	23
Promotion of participation by Japanese public in development assistance activities	27
Collaboration with other aid agencies and international organizations	30
Promotion of support for cooperation among developing countries (South-South cooperation)	32

■ Part 2 Regional activities

Chapter 1 Asian Region I (East and Southeast Asia)	37
--	----

Chapter 2 Asian Region II (Southwest Asia)	48
--	----

Chapter 3 Near and Middle East	52
--------------------------------------	----

Chapter 4 Africa	56
------------------------	----

Chapter 5 Central America and the Caribbean	64
---	----

Chapter 6 South America	68
-------------------------------	----

Chapter 7 Oceania	75
-------------------------	----

Chapter 8 Europe	78
------------------------	----

Chapter 9 Central Asia	82
------------------------------	----

■Part 3 Approaches to programs

Chapter 1 Identification, formulation and planning

Project identification and formulation.....	87
Development studies.....	92

Chapter 2 Program implementation

Project-type technical cooperation.....	115
Acceptance of technical participants for training and the youth invitation program.....	130
Dispatch of technical experts.....	138
Provision of equipment for technical cooperation.....	140
Japan Overseas Cooperation Volunteers.....	145
Grant aid.....	148
Development cooperation.....	163
Disaster relief.....	167
Emigration.....	173
Recruitment and training of technical cooperation experts.....	178
Welfare and recreational benefits for technical cooperation experts.....	183

Chapter 3 Evaluation and follow-up

Evaluation.....	185
Follow-up.....	189

■Tables Operations in 1995

1. Performance of technical cooperation by region.....	193
1. Asia.....	193
2. Middle East.....	194
3. Africa.....	195
4. Latin America.....	196
5. Oceania.....	197
6. Europe.....	198
7. International organizations.....	199
8. Unclassified.....	200
9. Overall Total.....	201
2. Performance of technical cooperation in FY 1995.....	202
3. Expenses for JICA's technical cooperation by program in FY 1995.....	203

■ Short Articles

ODA.....	5
Introductory seminar on WID activities	
Toward support for women in developing countries – Japanese technical cooperation and NGO efforts.....	24
Local government efforts for international cooperation	
From locally initiated activities to national activities.....	28
Large-scale environmental studies	
Engagement in the environmental issues from a comprehensive point of view	92
Rural energy development	
For well-balanced regional development.....	94
Training activities for Central Asia and the Caucasus	
Support for the transition to a market economy.....	131
Environment, development, and a women's seminar	
Utilization of expertise in the region.....	132
Training activities for Bosnia-Herzegovina	
Cooperation for reconstruction.....	133
International cooperation for people with disabilities	
Addressing the independence and participation of deaf people in society	135
Investment and financing consultants	
Helping enterprises to make use of JICA loans.....	165
Technical cooperation through Japanese descendants	
Periods from "Emigration" to "Technical Cooperation".....	177

■ Tables and figures

Economic cooperation and official development assistance (ODA).....	4
ODA of DAC countries in 1994 and 1995.....	7
Japan's ODA in 1995.....	8
Japan's ODA and JICA programs.....	9
Changes in the JICA budget.....	10
Changes in the numbers of personnel involved in different types of cooperation (1983-1995)	10
Proportion of expenditure according to region	11
Proportion of expenditure according to sector.....	11
Guidelines for the implementation of country-specific assistance (standard items)	17
Flow of country-specific aid study.....	18
Example of country-specific aid study.....	19
PDM and cause-effect relationships.....	20
PCM concept	21
Cooperation with local governments.....	27
The relationship between identification, formulation, implementation and evaluation of cooperation projects	89
Sequence of development studies.....	93
Fields of development studies	95
Development Studies	97
Sequence of project-type technical cooperation.....	116
Project-type technical cooperation.....	118

Technical participants for training by region	130
Technical participants for training by sector	131
Types of training program and number of participants accepted for training in 1995	133
Equipment Supply	141
JICA's grant aid	151
Development cooperation program	163
Sequence of the development cooperation program	164
Mechanism for disaster relief decisions (not grant aid)	168
Japan's disaster relief system	170
Disaster relief aid	171
Records of dispatch of overseas development youth	174
Records of senior migration experts	175
Position of evaluation within project cycle	186

Explanatory Notes

1. This annual report is a summary of the activities of Japan International Cooperation Agency for FY 1995 (from 1 April 1995 to 31 March 1996).
 2. The figures recorded in this report refer to the fiscal year in the case of JICA and to the calendar year (from 1 January 1995 to 31 December 1995) for official development assistance.
 3. When monetary amounts are denominated in dollars, these are US dollars in all cases.
 4. The figures refer to the following regions
 - Asia
 - Middle and Near East (west of Afghanistan and north of the Sahara desert)
 - Africa (south of the Sahara desert)
 - Latin America
 - Oceania
 - Europe
 5. JICA carries out the following forms of cooperation
 - Accepting technical participants for training
 - Dispatching technical experts
 - Dispatching survey teams
 - Dispatching Japan Overseas Cooperation Volunteers
 - Supplying equipment
 - Emigration
 6. The activities are performed in the following technical fields
 - Planning and administration
 - Public works and utilities
 - Agriculture, forestry and fisheries
 - Mining and industry
 - Energy
 - Commerce and tourism
 - Human resources development
 - Public health and medicine
 - Social welfare
 - Others
- And also in grant aid for, among others,
- Public health and medicine
 - Education and research
 - Welfare, living and environmental improvements
 - Agriculture, forestry and fisheries
 - Transport and communication
 - Others

Glossary

A

- Associate Specialists

(p. 132)

Youth with international experience as, for example, Japan Overseas Cooperation Volunteers, who are assigned to cooperation programs for a period of three years.

B

- BHN

Basic Human Needs: essential services for the community such as drinking water, sanitation, hygiene and education as well as basic consumer goods such as food, housing and clothing.

C

- Common Agenda (p. 5)

The Common Agenda for Cooperation in Global Perspective, endorsed at the Japan-U.S. Framework Consultation in February 1994, calls for joint engagement by the two nations on issues that must be addressed on a global scale.

- Counterparts

Persons in charge in recipient countries to which experts and Japan Overseas Cooperation Volunteers transfer technology. These counterparts, in turn, further spread and establish the transferred technology.

D

- Development Specialists

(p. 131)

A kind of in-house consultant dedicated to and playing a central role in technical cooperation activities.

- Development studies

(p. 92)

Studies for setting up development plans etc., concerning public projects which will play an important role in terms of social and economic development in developing countries.

- Donor

Countries and organizations which extend aid to developing countries.

F

- Feasibility study (F/S)

(p. 93)

A study to objectively examine the technical and financial feasibility of projects, which are given priority under master plans.

G

- GI

Global Issue Initiative on Population and AIDS: a joint Japan-U.S. effort to extend assistance in the relevant areas to 12 priority countries.

I

- In-country training

(p. 103)

A JICA training program to spread and establish technology within a developing country through personnel of that country who have received training in Japan.

- Infrastructure

Infrastructure is classified into two categories: economic infrastructure relevant to manufacturing such as roads, railways and energy; and social infrastructure relevant to hygiene, education and residential water supply and sewerage.

L

- LLDC

Least Less Developed Countries: countries with a per capita GDP of \$699 or lower by the UN's definition (48 countries were in this category as of 1994).

M

- Master plan study (M/P)

(p. 92)

A study to adopt an overall basic plan for various development plans.

N

- NGO

Nongovernmental organizations.

P

- **Project formulation specialists (p. 88)**

Specialists sent to carry out basic studies in highly prioritized sectors in developing countries and to identify and formulate projects which produce better development results.

- **Project formulation study (p. 88)**

A study to identify and formulate projects which are insufficiently defined by developing countries or projects which are unlikely to be requested by developing countries in prioritized aid area.

- **Project-type technical cooperation (p. 97)**

Cooperation that combines expert dispatch, acceptance of participants for training and provision of equipment.

S

- **Sector**

A certain economic field such as agriculture, industry and medical care.

- **Structural adjustment**

The achievement of macro-economic stability in the short term as well as economic activation in the medium term by deregulation in finance and trade, privatization of nationalized enterprises and promotion of free competition among private enterprises. The World Bank and the IMF

introduced this program in the early 1980s in order to cope with the crucial debt problems of developing countries.

Sustainable development
Development that considers the conservation and maintenance of resources.

T

- **Third country training (p. 103)**

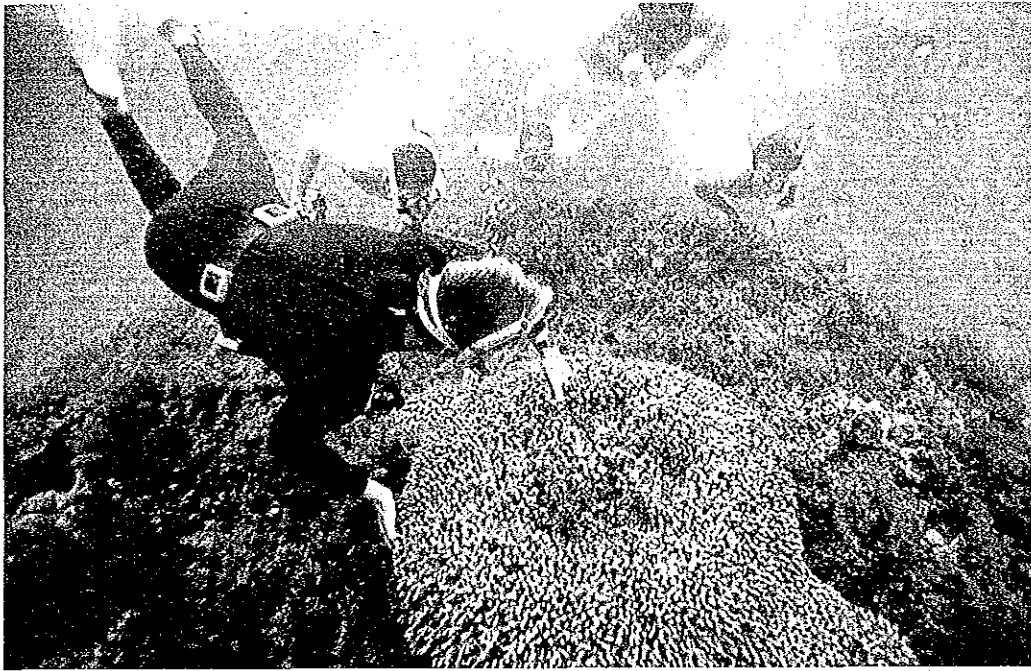
A JICA training program under which technology transferred from Japan to a developing country is then transferred from that developing country to other developing countries through training conducted in that country.

W

- **WID (p. 24)**

Women in development: an approach to retain women's active participation in all phases of development, taking it into account that women are not only the beneficiaries but also the agents of development.

It all starts with "human resources development"



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Acceptance of participants for training

Group training on coral conservation in Okinawa prefecture.

Disaster relief

Piaffe Island, Indonesia. Doctor helping victims who evacuated to the mountain district after the earthquake off Irianjaya shore in February 1996.



Dispatch of experts

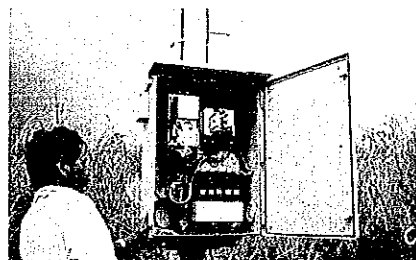
Instruction in manufacturing the Shichirin (earthenware charcoal heating) as part of the development of household fuel in Zambia. The popularization of the Shichirin and the Mametan (an oval briquet) is aimed at preventing the diminution of forests and desertification.

Grant aid

Reconstruction of 30 primary schools destroyed by building fatigue and typhoons in northern Vietnam under grant aid.

Equipment Supply

Installation of volcano observance system at Mt. Mayon in southern Luzon, Philippines.





Japan Overseas Cooperation Volunteers
Volunteer working as a Judo coach for primary school students in Hungary.

Project-type technical cooperation
An expert and his counterparts experimenting with landslide and water flow under the Nepal water-induced disaster prevention technical center project.

Youth invitation
Association with Japanese people.





Development study

Project for exploitation of underground water in Sinai Peninsula.
A member of the study team examining the characteristics of soil sample with his counterpart at the well boring site.



Emigration

Japanese language school sponsored by JICA
(Belém, Brasil).



Development cooperation

Plant-raising trial project in Izmir, Turkey.
Working on carnation planting.

Part 1
International cooperation
and JICA

Chapter 1

Japan's ODA and the work of JICA

Japan's ODA and JICA

The administration system of Japan's ODA

Official development assistance (ODA) is classified into the following forms: (1) bilateral grants, (2) bilateral loans and (3) financial subscriptions and contributions to international organizations (multilateral aid). Bilateral grants are further divided into technical cooperation, in which technology is transferred to a developing country, and grant aid, where funds are supplied with no obligation for repayment. Japan International Cooperation Agency (JICA) handles more than half of Japan's technical cooperation and about 60% of its grant aid.

Bilateral grants

1. Technical cooperation

The purpose of technical cooperation is to transfer technology, skills and knowledge which will help in the development of the economy and society of developing countries and contribute to the raising of their technological standards. Specifically, the basic activities are acceptance of participants for training, in which technical personnel from developing countries are invited to Japan, expert dispatch, in which experts are sent from Japan to developing countries to cooperate in plans and proposals for various kinds of development and personnel training, and equipment supply in which the necessary machinery and materials are given as aid.

2. Grant aid

Grant aid involves the extension of funds for

the construction of schools, hospitals, laboratories and other facilities; the procurement of materials and equipment for education, training and medical care; and for debt relief. It can be classified as (1) general grant aid, (2) grant aid for fisheries, (3) grant aid for disaster relief, (4) cultural grant aid, (5) food aid and (6) grant aid for increased food production. Of these, JICA carries out (1) general grant aid (general project grant aid only), (2) grant aid for fisheries and (6) grant aid for increased food production where it is in charge of drawing up the basic designs and specifications needed to procure materials and supplies as well as to build facilities (called "basic design study work"), and of providing services such as site survey and liaison services needed to smoothly carry out the construction of facilities, the procurement of materials, etc. (called "expediting of execution work").

Bilateral loans

Bilateral loans, commonly known as "yen loans," provide funds necessary for development to developing countries over long terms and at low interest. Previously, yen loans were mainly loans for projects* in the fields of economic and social infrastructure such as the construction of roads, dams, communication facilities and agricultural development, but in more recent years emphasis has also been placed on commodity loans* in order to improve the international balance of payment. The budget for bilateral loans is controlled by the Ministry of Finance and the execution of the loans is undertaken by the Overseas Economic Cooperation Fund (OECF) in

* Project loans: loans for projects to construct and manage facilities in specified regions (production equipment and social and industrial infrastructure, etc.)

* Commodity loans: short-term loans (usually two years) for the import of products (industrial capital goods, industrial materials, fertilizers/agricultural chemicals/agricultural equipment etc.) to assist in the international balance of payments and domestic economic stability.

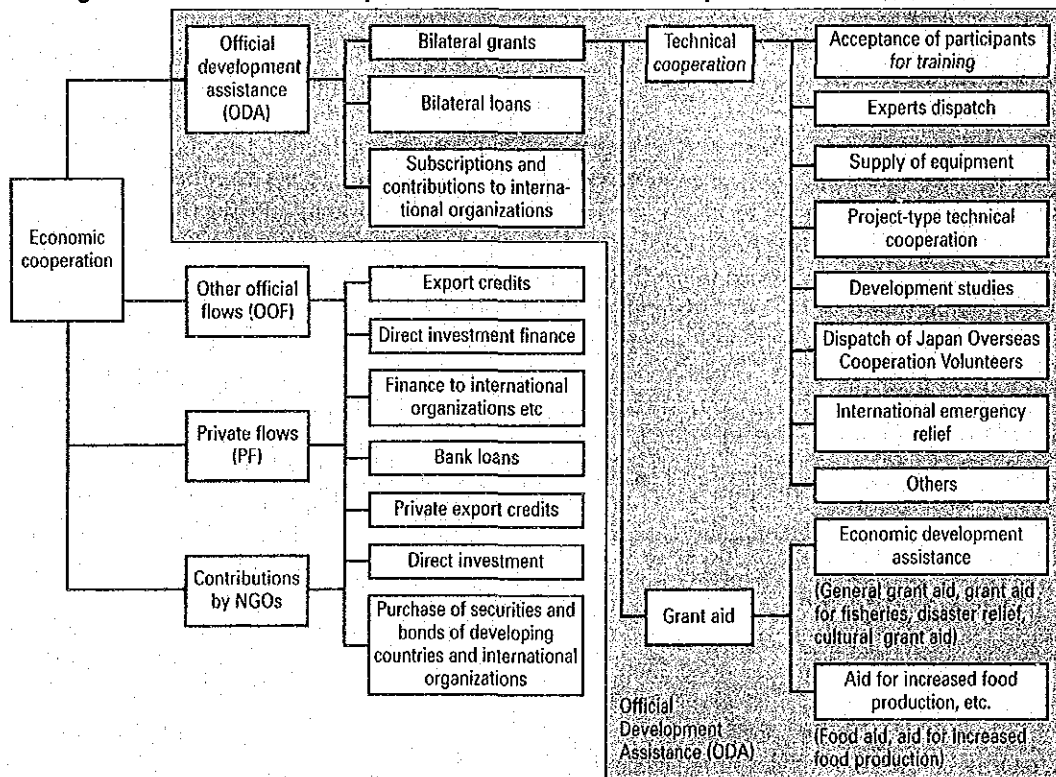
consultation with the Ministries of Foreign Affairs, Finance and International Trade and Industry and the Economic Planning Agency.

Financial subscriptions and contributions to international organizations (multilateral aid)

Multilateral aid is an indirect method of giving aid by channelling funds through international organizations. Contributions to the United Nations Development Programme

(UNDP), United Nations Fund for Population Activities (UNFPA) and United Nations Children's Fund (UNICEF) are principally administered by the Ministry of Foreign Affairs, while subscriptions to the World Bank, International Development Association (IDA), Asian Development Bank and other international development finance organizations are made by the Ministry of Finance.

Figure 1-1 Economic cooperation and Official Development Assistance (ODA)



The circumstances surrounding ODA

Since the end of the Cold War, ODA has faced great changes. One is the qualitative change and quantitative increase of recipient countries and the other is the expansion of the fields in which aid is given.

Following the end of the Cold War, while the number of recipient countries and regions such as Central and Eastern Europe, Central Asia,

Palestine, Mongolia, Indochina and South Africa increases, the development stages of developing countries has become wide ranging. Although there are some developing countries, in Africa for instance, where the political and economic conditions remain unstable and development has not made progress as expected, some countries such as Singapore and Brunei graduated from aid dependency* in January 1996 and a further eight countries/regions including Israel and Hong Kong are due to graduate by the end of 1996.

* Graduating: to reach a level at which development is possible without aid from industrialized countries. The standard is a GNP per capita exceeding 8,625 dollars.

Under these circumstances, it is becoming increasingly necessary to assist cooperation between and among developing countries (South-South Cooperation)*, in which more advanced developing countries and middle-income countries contribute to the development of other developing countries.

Aid needs have arisen especially in former communist countries, based on the belief that the introduction of good governance, democratization and free market mechanisms are necessary to bring about more stable economic and social development in developing countries. There is also a focus on addressing global and transnational topics such as the environment, population/HIV/AIDS, poverty, women in development (WID) and education, with the aim of achieving sustainable development.

In these circumstances, further to the United Nations Conference on the Environment and Development held in June 1992, the World Population Conference was held in September 1994 and the Social Development Summit in March 1995, confirming the importance of

addressing global issues through international cooperation.

At the Fourth World Conference on Women in Beijing, held in September 1995, under the sponsorship of the United Nations, a wide range of topics regarding WID were discussed. Various inter-governmental meetings and 3,200 workshops were scheduled during the two weeks, and the conference marked an epoch-making event with 189 countries participating in the inter-governmental meetings and 36,000 people in the NGO forum. Japan, for its part, announced the Initiative on WID, which calls for active support of women in developing countries with an emphasis on three areas: educational, economic and social activities.

In 1993, Japan issued the Common Agenda as a joint plan for action with the USA, in which Japan advocates actively addressing global topics. Although the original Common Agenda consisted of 15 areas such as environment and technology, as of May 1996, it has become a large-scale endeavor comprising 26 areas including child health and WID.

It was decided in 1994 that Japan would

ODA

Economic cooperation is carried out from a humanitarian viewpoint that poverty, hunger and other problems which threaten the basic living conditions of human beings in developing countries should be ameliorated, and from a recognition of interdependence that the economic and social development and stability of developing countries are vital for peace and prosperity of the entire world.

It takes various forms and contents and is carried out by various organizations and bodies such as developing countries themselves for mutual cooperation, interna-

tional organizations, private enterprises and voluntary bodies in addition to the governments of the advanced countries.

ODA means the capital and technology provided by governments to developing countries. (See Figure 1-1)

In its 1969 recommendations for financial terms and aid conditions, the Development Assistance Committee (DAC*), a subordinate organization of the Organization for Economic Cooperation and Development (OECD), regards economic cooperation as flows of funds into developing countries. DAC classifies the flow into ODA,

other official flows (OFF) and private flows (PF). ODA is defined as meeting the following criteria:

- (1) It is given to developing countries or international organizations by governments or administrative organs of governments;
- (2) Its main purpose is to contribute to the improvement of the economic development and welfare of developing countries; and
- (3) The grant element* of any financial cooperation is at least 25%.

* Cooperation between developing countries (South-South Cooperation): promoting mutual economic development through regional economic cooperation etc. among developing countries.

* Development Assistance Committee (DAC): one of the specialized committees of the OECD which promotes information exchange and policy coordination regarding assistance to and economic cooperation with developing countries.

* Grant element: an index of the softness of the terms of aid. The softer the terms of loans (interest, repayment period and grace period), the larger the grant element. A grant has a grant element of 100.

cooperate with the USA in the two prioritized areas of population and HIV/AIDS under the Global Issues Initiative (GII), with a target budget of 3 billion dollars over the following seven years.

However, while the needs for aid have grown sophisticated and diverse, many donor nations have reduced the amounts of their aid, for reasons of "aid fatigue"*. The drop in the amount of aid from the United States, previously the top donor of ODA, has been particularly marked and recent aid policy indicates that this trend is expected to continue.

As the circumstances surrounding aid change, the current expectations of the international community towards Japan are unprecedented. Japan, the top donor since 1989 (excluding 1990), is required to review its position and take responsibility as a leading donor.

The Official Development Assistance Charter, the Fifth Medium-term Target for ODA and technical cooperation

The Official Development Assistance Charter (the ODA Charter)

In response to the expectations of the international community, the Japanese government issued the ODA Charter on 30 June 1992. Its aims are to clarify the concept and principles of ODA and gain greater understanding and support in Japan and abroad for the more efficient and effective implementation of aid.

In the Charter, there are three points outlined under the basic philosophy for the implementation of aid: "humanitarian consideration", meaning that conditions such as famine and poverty in developing countries cannot be overlooked by advanced countries; "a recognition of interdependence," meaning that the political stability and economic development of developing countries is vital for the peace and prosperity of Japan and the other countries of the world, and "conservation of the environment," meaning that

environmental problems concern the entire human race and are to be addressed by both developed and developing countries together. On this basis, Japan has decided to extend assistance that will "assist the self-help efforts" of developing countries.

The Charter also proposes the following basic principles: (1) to pursue environmental conservation and development in tandem, (2) to avoid using ODA for military purposes or for the aggravation of international conflicts, (3) to pay full attention to trends in the military expenditures of recipient countries, the development and production of weapons of mass destruction and missiles and the export and import of arms, (4) to pay full attention to the efforts for promoting democratization and introduction of a market-oriented economy, and the situation regarding the securing of basic human rights and freedom in the recipient country.

The Charter also addresses, in a general way, the main items of aid and the strategies required for the effective implementation of the main aid programs. The main items are efforts to address global issues, basic human needs (BHN), cooperation to disseminate and improve technology, including human resources development and research cooperation, the provision, construction and repair of infrastructure and structural adjustment. It can also be expected that the technical cooperation with developing countries carried out by JICA will be expanded and reinforced on the basis of the Charter.

The Charter also clarifies Japan's stance towards global issues and gives priority to addressing the above-mentioned global problems such as over population. JICA is expected to pay greater attention to these issues in the promotion of its aid activities. There are also great expectations, based on the end of the Cold War which formed the background to the resolution of the Charter, for the role which technical cooperation will play in achieving democratization, protection of human rights, sustainable development and other aims shared by the human race. In order to respond to the needs of the many developing countries, such

* Aid fatigue: the loss of enthusiasm for aid due to the financial situation of aid-giving countries and the uncertainty of the results of aid in developing countries.

as those in Central and Eastern Europe, Central Asia and Indochina, where democracy is being promoted and liberalization of the economy is progressing, JICA needs to actively implement aid which draws on the development policies of Japan and the countries of East and Southeast Asia which have achieved economic take-off.*

Tactics mentioned in the Charter to ensure the effective execution of aid include a thorough understanding of the recipient country's needs, the organic linkage of the various forms of aid, coordination with other industrialized and international organizations, coordination with local government bodies and the strengthening of research and evaluation functions. JICA plans to further strengthen its engagement to effective and efficient aid to respond to these increased needs.

Fifth Medium-term Target

Since 1978, the Japanese government has set, and has made great efforts to achieve, medium-term targets, as a specific policy to expand ODA. The fifth medium-term target was set in

June 1993 based on the themes of the ODA Charter.

In these, the government made it clear that ODA is to be an international contribution commensurate with Japan's position in the international community and the government continues to make efforts to increase its ODA accordingly. Specifically, the aim is to extend ODA of between 70 billion dollars and 75 billion dollars over the period of five years from 1993 and to improve the ratio of ODA to GNP.

The medium-term targets are: (1) to improve the quality of ODA, i.e. to increase grant aid and technical cooperation as well as the grant: loan ratio; (2) to implement aid appropriate to the developing country's needs through organic links among the various forms of aid; (3) to give priority to aid that addresses global issues such as environment and population, BHN, human development and infrastructure, taking into account the priorities of the ODA Charter; (4) to coordinate with NGOs and other private aid organizations; (5) to ensure thorough preliminary surveys and post project

Table 1-1 ODA of DAC countries in 1994 and 1995

1994						1995							
Position	Country	Total (\$m)	Share (%)	Growth rate from the previous year	% of GNP (for % of GNP)	Position	Country	Total (\$m)	Share (%)	Growth rate from the previous year	% of GNP	Position (for % of GNP)	
1	Japan	13,239	22.4	17.6	0.29	16	1	Japan	14,489	24.5	9.4	0.28	15
2	USA	9,927	16.8	-1.9	0.15	21	2	France	8,439	14.3	-0.3	0.55	5
3	France	8,466	14.3	7.0	0.64	5	3	Germany	7,481	12.6	9.7	0.31	13
4	Germany	6,818	11.5	-2.0	0.34	11	4	USA	7,303	12.3	-26.4	0.10	21
5	UK	3,197	5.4	9.5	0.31	14	5	Netherlands	3,321	5.6	31.9	0.80	4
6	Italy	2,705	4.6	-11.1	0.27	18	6	UK	3,185	5.4	-0.4	0.29	14
7	Netherlands	2,517	4.3	-0.3	0.76	4	7	Canada	2,311	3.9	2.7	0.42	6
8	Canada	2,250	3.8	-5.2	0.43	6	8	Sweden	1,982	3.3	9.0	0.89	2
9	Sweden	1,819	3.1	2.8	0.96	3	9	Denmark	1,628	2.8	12.6	0.97	1
10	Denmark	1,446	2.4	7.9	1.03	2	10	Italy	1,521	2.6	-43.8	0.14	20
11	Spain	1,305	2.2	0.1	0.28	17	11	Spain	1,309	2.2	0.3	0.23	18
12	Norway	1,137	1.9	12.1	1.05	1	12	Norway	1,244	2.1	9.4	0.87	3
13	Australia	1,088	1.8	14.2	0.35	9	13	Australia	1,136	1.9	4.1	0.34	9
14	Switzerland	982	1.7	23.8	0.36	8	14	Switzerland	1,084	1.8	10.4	0.34	9
15	Belgium	726	1.2	-10.4	0.32	13	15	Belgium	1,033	1.7	42.3	0.38	7
16	Austria	655	1.1	20.4	0.33	12	16	Austria	747	1.3	14.0	0.32	11
17	Portugal	308	0.5	24.2	0.35	9	17	Finland	387	0.7	33.4	0.32	11
18	Finland	290	0.5	-18.3	0.31	14	18	Portugal	269	0.5	-12.7	0.27	16
19	New Zealand	110	0.2	12.2	0.24	20	19	Ireland	143	0.2	31.2	0.27	16
20	Ireland	109	0.2	34.6	0.25	19	20	New Zealand	123	0.2	11.8	0.23	18
21	Luxembourg	59	0.1	18.0	0.40	7	21	Luxembourg	88	0.1	15.3	0.38	7
DAC total		59,152	100.00	4.7	0.30	DAC total		59,200	100.00	0.1	0.27		

* This table does not include aid to Central and Eastern Europe (Poland, Hungary, Czech Republic, Slovakia, Bulgaria and Romania).

* The DAC total does not necessarily agree with the total of individual countries due to rounding.

* The 1995 figures are provisional.

* Economic take-off: one of the economic development stages of a nation at which the effect of a rapid increase in investment rates etc., can be observed, given that those in power aim for the development of industry in general and the modernization of economy.

Table 1-2 Japan's ODA in 1995

Aid amount given			Dollar amount (\$m)		Yen amount (¥100m)		Proportion %		
			Amount	Change from the previous year	Amount	Change from the previous year	Total ODA	Bilateral ODA	
Type of aid	ODA	Bilateral ODA	Grant aid (inc. C-E. Europe) (exc. C-E. Europe)	2,972.95	23.7	2,796.65	13.8	20.2	28.2
				2,876.19	24.3	2,705.63	14.4	19.9	27.6
			Technical cooperation (inc. C-E. Europe) (exc. C-E. Europe)	3,461.55	14.4	3,256.27	5.3	23.5	32.8
				3,422.25	14.4	3,219.30	5.3	23.6	32.8
			Total (inc. C-E. Europe) (exc. C-E. Europe)	6,434.50	18.5	6,052.93	9.1	43.7	60.9
	Government loans, etc. (inc. C-E. Europe) (exc. C-E. Europe)	4,122.58	-3.2	3,878.11	-10.9	28.0	39.1		
		4,120.09	-3.3	3,875.77	-11.0	28.4	39.6		
	Bilateral ODA total (inc. C-E. Europe) (exc. C-E. Europe)	10,557.07	9.0	9,931.03	0.3	71.7	100.0		
		10,418.51	8.9	9,800.70	0.3	71.9	100.0		
	Subscriptions & contributions to international organizations (inc. EBRD) (exc. EBRD)	4,170.44	10.1	3,923.13	1.3	28.3			
4,070.72		10.6	3,829.33	1.8	28.1				
ODA Total (inc. EBRD & C-E. Europe) (exc. EBRD & C-E. Europe)	14,727.50	9.3	13,854.16	0.6	100.0				
	14,489.24	9.4	13,630.03	0.7	100.0				
GNP (provisional) (\$bn; ¥bn)	5,152.42		484,688.40						
% of GNP (inc. EBRD & C-E. Europe) (exc. EBRD & C-E. Europe)	0.29	15.2	0.29	3.0					
	0.28		0.28						

* DAC exchange rate 1995: \$1 = ¥94.07 (the yen was ¥8.16 stronger than in 1994)

* The total for types of aid does not necessarily agree with the individual figures due to rounding.

* EBRD: European Bank for Reconstruction and Development. Supports the countries of the Eastern bloc to transfer to a market economy.

evaluations; (6) to fully implement development policy research; and (7) to provide a thorough aid implementation system.

Japan's ODA: results and future topics

The total ODA extended by the 21 countries in the Development Assistance Committee in 1995 amounted to \$59.20 billion (provisional dollar values; all "dollars" in this report indicate US Dollars). Japan's total ODA was ¥1,363.003 billion (\$14.489 billion), or 24.5% of the DAC total and the highest of any country in the DAC. This represents a growth of 0.7% (in yen terms) or 9.4% (in dollar terms) over the previous year's total of ¥1,353.372 billion (\$13.239 billion) and means that ODA is 0.28% of GNP (See Tables 1-1 and 1-2).

If the record of aid to Central and Eastern Europe (Poland, Hungary, the Czech Republic, Slovakia, Bulgaria, Romania) is included, Japan's ODA record for 1995 amounted to

¥1,385.4 billion (\$14.7275 billion).

With regard to the quality of the aid, however, "untying"* has progressed, but the grant element remains low in comparison to other DAC countries and some improvement is desirable. It is also desirable that the technical cooperation carried out by JICA should be further expanded and strengthened in order to improve the quality of aid in the future. This technical assistance is extremely important in supporting the establishment of organizations and systems in developing countries whose importance has been strongly emphasized recently and is also the central task in the humanitarian international contribution which Japan has been strongly expected to increase in recent years.

Japan, now the world's largest donor country, is required to cooperate and coordinate with other advanced countries and to strengthen policy dialogue with developing countries as it addresses and implements aid-related topics, and also to play a central role in development assistance.

* Untying: not limiting the procurement of equipment and materials to donor-country suppliers, but opening this up to third-country and developing country suppliers.

An Overview of JICA Activities in 1995

Statistics on Japan's ODA and JICA's activities

Japan's ODA in 1995 totalled \$14.7275 billion (including Central and Eastern Europe and EBRD) of which technical cooperation represented \$3.460 billion (23.5% of Japan's total ODA) and JICA activities amounted to \$1.895 billion (52.3% of Japan's total technical cooperation). The increase on the previous year was 14% for all technical cooperation and 10% for JICA operations. Details on the technical cooperation disbursement are shown in Table 1-3.

JICA's initial budget for FY 1995 was approximately ¥179.7 billion, a 4.1% increase on the previous year, of which grants were ¥164.3 billion, investments ¥5.0 billion, and funds in trust ¥10.4 billion. Programs expedited by JICA represent ¥162.3 billion (63.4%) of the total Japanese government budget for grant aid of ¥255.9 billion. The JICA budgets since 1974 are shown in Figure 1-2.

Personnel numbers involved in the various types of cooperation

If JICA's activities in FY 1995 are examined in terms of the number of people involved in the different types of cooperation, 10,458 participants were accepted in training programs; 3,098 were dispatched overseas as experts, 8,617 as study team members, and 1,203 as the Japan Overseas Cooperation Volunteers; while 46 received training, etc. through the emigration affairs program. Figure 1-3 shows the changes in personnel in the various cooperation schemes since 1983.

Proportion of activities in different regions

Seen in terms of regions, the FY 1995 activities were as follows: Asia 42.4%, Near and Middle East 9.6%, Africa 14.2%, Latin America 21.6%, Oceania 3.0%, Europe 3.0%. Figure 1-4 shows the proportions by region and how this has changed since last year.

Table 1-3 Japan's ODA and JICA programs

(\$ Million)

Item	Year	1994	1995	Growth rate from the previous year
Official Development Assistance		13,469	14,728	9.3
Technical Cooperation Outlays (proportion of ODA)		3,020 (22.4%)	3,462 (23.5%)	14.6
JICA (proportion of ODA)		1,650 (54.6%)	1,810 (52.3%)	9.7
Details of Technical Cooperation Outlays				
Training (JICA)		374 (223)	431 (260)	15.2 (16.6)
Experts, Study Teams (JICA)		886 (774)	932 (820)	5.2 (5.9)
Volunteers (JICA)		143 (142)	158.3 (157.9)	10.5 (11.3)
Foreign Students		407	507	24.6
Provision of equipment & materials, research cooperation, others (JICA)		1,210 (511)	1,433 (572)	18.4 (11.9)

Figure 1-2 Changes in the JICA budget

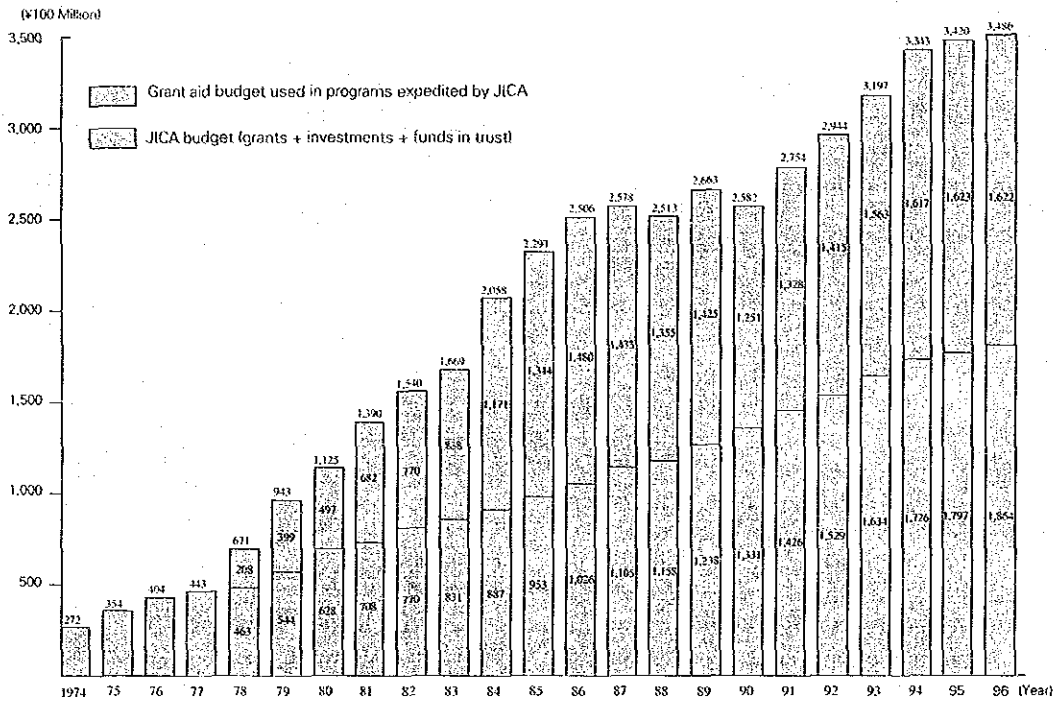


Figure 1-3 Changes in the numbers of personnel involved in different types of cooperation

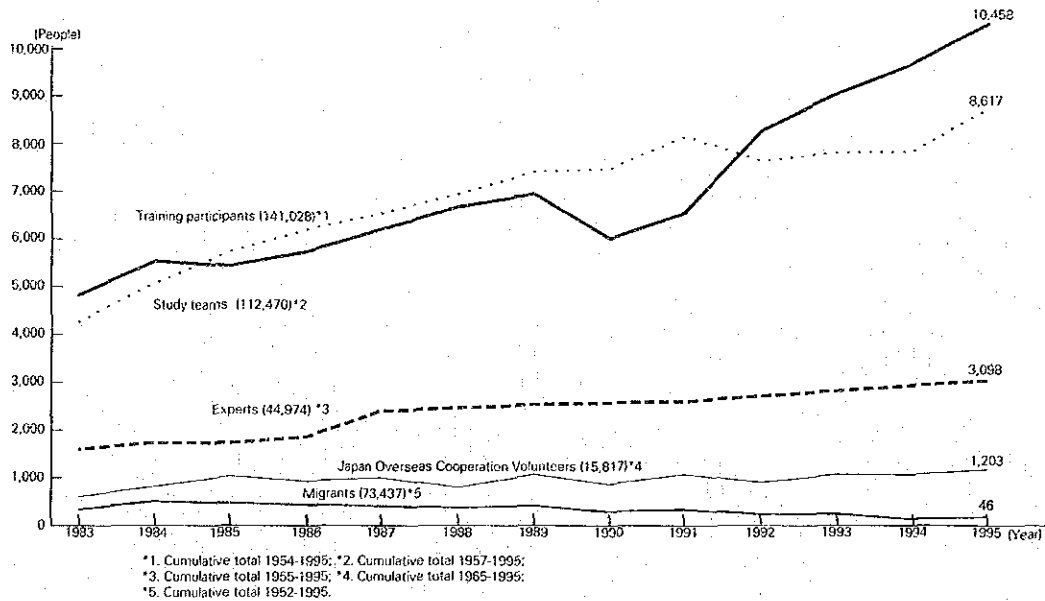
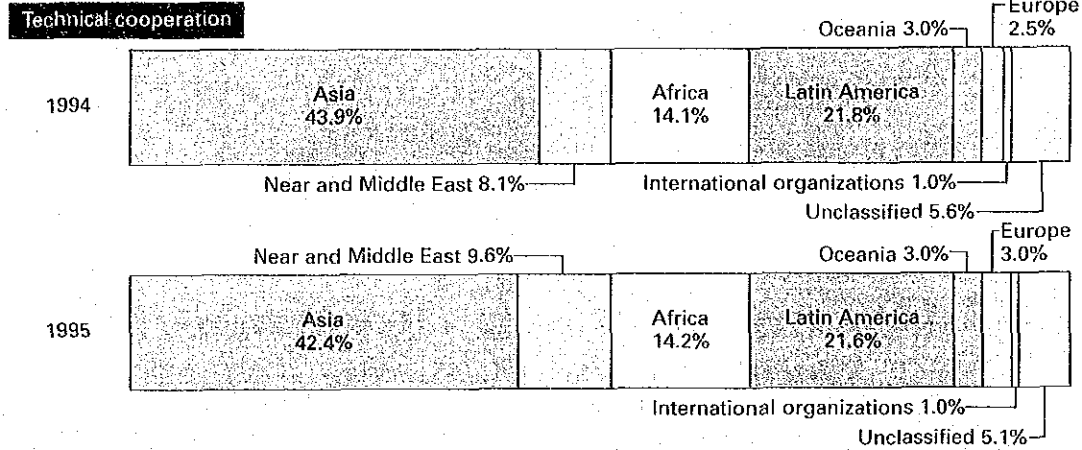


Figure 1-4 Proportion of expenditure according to region



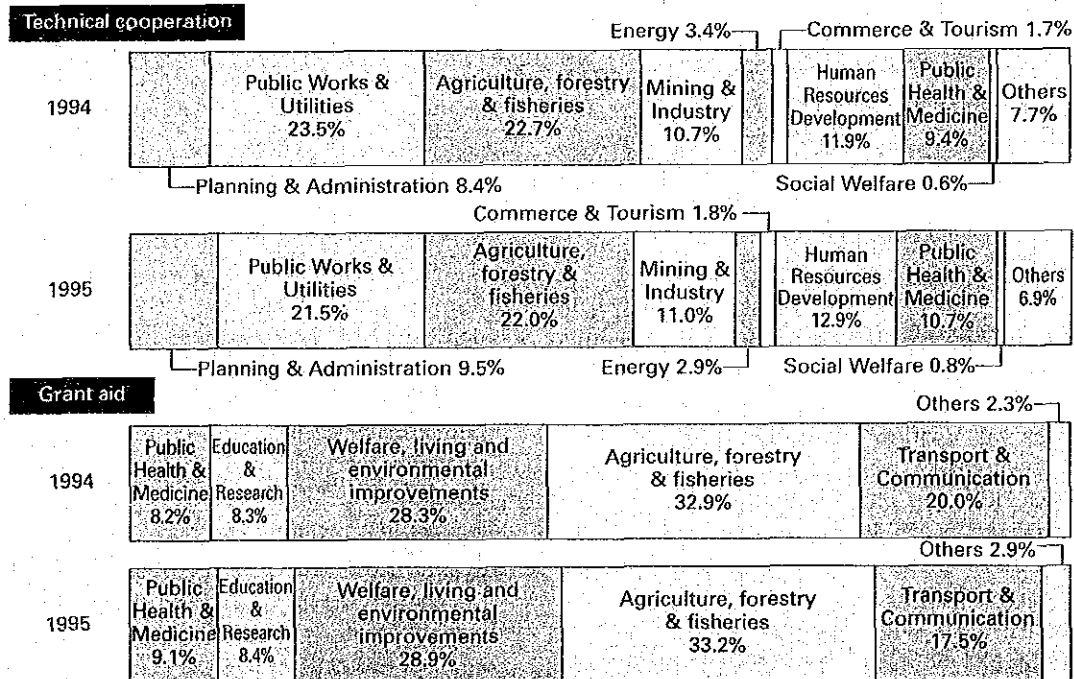
Proportion of activities in different sectors

Seen in terms of the sectors of activities of the aid in FY 1995, 9.5% was planning and administration, 21.5% public works and utilities, 22.0% agriculture, forestry and fisheries, 11.0% mining and industry, 2.9% energy, 1.8% commerce and tourism, 12.9% human resources development, 10.7% public health and medicine and 0.8% social welfare.

Of the total of Japan's grant aid expedited by JICA, 9.1% was for public health and medicine, 8.4% for education and research, 28.9% for welfare, living and environmental improvements, 33.2% for agriculture, forestry and fisheries, and 17.5% for transport and communications.

The proportion used in the different sectors and a comparison with the previous year are shown in Figure 1-5.

Figure 1-5 Proportion of expenditure according to sector



* Based on the FY 1994 and 1995 budgets for JICA responsibilities (general project grant aid, grant aid for fisheries and increased food production).
 * JICA is responsible for basic design studies and expediting the execution of grant aid under this budget.

Chapter 2

New developments in the work of JICA

JICA and human development

JICA extends technical cooperation and facilitates grant aid with the aim of supporting self-reliant and sustainable development in developing countries, which in turn contributes to the economic and social development of developing regions. The focus is on human development, which contributes to the economic and social development of developing countries, nation building through such human development, and the establishment of economic and social infrastructure.

Fundamental concepts behind JICA's programs

The following concepts embody the basic thinking behind human development and the establishment of economic and social infrastructure, as pursued in the programs implemented by JICA.

Support for self-help efforts

Today, the importance of respecting self-help efforts by developing countries and promoting "ownership" are being emphasized by the international community. This reflects the view that donor-led assistance in Africa by the industrialized countries of the West over the last 30 years has fallen short of initial expectations. Taking the place of developing country administrators and assuming responsibility for overall development management and operation is now thought to reinforce aid dependency and impede the self-help efforts of developing countries.

In light of its own experience, Japan believes that people of developing countries must put their every last effort into achieving economic development. That is why experts dispatched by JICA do not assume the responsibilities at a designated government post. Rather, they take one step back and assume the position of advisor, providing guidance and advice to counterparts responsible for projects on the recipient side. This is a necessary mechanism to ensure respect for the independence of aid recipients, and to promote self-help efforts.

As a precondition for the implementation of its aid, JICA always asks the relevant developing country to contribute according to its ability. Such contributions include the designation of counterpart personnel and budgetary steps for the procurement and management of equipment and materials relevant to a given project. This is to promote self-help efforts on the recipient side related to project management and operation, personnel placement, and fiscal management in order to ensure the developing country can independently sustain a project after completion of cooperation.

At the same time, JICA provides the minimum support judged to be necessary and appropriate when the limits of the developing country's self-help efforts have been exceeded due to an inadequate fiscal base.

Importance of human development

Technology transfer* between "people," i.e. between Japanese experts and the technical and administrative staff of the recipient country, is the main form of Japanese technical

* Technology transfer: Transfer, extension, and firm establishment of production and management technology necessary for the development of developing countries.

cooperation and is an extremely effective mechanism for promoting "aid with Japan's face." Under this kind of technical cooperation, JICA does not merely view humans as economic resources to whom they provide education and training opportunities. Rather, an effort is made to deepen mutual understanding through more holistic interaction with the people of developing countries and to transfer technology, information and knowhow matched to local conditions. Here technology transfer includes not only guidance and advice for technology development, training and extension, but also the building of institutions at the national and sectoral levels, that are relevant to that technology, and to policymaking and economic management and operation.

Through the transfer of technology, taken in this broad sense, the training of personnel and building of institutions to promote development in the recipient country is what is meant by "human development." The JICA mission statement "human development, national development, bringing people together" truly captures the essence of technical cooperation. In order for the technology and institutions based on the needs of the recipient country to take firm hold, it is more important to produce long-term results than short-term results. In this sense, human development is a long, sustained effort that must be viewed over an extensive period of time.

Technical cooperation for developing countries must not exclusively mean the transfer of "hard" technology, such as irrigation routes and road/port facility designs. It must also incorporate "soft" technology, such as management and operation methods, maintenance systems, and administrative techniques related to the facilities and equipment. Other important factors to be addressed in, for example, agriculture include the formulation of policy for the entire sector, planning to promote agricultural development, and the building of organizations, such as agricultural cooperatives. Technical cooperation has always included the transfer of

both "hard" technology and "soft" technology, i.e. institution building to ensure the hard technology takes firm hold. In recent years, however, increasing importance is being attached to support for this "soft" aspect.

Former socialist countries, such as those in Indochina, Central Asia, and Central and Eastern Europe, are striving to democratize their political regimes and make the transition from planned economies to market economies. To achieve this, there is a need to establish laws and structures and to improve administrative systems that will serve as the foundation for development in all sectors. Developing countries working to achieve structural adjustment through economic liberalization must strive to promote sound fiscal management, privatization of state enterprises, and other necessary policies.

Thailand, Malaysia and other ASEAN nations have achieved high growth through expanded export of industrial products and increased direct foreign investment. These and an increasing number of other countries must not only become proficient in the practical aspects of trade, but also improve product regulations/measurement standards, establish industrial property rights* and other intellectual property rights*, and effectively enforce competition policy.

To meet the needs of these countries, JICA is expanding various types of "soft" support.

Aid that reaches people

The prominent development theory of the 1950s and 1960s was the "trickle down" theory*. This theory, which states that the economic growth of a country ultimately reaches the grass-roots level, served as the basis for cooperation during this era.

In the 1970s, however, the limitations of this theory emerged and the basic human needs (BHN) approach was advocated as a way of directly serving the poor. JICA actively implements assistance in BHN areas through, for example, Japan Overseas Cooperation Volunteers (JOCV), who work side by side with the local people in developing countries;

* Industrial property rights: Rights established for the purpose of protecting industrial profits. In Japan, there are four such rights: patent rights, utility model rights, design rights, and trademark rights.

* Intellectual property rights: Primarily property rights related to technology and knowhow developed by private enterprises, which are protected as industrial property rights and copyrights. In recent years, protection of intellectual property rights has become a major issue in relations with former communist nations, NIEs and ASEAN countries.

* Trickle down theory: An economic theory which holds that overcoming capital shortages in developing countries and sustaining economic growth, particularly in modern sectors, will boost productivity in stagnant sectors.

technical cooperation for the promotion of rural village development; and studies for the improvement of water supply, medical care and health.

In the areas of poverty alleviation, public health, family planning, and mother-child health, there is also an increase in the number of technical cooperation projects firmly rooted in local communities, which aim to directly serve the people in those communities. To ensure that the results of these projects widely benefit the local people, there is a need to conduct detailed studies on the conditions in the local community, extend knowledge and techniques for the promotion of resident participation, and provide guidance to the staff of government organizations which conduct related activities at the project site.

It is also important that the results of such activities are broadly extended throughout the project region. To ensure this, the JICA project team must do more than merely serve as the agent for the implementation of these activities. It must also seek the cooperation of local nongovernmental organizations (NGOs) experienced in grass-roots activities, and support other NGOs already conducting activities closely linked to the lives of local residents.

JICA believes it is necessary to give more consideration to women in development (WID) and other social factors and to strengthen collaboration with NGOs. At the same time, we consider it vital to promote participatory development, which aims to develop the capacity of local communities by encouraging local residents and communities to act not only as beneficiaries of development, but also as agents of development by participating in the community's development planning and project activities.

Various approaches to achieve cooperation results

Based on the above concepts, JICA emphasizes the following four approaches in order to produce cooperation results well

matched to the diverse, complex needs of developing countries.

Regional and country specific approach

The natural, social, cultural, political, and economic conditions of JICA's more than 150 aid recipients vary significantly. In recent years, the needs of these countries have also broadly diversified, from traditional areas such as personnel training and improvement of economic and social infrastructure, to such areas as environmental conservation, support for transition to a market economy, and export promotion.

In response, JICA is working to strengthen its system for accurately analyzing and grasping current conditions and future tasks related to socioeconomic development in each country and region, and for examining and implementing aid strategies based on their respective needs. This means the strengthening of JICA's regional and country specific approach through the production of guidelines for the implementation of country specific assistance, which clarify aid priorities in each country, and the use of those guidelines in coordinating the entire project cycle from the identification and formulation of excellent aid projects to the appraisal of project requests, through to the planning and implementation of projects (see section on "strengthening the country specific approach" for details).

Project cycle management approach

Project cycle management (PCM)* is an approach designed to strengthen management, operation and evaluation of aid projects. The approach calls for a logical analysis (incorporating verifiable indicators) of project purpose, outputs, activities and inputs (personnel, goods, costs) as well as important assumptions, in order to make the planning, management and operation of aid projects more effective and efficient. In addition, project results are evaluated through a comparison with initial plans and an analysis of aid outputs, and lessons and recommendations obtained from the outputs of this evaluation are put to use in

* Project Cycle Management (PCM): A method for managing an assistance project from start to finish through a logically consistent procedure.

the planning and implementation of new projects (see section on "project cycle management" for details).

Integrative approach

In order to meet the diverse assistance needs of each country and respond to transnational issues, such as the environment and AIDS, it is important to take flexible assistance measures that transcend conventional cooperation schemes and individual sectors. One of the traditional integrative approaches involves the implementation of project-type technical cooperation using the facilities constructed and equipment provided through the grant aid of the Government of Japan. Other integrative approaches include support for the formulation of regional development programs that group individual projects, and program-type cooperation that links a variety of technical cooperation schemes with other ODA schemes such as grant aid.

Assistance efforts that combine a variety of cooperation schemes include "Package Cooperation for Science and Mathematics Education Manpower Development"* in the Philippines, which groups grant aid, expert dispatch and JOCV activities, and "the Third Umbrella Cooperation for integrative Agricultural and Rural Development"* in Indonesia, which links technical cooperation with loan assistance. An example of cooperation that groups individual projects is the "Community Development and Forest/Watershed Conservation Project" in Nepal. This "social forestry" project, designed to improve the living conditions of local residents, began with support for a community infrastructure improvement project and formed part of a forestry conservation project to stop deforestation for fuel use (for a case study on Nepal, see section II under Chapter 2, Part 2 on the Asian region).

Such integrative approaches have become increasingly important, especially in dealing with poverty and global issues such as forest destruction, desertification, population and HIV/AIDS (see section on "efforts related to the environment, population, WID and education" for details).

Cooperative approach

This approach involves coordination and collaboration with Japanese assistance and development organizations and assistance organizations of other countries, as well as international development agencies. The expansion of development needs in developing countries and the emergence of global issues has increased the number of issues requiring coordinated efforts between donor nations and agencies, and made it increasingly important that aid redundancy be avoided.

JICA is exchanging information and engaging in cooperative efforts with other aid agencies to ensure that the work of both is mutually complementary. At the same time, JICA is finding ways to cooperate with NGOs and local government during the planning and implementation stages. Other efforts now underway include support for South-South cooperation, which supports assistance to developing countries from Thailand, Indonesia and other new donor nations (see sections on "promotion of participation by Japanese public in assistance," "cooperation with other aid agencies and international organizations," and "promotion of support for cooperation between developing countries (South-South cooperation)" for details).

Aiming to meet diversifying needs

Based on the above concepts and approaches, JICA is aiming to make further improvements in its activities in order to contribute to the sustainable economic and social development of developing countries. JICA has begun to take steps to enhance the following functions toward the year 2000: (1) grasping precise needs and formulating effective aid programs; (2) high-quality aid management (3) development and accumulation of development assistance knowledge, active communication of information (importance for evaluation and research); (4) implementation of aid open to participation by Japanese public; and (5) expansion of aid resource base, including personnel, funds and information.

This chapter summarizes the main issues that

* Package cooperation: A program that combines technical cooperation and grant aid to support efforts to achieve specific development goals within aid priority sectors.

* Umbrella cooperation: A program that combines technical cooperation, grant aid and loan aid in order to achieve national development goals and overall goals across aid priority sectors in general.

JICA is currently confronting. In the next six sections, the following issues will be addressed: regional and country specific approach; strengthening project planning, management, operation and evaluation functions; efforts to address environment, population, WID and education issues; promotion of participation by Japanese public in development assistance activities; cooperation with other aid agencies and international organizations; and promotion of support for cooperation among developing countries (South-South cooperation).

Country-specific approach

Country-specific approach

In 1995, JICA implemented cooperation projects in 150 countries. In addition to the natural, historical, social and cultural diversity of these countries, political and economic systems also varied significantly from one to the other. At the same time, the recent transformation of political and economic structures inside and outside of developing countries has brought a sophistication and diversification of development needs. This trend includes a shift from BHN and needs related to economic and social infrastructure improvement, to needs related to democratization, structural adjustment and transition to a market economy. It also encompasses new needs related to export promotion, the transition toward high technology in industry, poverty alleviation and environmental conservation.

JICA works to systematically and effectively link its various cooperation schemes in a way that is matched to the different development stages and needs of each developing country. In this way, JICA's assistance is tailored to each recipient.

To facilitate its country specific approach, JICA has aid study committees (Country-specific Aid Study Committees) that conduct detailed studies on the socioeconomic development conditions and policy-related issues of each country, accurately grasp related problems that need to be resolved, then identify important sectors and regions deserving aid priority, and compile aid implementation guidelines which propose effective and efficient cooperation contents and schemes.

Country-specific aid study committees

As part of its country specific approach, JICA established the first Country-specific Aid Study Committee in FY1986. With the participation of numerous researchers and other experienced professionals, this Committee

conducts analyses and field studies on major recipient countries and regions, toward more efficient and effective implementation of assistance in the future.

Research on any given country or region lasts from six months to one year and covers social, economic and political trends; the current progress on national development programs and priority sectors; analyses of aid trends; and future direction of Japanese aid. Then, recommendations are drafted based on exchanges of opinion with the recipient government and research institutions, as well as comments made during an open panel discussion held in Japan. Each year, three or four countries/regions are selected from among priority recipients, particularly important developing countries/regions. This research serves as important reference when the High Level Mission for Economic and Technical Cooperation is dispatched to the relevant country to hold official government policy dialogues.

Table 2-1. Guidelines for the implementation of country-specific assistance (standard items)

- **Political, economic and social situation**
Special issues (environment; WID; military expenditures, etc.; democratization and basic human rights)
- **Socioeconomic development situation**
Outline of the national development plan (significant sectors/issues, major policies, difficulties in promoting development)
- **Aid trends of multilateral organizations & donor countries (including aid trends of Japan)**
- **Priority areas or sectors for JICA cooperation (sectors, main goals, purpose of projects, strategy, target region)**
- **Consideration during the implementation stage of projects**
- **Summary of evaluation studies (important feedback information)**

Figure 2-1. Flow of country-specific aid study

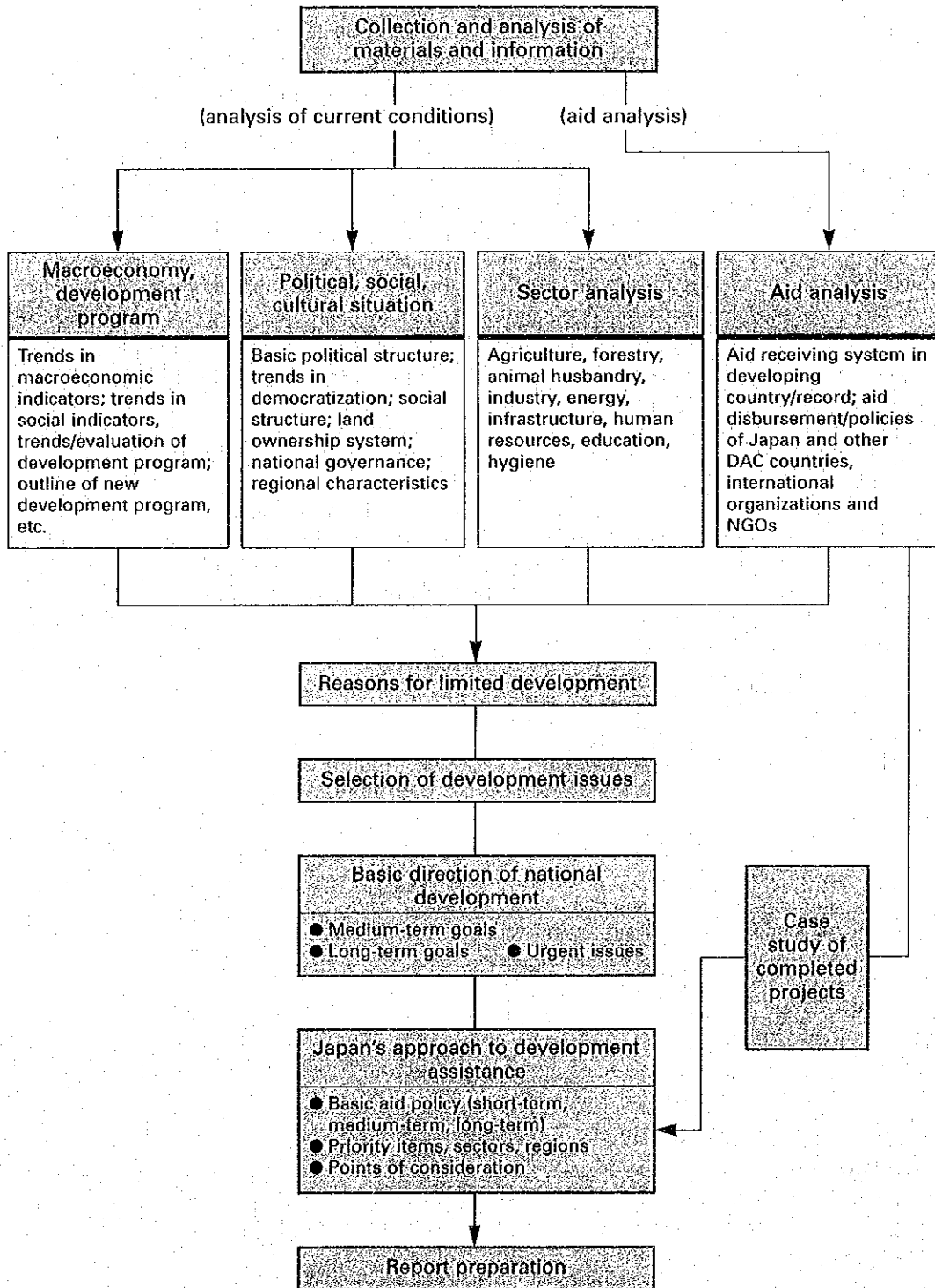


Table 2-2. Example of country-specific aid study

Country/region studied	Name of Study Chairperson	Country/region studied	Name of study Chairperson
Philippines	Akira Takahashi	Nepal	Hirokazu Yamaguchi
Thailand	Yasuhiko Torii	Malaysia	Atsushi Murakami
India	Chie Nakane	Southern Africa	Hidero Oda
Indonesia	Shinichi Ichimura	Philippines (2nd)	Akira Takahashi
China	Saburo Okita	Indonesia (2nd)	Shinichi Ichimura
Bangladesh	Toshio Watanabe	Vietnam	Shigeru Ishikawa
Pakistan	Shigemochi Hirashima	India (2nd)	Chie Nakane
Africa	Masaya Hattori	Ghana	Ichiro Inukai
Brazil	Hajime Mizuno	Senegal	Takehiko Haraguchi
Sri Lanka	Ryokichi Hirano	Thailand (2nd)	Fumio Nishino
Oceania	Tsuneo Nakauchi	Pakistan (2nd)	Shigemochi Hirashima
Egypt	Shigeru Ishikawa	Jordan	Ryoji Tateyama
Kenya	Ichiro Inukai		

Aid guidelines and building a system of support

Based on the results of such research and official government policy dialogues, JICA then conducts an analysis of the development programs and policies of each country and produces guidelines for the implementation of country specific assistance. These guidelines, produced for 60 countries (primarily where JICA has overseas offices), analyze each country's economic and social conditions, medium-term national development programs/policies, and sectoral goals/issues, and outline the direction for the implementation of JICA's aid projects.

JICA, as an implementing agency, is responsible for ensuring that projects are carried out in an efficient and effective manner. This requires JICA to identify, formulate and select excellent projects based on the implementation guidelines for each country, to implement these projects in a systematic manner, then to feed the results of evaluation back to the planning, formulation and implementation stages of new projects. In assessing requests for project-type technical cooperation and development studies, consideration is given to projects that are consistent with these implementation guidelines.

To support and strengthen the project implementation system based on the country specific approach, coordination among the JICA offices and departments concerned is vital. Two regional divisions were established in JICA's Planning Department in 1989 to be in charge of relevant planning and coordination. In 1991, this was increased to three divisions. Thereafter, similar three-division structures were set up in the Training Affairs Department, Experts Assignment Department, Secretariat of Japan Overseas Cooperation Volunteers, and Project Formulation Study Department.

To further facilitate this approach, JICA began to compile "country information files" from FY1990. These files contain information related to aid recipients' political/economic conditions and development programs, as well as the aid trends of other donor nations and international organizations in those countries. As of FY1995, there were information files compiled for 111 countries.

Strengthening project planning, management, operation and evaluation functions

Strengthening planning, management, and operation functions

The strengthening of management functions related to development assistance projects is an issue of utmost importance to JICA in its role as a development assistance implementing agency. In 1994, JICA introduced project cycle management (PCM) as a standardized method for managing JICA projects through planning, implementation and evaluation stages, and has since made efforts to improve the method and promote its widespread use. JICA introduced the PCM method in response to the shift in technical cooperation priorities from mere economic development to socially and environmentally harmonious sustainable development, and from the transfer of technology, knowledge and expertise to institutional building and the development of capacities related to policy studies and development management/implementation. In introducing the method, JICA is aiming at more efficient and effective implementation of development assistance. Features of PCM include:

- (1) Consistency throughout the entire project cycle

- (2) Logicality that clearly spells out the "cause-effect" of problems and "means-ends" to resolution
- (3) Participatory approach which engages the project's direct beneficiaries and affected groups from the drafting stage and fully reflects their situations and needs into the plans.

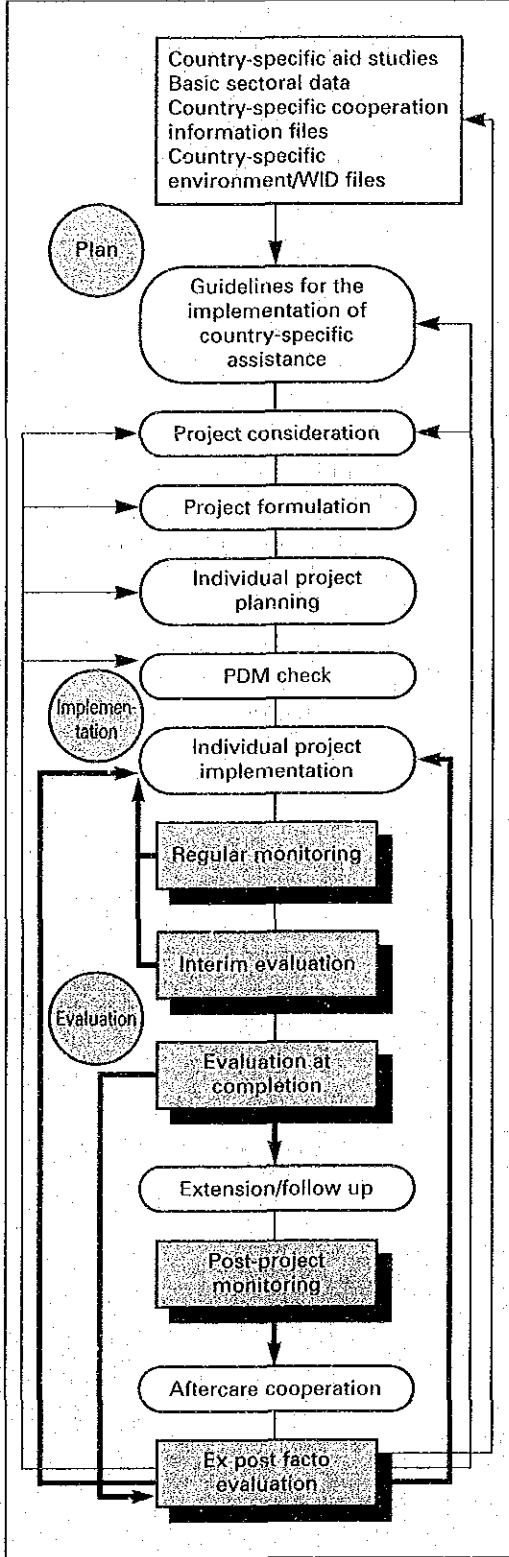
In FY1995, JICA decided to produce a project design matrix (PDM), in principle, for all new project-type technical cooperation, and to strive for more extensive use of the PCM method. PDM, the core PCM tool, is a table that summarizes each project according to purpose, outputs, activities and inputs (personnel, goods, costs) as well as important assumptions (conditions that must exist if the project is to succeed, but which are outside the control of the project management). To date, the PCM method has primarily been used at the project planning stage, but JICA intends to more thoroughly implement the method at the monitoring and evaluation stages in the future.

At the same time, JICA plans to extend use of the PCM method, including production of PDM during project formulation studies, to assistance schemes other than project-type technical cooperation, e.g. development studies, grant aid, expert dispatch, JOCV dispatch and training programs.

Narrative summary	Verifiable indicators	Means of verification	Important assumptions
Overall goal ← Effect Ends ← Cause Means			Assumptions for sustaining development results
Project purpose ← Effect Ends ← Cause Means			Important assumptions for achieving overall goal
Outputs ← Effect Ends ← Cause Means			Important assumptions for achieving project purpose
Inputs ← Effect Ends ← Cause Means			Important assumptions for achieving outputs
			Preconditions for beginning inputs

Table 2-3. PDM and cause-effect relationships

Figure 2-2. PCM concept



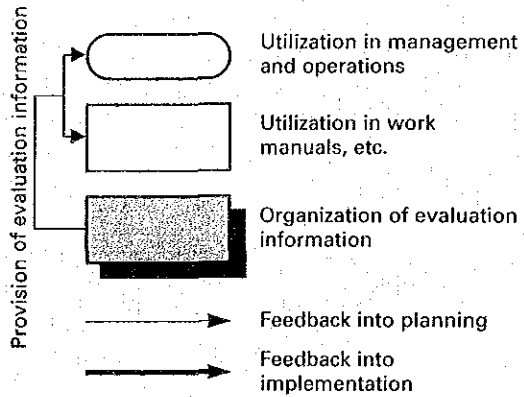
Expansion/strengthening of evaluation functions

Of the various project management functions, it has become especially important to strengthen evaluation functions.

JICA evaluates projects in a systematic manner during project implementation, at completion and after a designated period of time following completion, giving evaluation activities a clear position within the project cycle. JICA aims to be as objective as possible in studying whether project activities have been input according to plan, whether the expected outputs and the initially planned purpose were achieved, and what results were obtained from projects which achieved their purpose.

Information obtained through evaluation studies is provided to those concerned and fed back into the project cycle. Based on the evaluation information, efforts are made to accurately grasp the progress of activities in current projects and, as necessary, to change the content of cooperation plans, make them more efficient, or extend the term of cooperation. For completed projects, "aftercare" in the form of additional support, such as equipment repairs and spare parts provision, is carried out. These and other steps are taken to promote the sustainability and self-reliant development of cooperation results.

Lessons and recommendations obtained from evaluation results are fed back to support the



formulation, appraisal and planning of new projects and to improve projects currently under implementation. In this way, JICA's ability to execute aid efficiently and effectively is enhanced.

JICA evaluates five items: (1) achievement of project purpose; (2) results; (3) implementation efficiency; (4) suitability of plans; and (5) development of self-reliance. These five criteria are widely used by DAC members and international aid agencies. Comprehensive evaluation of projects from these various perspectives makes it possible to conduct a balanced evaluation.

JICA has a wide variety of project schemes. At the same time, there is a need for appropriate project management at different project stages. The project cycle, which the PCM method (introduced thus far into planning management and operation stages) was designed to follow, becomes complete with the proper feedback of evaluation information. Accordingly, JICA plans to strengthen project planning, management and operation by making efforts to further enhance evaluation activities, to promote the organization, provision and utilization of evaluation information, and to make sure that information is fully utilized throughout the project cycle.

JICA has released an annual report on project evaluations since FY1995. This is a response to requests for further disclosure of information on development assistance, as well as an attempt to answer questions from the Japanese people, such as "Is development assistance useful?" and "Are lessons learned from the evaluation of cooperation projects utilized?" and to secure their further understanding and support. The report openly introduces current development assistance and evaluation activities, and indicates JICA's belief in working to communicate information.

Efforts to address environment, population, WID and educational issues

Environmental cooperation

Environmental cooperation to date

Environmental cooperation is defined differently by each country and organization. In Japan, it is defined as any assistance that contributes to conservation and improvement of the environment, e.g. residential environment (waterworks, sewerage, waste disposal), pollution control, forest conservation/reclamation, disaster prevention, conservation of the natural environment (biodiversity), and energy saving.

JICA is making active efforts to formulate and implement environmental projects based on Japan's basic policy for the strengthening and expansion of environment cooperation. JICA's environmental cooperation has increased from 5.4 billion yen in FY1986 (or 7.0% of JICA's total technical cooperation) to 22.3 billion yen in FY1995 (15.8%).

Trends in environmental cooperation

Through its development studies, JICA has long engaged in planning related to pollution control, waterworks, sewerage, forest conservation/reclamation and disaster prevention. The results of related reports have been utilized in the formulation of environmental policy and in the establishment of environmental facilities through Japanese grant aid and yen loans as well as funds from other financing agencies or those of the recipient country itself. In recent years, JICA has also been conducting studies related to policy, institution building, environmental monitoring systems and other "soft" areas, as well as planning related to the urban environment, water environment conservation and other cross-sectoral areas. JICA's planning efforts are also covering new areas such as acid

rain control, biodiversity, ecotourism*, and water conservation forestry.

At the same time, JICA dispatches experts and JOCVs and accepts participants for training as a way of developing human resources skilled in environmentally related areas such as pollution control, waterworks, sewerage, waste disposal, disaster prevention, forestry conservation and reclamation. In recent years, cooperation has also been extended to "upstream" areas, including comprehensive environmental management, biodiversity conservation and environmental policy.

A typical example of this cooperation is the establishment of the Environmental Research and Training Center in Thailand, the Japan-China Friendship Environmental Protection Center, the Environmental Management Center in Indonesia, the National Center for Environmental Research and Training in Mexico, and the National Center for the Environment in the Republic of Chile, with the aim of strengthening institutions and developing human resources for the comprehensive environmental management of the respective developing countries.

In the area of biodiversity, Japan is implementing the Biodiversity Conservation Project in Indonesia as a collaborative effort with the United States. In the area of forest conservation and reclamation, JICA is extending social forestry cooperation in Kenya, Tanzania and Nepal that gives consideration to WID, participation of local residents and other socioeconomic factors. JICA is also implementing greenery promotion projects involving the dispatch of JOCV teams to Tanzania, Niger, Ethiopia and Senegal to promote rural village development, fruit tree and forest management, and afforestation.

To further enhance environmental cooperation, Japan must do more than merely

* Ecotourism: Tourism that emphasizes local resident participation and sustainability of natural resources, rather than the consumption of those resources, as in the past.

wait for aid requests from recipient countries. It must enhance the recipient country's ability to formulate environmental projects and actively work to identify and formulate projects itself. Therefore, JICA dispatches project formulation study teams to formulate excellent projects and give clear direction for cooperation in cases where the content of requests is unclear or not fully developed. In addition, JICA dispatches project formulation specialists with environmental expertise to identify and formulate excellent projects and to make any necessary adjustments relevant to requested projects, while working in close collaboration with the counterpart authorities concerned.

Environmental consideration for sustainable development

"Environmental consideration" refers to a process of examining whether or not a development project will exert a negative impact on the environment and, as necessary, implementing measures to avoid or alleviate

that negative impact. Such consideration is essential in ensuring that development assistance contributes to the sustainable development of developing countries without exerting a negative impact on the environment. Therefore, JICA assigns an environmental specialist to conduct environmental studies as part of project formulation studies, development studies and grant aid projects when environmental consideration is deemed necessary (e.g. dams, roads, power plants, airports, large-scale irrigation).

To more efficiently promote environmental consideration, JICA began preparing guidelines for environmental consideration from 1991. Guidelines have now been prepared for 20 sectors (dams, agricultural development, ports and harbors, airports, roads, railways, rivers/desertification, waste disposal, sewerage, ground water development, waterworks, general regional development, tourism, general transport, urban transport, forestry development, industrial development,

Introductory seminar on WID activities

Toward support for women in developing countries –
Japanese technical cooperation and NGO efforts

This seminar was sponsored by JICA and hosted at its Institute for International Cooperation (IFIC) on 3 July 1995. Held in advance of the Fourth World Conference on Women in Beijing, the seminar aimed to deepen understanding of the mutual efforts of JICA and NGOs related to WID, and to promote utilization of seminar findings in future activities. With representatives of NGOs as well as 11 participants from a JICA training course (entitled "Seminar on Improvement of the Status of Women for Government Officers") in attendance, a total of 120 people took part in the seminar.

The seminar began with a

presentation on JICA's WID-related efforts to date. This was followed by a video showing an expert at work in a WID project. Three NGOs (Japan International Volunteer Center (JVC), Shapla Neer-Citizens' Committee in Japan for Overseas Support (SHAPLA NEER), Japanese Organization for International Cooperation in Family Planning (JOICFP)) then made presentations on their efforts related to WID. The seminar concluded with a question-answer session in which training participants were also given an opportunity to express their opinions, thereby promoting mutual understanding among all three parties concerned: JICA, NGOs, and training partici-

pants.

Since exchange between JICA, as an ODA implementing organization, and NGOs has been limited, this seminar was highly significant in that it promoted mutual understanding and encouraged utilization of seminar results in future activities.



Training participants also asked questions about cooperative relations between JICA and NGOs.

mining development, thermal power generators, fishery development). JICA is utilizing these guidelines to further strengthen environmental consideration.

WID cooperation

With the announcement of the Initiative on WID, put forward by Japan at the Fourth World Conference on Women in Beijing in September 1995, JICA is actively taking WID-related measures to promote the Initiative. In FY1995, JICA included WID experts in various study teams and projects and conducted related staff training to promote more effective WID consideration in projects. As a new endeavor, JICA is also implementing special equipment provision to promote WID.

WID-related efforts in JICA's various projects have centered on "WID consideration activities," i.e. accurately grasping the social and economic role of women and promoting their participation in projects both as beneficiaries and agents of development. These activities span numerous sectors, including agriculture, forestry and fisheries; health and medical care; and education.

Cooperation with the United States related to WID

In FY1995, Japan and the United States agreed to implement the first stage of joint cooperation related to WID based on an earlier agreement between the two countries. This cooperation concerned assistance for the expansion of elementary education for women in Guatemala, where the problem of educating natives has become the focus of attention. Based on this agreement, JICA dispatched a project formulation specialist to study the educational conditions and activities of the United States in Guatemala, and to explore possibilities for cooperation.

Based on the results of this study, JICA dispatched a project formulation study team to conduct further studies and discussions with the Government of Guatemala and the United States Agency for International Development (USAID). With this, Japan decided to

implement assistance focused on the expansion of women's education, in collaboration with the United States. Now, in addition to elementary school construction, Japan is planning to dispatch experts and JOCVs, who will provide consultation services to the Ministry of Education of Guatemala and produce educational materials.

Population and HIV/AIDS cooperation

JICA's cooperation in the area of population and HIV/AIDS includes the following.

Global Issues Initiative

As part of the Global Issues Initiative (GII) on Population and AIDS, JICA is giving consideration to relevant conditions in each country and implementing assistance to 12 priority countries (India, Indonesia, Pakistan, Bangladesh, Philippines, Thailand (HIV/AIDS only), Mexico, Egypt (population only), Ghana, Kenya, Senegal, Tanzania). With a focus on these priority countries, JICA has been dispatching project formulation study teams, which are working to identify and formulate projects.

Trends in population and HIV/AIDS projects

1. Project formulation studies

In FY1994, the first year of GI, JICA dispatched study teams to three countries (Philippines, Indonesia, Egypt) and implemented an overseas project formulation study (conducted by overseas office) in Kenya. In FY1995, JICA dispatched study teams to the Philippines, Indonesia (Phase II), Ghana, Bangladesh, India and Pakistan, and conducted an overseas project formulation study in Tanzania. The dispatch of study teams to priority countries is scheduled to be complete by FY1996.

NGOs active at the grass-roots level participated in project formulation studies from the initial study stage, while one NGO member also participated in each of the study teams. The participation of NGOs stimulates opinion exchanges with local NGOs and

residents during the study period and leads to the formulation of projects with deeper roots in the local fabric.

JICA implements two forms of cooperation related to population and HIV/AIDS: cooperation with direct benefits (e.g. HIV/AIDS prevention, population education promotion projects, family planning/mother-child health) and cooperation with indirect benefits (e.g. primary health care*, infectious disease control, elementary education, women's education).

2. Cooperation with the United States

As explained earlier, Japan is actively implementing cooperation related to population and HIV/AIDS in collaboration with the United States. Over a three month period from September to December 1994, JICA dispatched a project formulation specialist to the United States to study the organization and activities of USAID and to visit various American NGOs to learn about their work. Then in FY1995, a population and HIV/AIDS expert from USAID was dispatched to Japan for approximately three months to learn about Japan's related cooperation through training at JICA, the Ministry of Foreign Affairs, the Ministry of Health and Welfare and various NGOs. As for other activities, USAID personnel also jointly take part in JICA project formulation studies.

Educational cooperation

JICA's efforts

JICA's efforts related to education have traditionally focused on technical and research cooperation to vocational schools, technical schools, universities and research facilities. Assistance for basic education has centered on grant aid for the construction of elementary schools and the dispatch of JOCVs as science instructors and elementary school teachers.

Amid a global trend of expansion in educational aid, however, there emerged a need for Japan to fully grasp educational conditions in developing countries and set guidelines on

how educational aid should be implemented. To this end, JICA established the Study Group on Development Assistance for Education and Development (sector-specific aid study group) in September 1992. Based on recommendations compiled by this group in January 1994, JICA then set up a task force for the expansion of educational assistance (consisting of staff from concerned departments) within its Planning Department in order to examine how educational assistance (especially basic education) should be expanded. In July 1995, this task force then produced a report incorporating specific proposals. Today, JICA is actively enhancing its assistance in the education sector based on these proposals.

Trends in educational assistance

The assistance schemes which have the highest proportion of activity in the education sector are the JOCV program (approximately 52%) and the Youth Invitation Program (approximately 30%). This is also true for assistance in the more specific area of basic education.

Until recently, the construction of schools, dispatch of JOCVs to schools, and dispatch of experts to teachers' training schools had been carried out primarily as independent projects. Since FY1993, however, JICA has implemented package cooperation (Package Cooperation for Science and Mathematics Education Manpower Development in the Philippines) aimed at broader coverage by combining grant aid, JOCV dispatch and project-type technical cooperation. This represents one of various new approaches to assistance.

* Primary health care: Disease diagnosis, medical treatment and other measures for the improvement of health conditions (including prevention and health promotion) at the local level.

Promotion of participation by Japanese public in development assistance activities

Toward greater participation of Japanese public

In recent years, there is an enhanced interest in assistance among the Japanese public and participation in international cooperation at the grass-roots level is increasing. Local governments and NGOs interact closely with the people living in regional areas, becoming contact points for the public to deepen its understanding about aid and find the opportunities to participate.

JICA has made various efforts to enhance the level of interest and increase the participation of each and every Japanese. Using its facilities in Japan as a base, JICA launched an International Cooperation Campaign in the 1980s. This campaign, involving symposiums, school lectures, photo exhibitions and other events, was held at a total of some 156 locations across the country and attended by

some 1.52 million people in FY1995. From FY1993, JICA has conducted training and opened courses to the general public, under joint sponsorship with local governments. In FY1995, 6,112 people took part.

As for other cooperation with local governments, JICA launched the Study Committee on Local Government and the Ideal Orientation for International Cooperation in 1990, together with researchers, experienced professionals, local governments and the Ministry of Foreign Affairs. This came at a time when local governments were starting to initiate their own cooperation efforts, not only international exchange in the form of personnel exchanges under sister-city arrangements, but also the dispatch of experts and acceptance of participants for training from abroad. The study committee discussed the ideal orientation for international cooperation independently initiated by local governments as well as the orientation for cooperation between JICA and

Table 2-4. Cooperation with local governments

Cooperation scheme		Number of courses/people (Share of total)
Training programs	Group course	13 courses (4.4%)/87 people (3.0%)
	Specially offered training courses	31 courses (13.1%)/214 people (10.8%)
	Individual/counterpart training	243 people (13.1%)
	Youth Invitation Program	1,533 people (100.0%)
Expert dispatch	Individual expert	76 people (6.2%)
	Project expert	108 people (6.3%)
Study team		107 people (1.2%)
JOCV		86 people (7.1%)
Japan Disaster Relief Team (registered personnel)		501 people (93.0%)
Emigration affairs (acceptance of training participants of Japanese descent)		169 people (92.0%)
Recruitment/training of experts	Training in Tokyo	121 people (100.0%)
	Regional training	942 people (100.0%)
	Sectoral training	22 people (11.0%)

local governments. This culminated in the publication of a report entitled "Local Government in a Global Era" (Japan International Cooperation Publishing Co., Ltd.)

Expanding Japan's domestic aid support structure

Japan's ODA has been increasing steadily. At the same time, the requests from developing countries continue to diversify and the areas requiring a response have expanded to include not only "hard" aid, but also "soft" aid. To respond to such diverse requests, JICA is expanding its domestic cooperation structure.

Local governments have accumulated abundant experience and technology in relation to local governance, environmental hygienics, and health/medical care. This experience and technology is extremely useful for the development of developing countries. To promote collaboration with local governments, JICA has provided training for the working level staff of those governments (1 week of practical training, 3 weeks of language training) since 1986. In FY1995, a total of 121 people took part.

The grass-roots activities carried out by NGOs are extremely important in ensuring that

aid results extend to a broad sector of the public in developing countries. Private enterprise also contributes to Japan's international cooperation efforts by transferring technology to developing countries through the dispatch of individual experts who share the technical knowhow that has supported Japan's economic growth. In October 1994, JICA set up the Joint Cooperation Promotion Division in its Planning Department to be in charge of inter alia planning and coordination for the promotion of information exchanges and joint projects with local governments as well as Japanese and foreign NGOs.

Cooperation with local governments

In cooperation with local governments, JICA conducts training programs, the Youth Invitation Program, expert dispatch, JOCV program, emergency disaster relief and other activities. Statistics for FY1995 are shown in Table 2-4.

As part of its effort to support regionally initiated international cooperation, JICA has collected supplies gathered by local governments and transported them to disaster areas overseas as part of its international

Local government efforts for international cooperation

From locally initiated activities to national activities

In FY1995, international cooperation led by local government included technical cooperation at the national level. The following are examples of three such cases.

In 1991, Saitama Prefecture hosted the Saitama Public Health Summit under joint sponsorship with the World Health Organization (WHO) and hammered out a policy for active international cooperation in the health and medical care sector. Since

1993, the prefecture has widely cooperated in primary health care projects aimed at expanding and improving health and medical care facilities and services in the agricultural regions of Nepal. In FY1995, four officials of the prefecture engaged in activities as experts.

Misumi, Shimane Prefecture, famous for its handmade Japanese paper, has independently provided guidance on paper making techniques to the Kingdom of Bhutan. In FY1995,

two technicians from Bhutan were received as JICA training participants.

Shariki, Aomori Prefecture sent a friendship observation mission to Mongolia and, after hearing about the food shortage there, independently began local technical cooperation and agricultural training related to rice cultivation from FY1990. Since FY1995, two people from Shariki have provided guidance in Mongolia as JICA short-term experts.

emergency relief program since FY1992.

Cooperation with NGOs

JICA's cooperation with Japanese NGOs has primarily been in the form of participant acceptance for training in Japan. However, as cooperation with NGOs in developing countries is also seen to be effective, especially in poverty alleviation, agriculture development, health/medical care, social forestry, environment and other sectors emphasizing the participation of local residents, experts from NGOs are dispatched to take part in projects in areas such as primary health care, family planning, and mother-child health. There are also cases where NGOs assume responsibility for the extension of technology to people living in local regions. NGOs are also increasingly taking part in project formulation.

Utilization of private-sector technology

A breakdown of individual experts dispatched to developing countries by JICA in 1995 indicates that experts from the private sector accounted for 36% of all experts. With the diversification of aid needs in developing countries, the use of technology accumulated in Japan's private sector has become important. And there is an increasing number of enterprises with systems that enable interested employees to participate in JOCV activities without losing their status as employees of that enterprise.

As for training activities, the group training and specially offered training courses in FY1995 (419 courses in total) included 154 courses implemented by non-profit corporations and 22 courses run by private enterprises.

Collaboration with other aid agencies and international organizations

Need for collaboration

With the quantitative and geographical expansion of Japanese aid, greater attention is being given to the new issues of policy coordination with other donor nations and agencies as well as aid coordination through the joint implementation of projects.

Now that Japan rivals the United States as a leading donor nation, extending assistance to almost all developing countries and holding the position of top donor for 42 countries and regions, its aid policy has tremendous impact on the development policies of many developing countries. Trends in Japanese aid cannot be overlooked by other donor nations and organizations either. As a result, Japan is called upon to consult and cooperate closely not only with recipient nations, but also with other donor nations and agencies.

At the same time, the end of the East-West Cold War structure has heightened cooperation needs related to policy support, e.g. support for democratization, transition to a market economy, and structural adjustment related to the problem of accumulated debt. Under such circumstances, the establishment of a mutually complementary cooperative support structure, i.e. cooperation with other donor nations and agencies, has become important.

Promotion of joint cooperation

To meet these needs, JICA established the Joint Cooperation Promotion Division in its Planning Department in October 1994, to effectively collaborate and coordinate with bilateral donor agencies and international organizations. Collaboration with other donor nations and organizations is promoted through participation in the meetings of the World

Bank-sponsored Consultative Group (CG) and various other expert meetings, individual project-level cooperation with the United Nations Development Programme (UNDP) and the United States Agency for International Development (USAID), implementation of studies related to projects financed by the World Bank, and the joint sponsorship of seminars and symposiums.

Such cooperation makes it possible to: (1) accurately grasp the development needs and information of developing countries; (2) improve overall development results by avoiding duplication and conducting aid activities in areas of respective strengths; and (3) effectively implement projects by promoting understanding among donor nations and between donor nations/organizations and developing countries.

Collaboration to date

In 1990, JICA began to hold annual consultations with the World Bank, the world's largest international financial institution, in search of ways to collaborate. In December 1995, the World Bank-Japan Research Fair was held for an exchange of research results on development economics. In attendance were researchers from the World Bank as well as Japanese researchers from JICA, the Institute of Developing Economies (IDE), the Overseas Economic Cooperation Fund (OECF), Export-Import Bank of Japan and others. To promote exchange with international organizations, JICA sent some of its staff to work at UNDP, World Bank and the Asian Development Bank (ADB).

As for collaboration with bilateral donors, JICA has conducted an officer exchange program with the Canadian International Development Agency (CIDA) since 1992.

JICA and CIDA have also conducted joint evaluations of projects conducted by each other in order to deepen understanding of one another's aid objectives, methods, etc. In FY1994 and FY1995, the two agencies held joint seminars on Southern Africa and are currently considering cooperation in the environmental sector for the region. In FY1995, a CIDA WID expert delivered lectures for JICA's In-Country Training Program on Improved and Sustainable Agricultural Production for Women Farmers in Kenya.

JICA is also engaged in collaborative efforts with USAID in line with the Common Agenda for Cooperation in Global Perspective, endorsed at the Japan-U.S. Framework Consultations in February 1994. As for population and HIV/AIDS, one of the areas of the Common Agenda, JICA and USAID have sent experts to one another's agencies for periods of three months since 1994 in order to exchange information on related efforts. Since November 1994, the Project for Prevention and Control of AIDS, which aims to establish an AIDS surveillance network in order to grasp trends related to the transmission of HIV in the Philippines, has been carried out under Japan-US joint cooperation.

In the environmental sector, the two countries started joint cooperation in relation to the Biodiversity Conservation Project in Indonesia, which aims to protect a vast diversity of wildlife, in August 1994.

JICA is also actively promoting cooperation with middle-income countries and regional international organizations.

In 1995, JICA received a participant for training from the Korean International Cooperation Agency (KOICA), who focused his studies on Japanese technical cooperation to Thailand. In November 1995, Japan dispatched a project formulation specialist to work at the Colombo Plan* Secretariat for four months.

Within Japan, JICA is working to coordinate its development studies with the yen loan program implemented by OECF. Coordination is also being carried out between the two organizations to facilitate development projects as a whole, including expert dispatch.

* Colombo Plan for Cooperative Economic and Social Development in Asia and the Pacific: a cooperative institution launched by 26 nations in 1950 for the purpose of promoting economic and social development, and improving living standards in the South and Southeast Asian regions.

Promotion of support for cooperation among developing countries (South-South cooperation)

South-South cooperation refers to cooperation for economic and social development extended by one developing country to another. The typical pattern is for a more industrialized developing country, or a middle-income country, to extend cooperation to a less industrialized developing country. Other forms of South-South cooperation include those which can be found in such regions as Latin America and Africa, as well as cooperation based on regional security and cooperation based on common political ideology.

The importance of South-South cooperation has been discussed at the United Nations and various other international fora. JICA, on its part, is supporting the transition of developing countries to donor status and actively supporting South-South cooperation in recognition of the value of utilizing the experience and knowhow of one developing country to facilitate the development of a less industrialized developing country.

Results of South-South cooperation

South-South cooperation produces the following results:

1. Regional cooperation among developing countries is supported

As the global economy becomes increasingly interdependent, it is advantageous to promote intraregional investment and trade by reducing regional disparities and lifting the minimum level of purchasing power. At the same time, the formation of regional economic groups helps to promote a balance with other regional economic groups. Moves to form regional

economic groups, such as the South Asian Association for Regional Cooperation (SAARC)*, Southern African Development Community (SADC)*, and Mercado Común del Sur (MERCOSUR)*, are flourishing. Support for South-South cooperation is effective in supporting this kind of regional cooperation among developing countries.

2. Shortage of assistance funds is offset

When promising new sources of aid funding such as the countries in East Asia and ASEAN actively increase their donor activities, it becomes an effective means for filling the gap resulting from the increase in demand for, and flagging supply of, such resources.

3. Technology transfer becomes more effective

It is sometimes more appropriate to transfer the technology and knowhow of another developing country with a similar climate, culture (language, religion, etc.) and industrial structure, or that of another developing country that is only slightly more advanced, than it is to transfer technology from Japan. It sometimes takes time for Japanese technical experts to understand the situation and grasp the problems in a developing country. The same technology gap, however, does not exist in the case of South-South cooperation. For this reason, the donor can often understand the issues more easily and make decisions more efficiently in the case of South-South cooperation.

4. Reduction of costs

One secondary result of this is that the cost of dispatching experts from developing countries and of receiving participants for training at research facilities in those

* South Asian Association for Regional Cooperation (SAARC): An organization for regional cooperation among seven countries in Southwest Asia; inaugurated in 1985.

* Southern African Development Community (SADC): An organization for regional cooperation among countries of southern Africa; inaugurated in 1992; 11 member countries as of January 1996.

countries is lower than dispatching from and receiving into Japan. In addition to the low costs, it is also possible to achieve similar results.

JICA support for South-South cooperation

JICA has three schemes for supporting South-South cooperation: (1) third-country training; (2) tripartite cooperation; and (3) third-country expert dispatch (newly added in FY1994). The content of each is explained below.

Third-country training

Third-country training, one of JICA's training programs*, takes place in a particular region where developing countries share a common base in terms of natural, social and cultural factors. One of these countries is selected to serve as the host country that receives trainees from the neighboring countries. The host country is in charge of managing the training program, while JICA provides financial and technical support. The objectives of this type of training are to re-transfer the technology and knowhow of Japan in a form that is compatible with local conditions and to promote technical cooperation among developing countries.

This program takes two forms: group training and individual training. Group training has increased every year since it began in 1975. Individual training, which began in 1986, has primarily targeted counterparts involved in JICA's project-type technical cooperation or individual expert dispatch programs and is implemented when Japan decides it would be more effective to conduct such training on a third-country basis.

Third-country experts

This new form of technical cooperation, which has received funding since 1994, involves the use of personnel from developing third countries as experts. The first objective of this program is to supplement and support technical cooperation implemented by Japan or to extend and develop the results of such technical cooperation through the dispatch of

third-country personnel as experts. The second objective is to support South-South cooperation and/or the transition of fast-developing economies into donor nations.

Third-country experts can be classified into various types according to the length of their dispatch and other conditions. In FY1995, short-term experts were dispatched to Southeast Asia, a comparatively easy type of dispatch. In the future, JICA plans to expand the types of experts dispatched, as well as the number of regions they are dispatched to.

Tripartite cooperation

Tripartite cooperation refers to the joint implementation of a cooperation project by Japan and another donor nation in a developing country. The objective of the Rural Development and Resettlement Project in Cambodia, currently in progress, is to improve the livelihood of refugees resettling in Cambodia through rural development and the establishment of rural infrastructure in Kompong Speu and Takeo provinces.

JOCVs from Japan and experts from four ASEAN countries (Indonesia, Malaysia, Philippines and Thailand) have been assigned to cooperation activities in the agricultural, livelihood improvement, education and public health sectors. In addition, JICA's technical cooperation experts are in charge of overall coordination of the project.

This project is categorized as support for South-South cooperation, because Japan is supporting the cooperative efforts of ASEAN countries in Cambodia.

Support for new donors

Japan supports the transition from recipient status to donor status of advanced developing countries in East Asia and ASEAN. With support from Japan, these new donors extend cooperation to other developing countries, constituting the most typical form of South-South cooperation.

To cite one example, JICA has received three officers from the Korean International Cooperation Agency (KOICA) at JICA

* In addition to third-country training, JICA's training programs also include training in Japan and in-country training. See p.103.

headquarters in Tokyo, where on-the-job training was provided in relation to the implementation of technical cooperation projects. In addition, JICA and KOICA regularly engage in high-level exchange where opinions and information on the implementation of assistance are shared.

Japan is also concluding partnership program agreements with new donors. Agreements thus far include the Japan-Singapore Partnership Program (JSPP) and the Japan-Thailand Partnership Program (JTTP).

Under these programs, Japan and its partner country jointly conduct training and expert dispatch activities. And, as necessary, technical knowhow on the implementation of assistance by JICA is transferred to the donor agency of the partner country.

APEC/PFP

At the ministerial meeting of APEC, held in Jakarta in November 1994, Japan proposed the Partners for Progress (PFP) concept. PFP advocates the active promotion of development cooperation together with the liberalization and promotion of trade and investment (the focus of APEC) as two wheels on the same axle. At the same time, it aims to contribute to the liberalization of trade and investment and lead to growth and prosperity for the region as a whole, by reducing the overall gap within the region through economic development.

PFP is a mechanism aimed at more effective promotion of economic and technical cooperation in APEC, based on the principles of mutual support and volunteerism. By combining the aspects of "support for South-South cooperation" and "coordination among industrialized countries," PFP takes a step forward from the conventional concept of North-South relations by implementing cooperation on the basis of an equal partnership.

In concrete terms, PFP activities will first focus on the liberalization and facilitation of trade and investment, with three or more member economies voluntarily managing the activities for a period of three to five years and

each member economy bearing expenses according to its ability to pay. JICA is currently making preparations to implement three PFP projects on the themes of standards and conformity assessment, industrial property rights, and competition policy, using existing projects and third-country training.