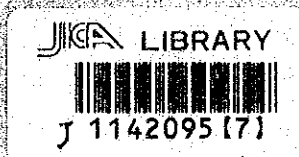
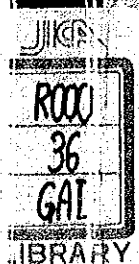


**Japan International  
Cooperation Agency  
Annual Report**

# 1997

## *Japan International Cooperation Agency*



**Japan International Cooperation Agency**



# **Japan International Cooperation Agency Annual Report**

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**1997**

**Japan International Cooperation Agency**



**Japan International Cooperation Agency  
Annual Report 1997**

Part 1:	ODA and JICA Projects
Part 2:	JICA's Regional Activities
Part 3:	Outline of JICA Activities
Statistical Appendix:	Tables for FY 1996

**Photographs**

**Front cover:** Japan International Cooperation Agency (left and right),  
photograph submitted by Hirokazu Yagi to the  
International Cooperation Photography Competition  
(center).

**Back cover:** Photograph submitted by Chihiro Mikami to the  
International Cooperation Photography Competition.

# Preface

Since its foundation 23 years ago, the Japan International Cooperation Agency (JICA) has been providing technical assistance on a governmental basis to developing countries based on its mission statement of "human development, national development, bringing people together". Placing emphasis on the personal aspect of technological transfer, our aim is to contribute to socioeconomic advancement in developing countries.

As the twentieth century draws to a close, there are still many countries all over the world facing a wide range of challenges related to poverty, population and the environment. Since the end of the Cold War, the number of recipients has grown to include those nations changing their political systems in order to make the transition to a market economy and to establish democracy. At the same time, we have seen the occurrence of ethnic problems and regional conflicts. It has become ever more important for countries throughout the world to work together to solve these problems and to cooperate toward the achievement of peace and prosperity in the international community.

Such were the conditions under which the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) in May 1996 adopted its new development strategy entitled "Shaping the 21st Century: The Contribution of Development Cooperation". The DAC thereby confirmed its advocacy of a "new global partnership" under which industrialized and developing countries would cooperate as partners for development.

JICA's roles and responsibilities are becoming increasingly important in the context of these trends in official development assistance (ODA). In close collaboration with developing countries, donor countries and international agencies, JICA resolves to tackle the problems with renewed determination. Encouraging further participation from the Japanese people, we will seek to ascertain the new needs of developing countries in order to provide efficient and effective aid.

This report summarizes JICA's activities and results during FY1996. I believe it will enhance readers' appreciation of the projects in which we at JICA are involved and I hope it will encourage them to continue extending their broad support for our activities in the field of international cooperation.

October 1997



Kimio Fujita  
President

Japan International Cooperation Agency



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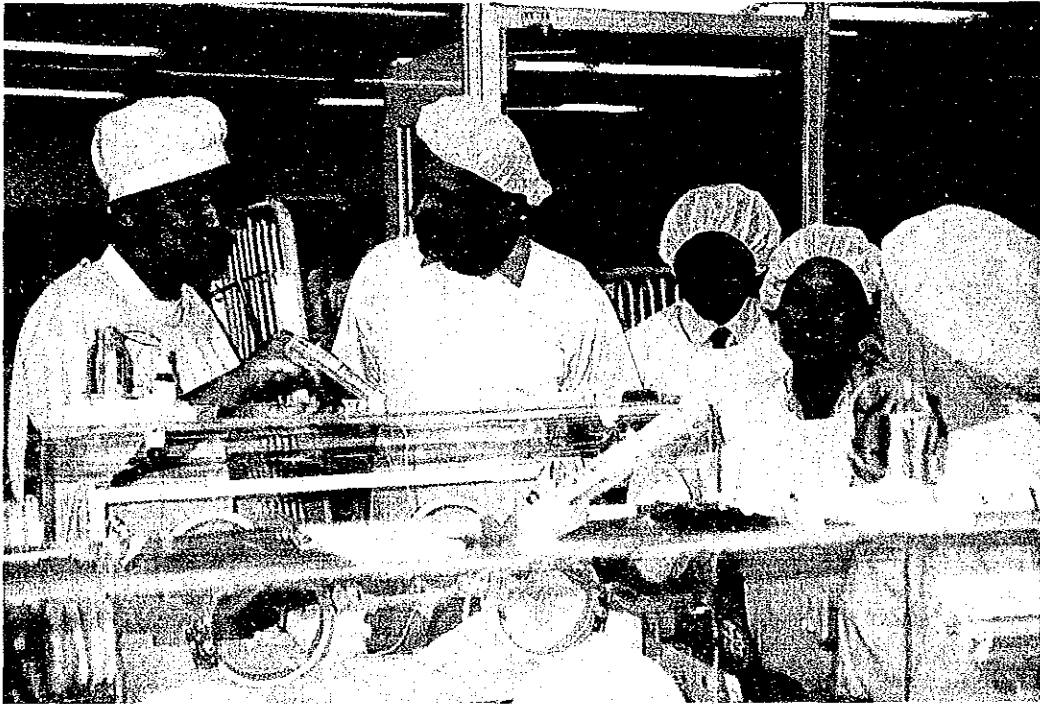
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#### Reading the Annual Report of the Japan International Cooperation Agency

1. This annual report summarizes the activities of the Japan International Cooperation Agency in FY1996 (April 1, 1996 to March 31, 1997).
2. The figures contained in the report are those for the fiscal year in the case of the Japan International Cooperation Agency and for the calendar year (January 1, 1996 to December 31, 1996) in the case of Official Development Assistance (ODA).
3. All sums indicated in dollars refer to US dollars and are calculated at an exchange rate of 108.82 yen to the dollar (the official DAC rate).



# "Human development, national development, bringing people together"



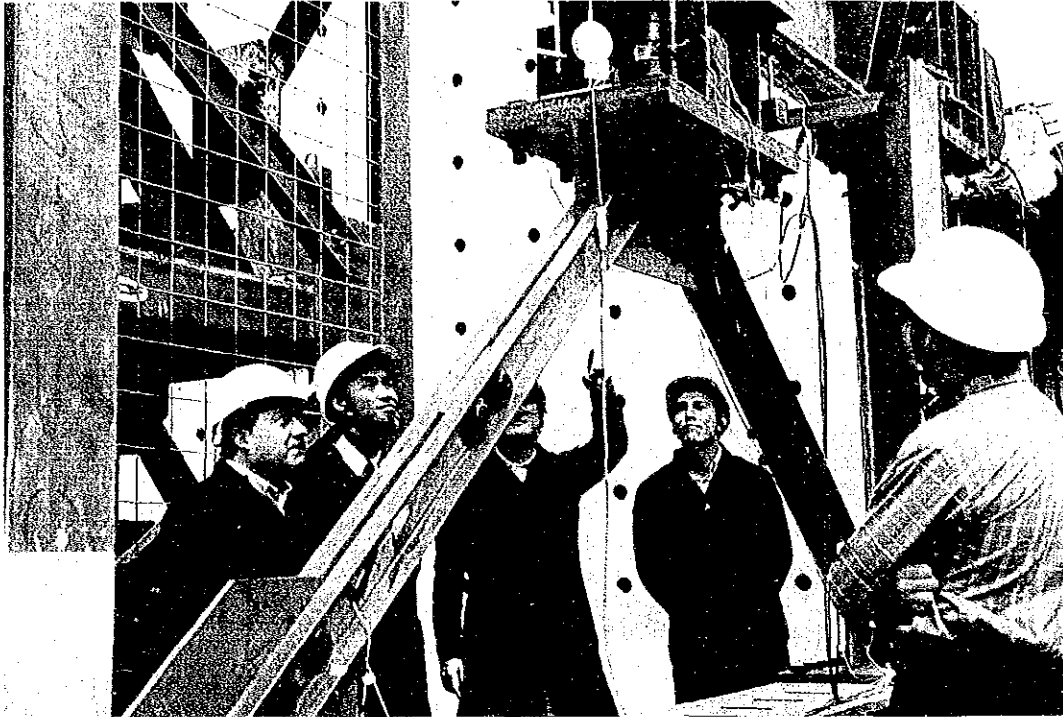
## Training program

*Training participants enrolled in a course aimed at improving infant mortality rates examine a neonatal intensive care unit.*



## Development study

*A geological survey being performed with local counterparts as part of the detailed design study for Pudong International Airport in Shanghai, China.*



### Project-type technical cooperation

Joint research being conducted on accident prevention methods as part of a project aimed at reducing damage caused by earthquakes in Mexico.



### Youth invitation program

Young people from a Nepalese educational group at an exchange party held during a seminar camp.

## Development cooperation

Trial production of chrysanthemums in Indonesia. Permanent planting of chrysanthemum seedlings in the state of West Java.



## Emergency disaster relief

A medical team sent to cope with the aftermath of a tornado in Bangladesh seen looking after the injured in a makeshift tent.



## Support for emigrants and people of Japanese descent

Lessons at a Japanese-language school in Paraguay supported by JICA.



## Japan Overseas Cooperation Volunteers

A team member gives instruction in tractor maintenance in Ethiopia.





### Dispatch of experts

Instruction in vehicle maintenance being given to local counterparts at a trolley-bus depot in Mexico City.



### Grant aid

Buses are being supplied to serve the people of Ulaanbaatar, capital of Mongolia.



### Supply of equipment and materials

Installation of equipment supplied to Mauritius for use in the training of vehicle maintenance technicians.



**Part 1**  
**ODA and JICA Projects**



# Chapter 1

## Japan's ODA and an outline of JICA projects

### Japan's ODA and JICA

#### Classification of ODA provided by Japan

Official development assistance (ODA) is classified into three areas: 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, whereby technology is transferred to a developing country, and grant aid, which provides funds with no obligation for repayment. The Japan International Cooperation Agency (JICA) handles about a half of Japan's governmental technical cooperation and about 70 percent of the nation's grant aid. JICA's budget comes under the jurisdiction of the Ministry of Foreign Affairs.

#### Bilateral grants

##### 1. Technical cooperation

The aims of technical cooperation are to transfer and disseminate Japanese technology, skills and knowledge, to support the improvement and development of technology appropriate to the technical environment of developing countries, to train people who will come to occupy a leading role in economic and social development in their respective countries, to raise technical levels, and to contribute to the establishment of new organizations and systems.

Expressed in more concrete terms, technical cooperation comprises: 1) training programs under which administrators and technicians from developing countries are invited to Japan to receive training; 2) expert dispatch programs under which people with specialized skills and knowledge are sent from Japan to developing countries to help with

training and with the planning and formulation of development projects in the countries to which they are sent; and 3) those involving the supply of equipment and materials needed for the realization of these programs. The range and content of cooperation is determined according to its purpose and so as to ensure methodical implementation.

##### 2. Grant aid

Grant aid involves the provision of funds for the construction of buildings such as schools and hospitals, for the supply of materials and equipment for education, training and medical care, and for support with reconstruction after the occurrence of disasters. According to its content, it can be divided into 1) general grants, 2) fisheries grants, 3) cultural grants, 4) disaster relief grants, 5) food aid\*, and 6) aid for increased food production\*.

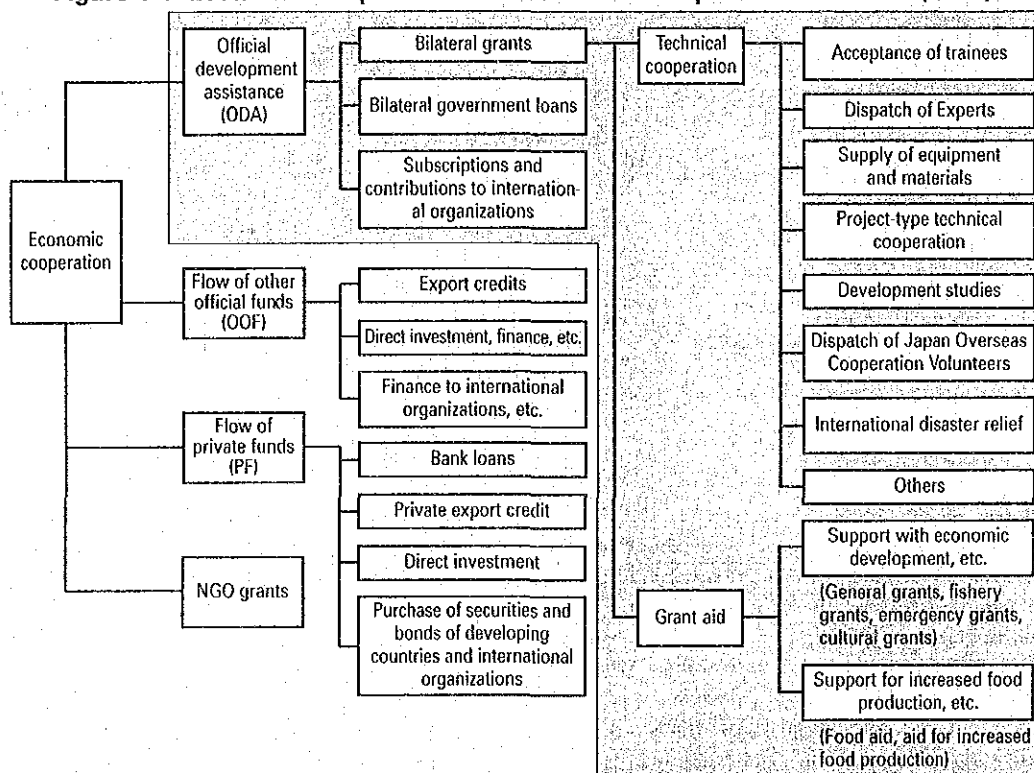
Of these forms of grant aid, JICA is involved in basic design studies\* needed for building facilities and procuring equipment and materials, and carries out the surveys and intermediary and liaison work (expediting of execution) needed in connection with 1) general grants (general project grant aid only), 2) fisheries grants, 5) food aid (from FY1997), and 6) aid for increased food production.

#### Bilateral loans

Intended to provide the funds needed for development, bilateral loans are offered under flexible conditions over the long term and at low interest. They are classified into 1) ODA loans under which funds needed for development are provided directly to the government or a government agency in a developing country, and 2) private-sector financing and investment under which funds are provided to Japanese companies or local companies operating in developing countries. Type

\* Terms marked with an asterisk are defined in the "Glossary of Development Assistance Terminology and JICA Terminology" at the end of this report.

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



1), ODA loans, are generally known as "yen loans."

Yen loans previously focused on project loans\* related to economic and social infrastructure\* such as roads, dams, communication facilities and agricultural development, but in recent years an increasing share is being extended as commodity loans\* aimed at improving the international balance of payments.

The budget for bilateral loans is controlled by the Ministry of Finance and the method of implementation is decided on the basis of consultations between four government ministries, the Ministry of Foreign Affairs, the Ministry of Finance, the Ministry of International Trade and Industry, and the Economic Planning Agency. The Overseas Economic Cooperation Fund (OECF) is in charge of implementing the loans.

### Financial subscriptions and contributions to international organizations (multilateral aid)

Multilateral aid is an indirect method of extending aid by channeling funds through international organizations. Contributions to the United Nations

Development Programme (UNDP), the United Nations Fund for Population Activities (UNFPA), and United Nations Children's Fund (UNICEF) are handled largely by the Ministry of Foreign Affairs, while subscriptions to the World Bank, the International Development Association\* (IDA, also known as the Second World Bank), and the Asia Development Bank (ADB) and other international development finance organizations are handled by the Ministry of Finance.

## The ODA budget and the system of implementation

### Breakdown of the ODA budget

The Japanese ODA budget (general account)\*<sup>2</sup> has been allocated to and controlled by nineteen government ministries and agencies, namely the Prime Minister's Office, the National Police Agency, the Management and Coordination Agency, the Economic Planning Agency, the Science and Technology Agency, the Environment Agency, the National Land Agency, the Ministry of Justice, the

<sup>2</sup> Japan's general account ODA budget represents the total of the budgets for projects whose expenditure has been authorized as ODA from among the various projects included in the budget items. In addition to the general account ODA budget, the sources of funding for ODA projects include fiscal investment and loan funds which are the sources of yen loans, payment by invested government bonds to international development financing agencies, and special accounts budgets based on the stipulations of Article 13, paragraph 2 of the Finance Act.

Ministry of Foreign Affairs, the Ministry of Finance, the Ministry of Education, Science and Culture, the Ministry of Health and Welfare, the Ministry of Agriculture, Forestry and Fisheries, the Ministry of International Trade and Industry, the Ministry of Transport, the Ministry of Posts and Telecommunications, the Ministry of Labor, the Ministry of Construction, and the Ministry of Home Affairs. The Ministry of Education was responsible for technical cooperation involving students coming to Japan from overseas.

Japan's ODA budget for FY1997 amounted to 1,168.7 billion yen for the government as a whole. Of this figure, the Ministry of Foreign Affairs was responsible for 585.1 billion yen, of which the portion allocated to JICA amounted to 179.5 billion yen, or 31 percent of the Ministry of Foreign Affairs budget.

The bilateral technical cooperation budget for FY1997 was 360.4 billion yen, of which JICA was responsible for 49.8 percent. JICA is thus playing a core role as an agency for the implementation of

Japanese technical cooperation. JICA also receives a part of the study costs allocated in the ODA budget of the Ministry of International Trade and Industry. In FY1997, this amounted to 10.157 billion yen and was used for the provision of technical cooperation.

### Agencies other than JICA providing ODA

Apart from JICA, the organizations implementing projects with recourse to the government's technical cooperation budget include The Japan Foundation, Japan External Trade Organization (JETRO), the Institute of Developing Economies (IDE), the Association for Overseas Technical Scholarship (AOTS), and the Japan Overseas Development Corporation (JODC).

The Japan Foundation is a special governmental corporation founded in October 1972 in order to enhance understanding between nations and to promote international friendship. It receives a part of its project budget from the ODA budget managed by the Ministry of Foreign Affairs. The

Table 1-1: Japan's ODA budget and JICA's technical cooperation (DAC Base)

	ODA budget for FY 1997 (general account)	Expenses	1996 calendar year			
			Training Participants	Experts and Study Teams	Cooperation volunteers	Overseas students
Japan's ODA as a whole	1,676.6 billion yen [1,168.7 billion yen]	9,608 million dollars [1,045.6 billion yen]				
ODA for technical cooperation	368.1 billion yen [360.4 billion yen]	3,181 million dollars [346.1 billion yen]	31,641	20,930	3,428	33,874
JICA's technical cooperation	169.6 billion yen [179.5 billion yen]	1,648 million dollars [179.3 billion yen]	11,807	14,419	3,408	0
Proportion of technical cooperation to total ODA	48.9% [49.8%]	51.8%	37.3%	68.9%	99.4%	0.0%

\* Including figures for Central and Eastern Europe.

Table 1-2: Examples of technical cooperation provided by ODA implementing organizations other than JICA (FY 1996)

Organization	Classification	Number of people
Association for Overseas Technical Scholarship (AOTS)	Trainees	4,882
Japan Overseas Development Corporation (JODC)	Experts	428
Institute of Developing Economies (IDE)	Trainees	29

Sources: IDE Annual Report, AOTS Project Guide, JODC documentation

\* Figures for JODC experts include ordinary types, private cooperation types, and overseas medium and small scale company-types. The figures for IDE trainees are those for trainees specially invited from overseas.

Foundation's projects are aimed at both developed and developing countries. Projects involving personal exchanges with developing countries, dissemination of Japanese language education, and presentation of Japanese culture are financed primarily from the ODA budget.

The Japan External Trade Organization (JETRO) is a special governmental corporation founded in July 1958 in order to implement Japan's trade promotion projects in a comprehensive manner. Since the late 1960s it has worked especially toward encouraging imports from developing countries. It has invited officials responsible for trade policy and executives of private companies in developing countries to Japan, has given its support to the promotion of economic reform, encouraged developing countries to export to Japan, and sent its own experts to developing countries to help in the dissemination of technology appropriate to these countries.

The Institute of Developing Economies (IDE) was founded in December 1958 with the aims of expanding trade between Japan and developing regions and promoting economic cooperation. After being established initially as a foundation, the

Institute was re-established as a special governmental corporation in July 1960. It conducts basic and comprehensive studies and research on the economy and other circumstances affecting developing countries as a whole.

The Association for Overseas Technical Scholarship (AOTS) is a foundation established in August 1959 specifically to provide training for employees of foreign private companies. In 1996 it sponsored 4,882 trainees from private organizations.

The Japan Overseas Development Corporation (JODC) is a foundation established in February 1970 to encourage industrial development in developing regions and to promote trade between Japan and these regions. In response to requests from local companies, the Corporation dispatches Japanese engineers, managerial experts and other specialists from the private sector.

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### The roles of JICA in ODA

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JICA is the core implementing agency for Japanese technical cooperation on the governmental level. The technical cooperation being implemented by JICA is proving to be highly effective not just in

## What is ODA?

Economic cooperation is carried out from a humanitarian perspective with a view to working toward the solution of poverty, starvation and other circumstances which threaten the lives of people in developing countries, and also on the basis of an awareness of the importance of interdependence, that is to say the realization that economic and social development and security of developing countries are essential for global peace and the prosperity.

Economic cooperation is not restricted to official development assistance provided by the governments of developed countries. It may be provided between developing countries themselves, by international organizations, by private companies, or by non-governmental

organizations and other voluntary bodies. It is thus implemented by a wide variety of organizations and its form and content differ accordingly.

Official development assistance (ODA) falls within the category of economic cooperation and denotes the funds and technology supplied by national governments to developing countries.

In 1969 the Development Assistance Committee\* (DAC), which forms a part of the Organization for Economic Cooperation and Development (OECD), issued a set of recommendations concerning the conditions under which aid should be provided. It defined economic cooperation as "the flow of funds to developing countries" and classified it

into three sectors, namely ODA, other official flows (OOF), and private flows (PF).

The DAC defines ODA as aid fulfilling the three conditions given below. These conditions have in recent years been supplemented by a fourth, namely the provision of aid by non-governmental organizations (NGO).

(1) The aid should be supplied to developing countries or to international organizations by governments or the implementing organs of governments;

(2) The main purpose of the aid should be to contribute to the economic development and improvements of welfare of developing countries;

(3) The grant element\* of any financial cooperation should be at least 25 percent.

connection with training (human resources development) but also in providing support for the building of institutions in developing countries, the importance of which has been much emphasized in recent years. This means that the aims of JICA projects, are to train people who will be able to contribute to nation-building in developing countries and, as a byproduct of this, to establish institutions. JICA projects, as "aid with a face", constitute key aspects of the personalized contribution to the international community which is being strongly demanded of Japan today.

To the end of March 1997, JICA had dispatched a total of about 190,000 technical cooperation experts, study teams and Japan Overseas Cooperation Volunteers to developing countries and had trained more than 160,000 administrative officials and technicians from developing countries. The results of the training received by these people can be seen in the fact that about thirty government ministers now active on the front line of nation-building in the developing world are former participants for JICA training programs.

JICA's technical cooperation programs are implemented on the basis of a thorough awareness of the priority issues facing a particular nation and avoid excessive dependency on specific fields and technologies in the partner nation. The programs are implemented with due consideration given to the comprehensive development plans of each nation, in accordance with country-specific aid guidelines formulated by the Japanese government.

JICA is also closely connected with the yen loans which account for about 30 percent of Japan's total ODA. JICA carries out development studies to support the public development planning which provides the foundations for nation-building in developing countries. Some of the plans involving projects such as improvements in economic and social infrastructure which are incorporated into the study reports are realized with yen loans.

By taking in participants for training and dispatching technical cooperation experts to other countries and by implementing projects on a yet larger scale, JICA provides technical support after completion of grant aid and yen loan programs for operation, maintenance and administration of these projects, thereby increasing the number of trained personnel and improving operational capacity in the recipient country.

JICA is thus playing an important role in raising the qualitative levels of Japan's ODA programs as a whole and in accurately grasping the aid requirements of developing countries.

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### **The Official Development Assistance Charter, the Fifth Medium-Term Target for ODA and JICA**

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In order to satisfy the expectations of the international community, the Japanese government approved the Official Development Assistance Charter (also known as the ODA Charter) on June 30, 1992, the aims of this Charter being specifically to clarify the basic philosophy and principles of ODA and, with the understanding and support of people in Japan and abroad, to create the conditions under which ODA could be provided more efficiently and effectively.

There are three basic ideals underlying the provision of aid specified in the Charter, as follows:

(1) Humanitarian considerations: As a member of the advanced world, Japan can ill afford to ignore the famine and poverty which occur in developing countries;

(2) Recognition of interdependence: Political stability and economic development in developing countries are indispensable for maintaining peace and prosperity in Japan and throughout the world;

(3) Conservation of the environment: A topic facing mankind as a whole which must be tackled jointly by advanced countries and developing countries.

On the basis of this approach, Japan is resolved to provide aid rooted in the idea of assisting developing countries to become self-reliant.

The Charter proposed the following basic principles in connection with the implementation of aid: (1) the pursuit of environmental conservation and development in tandem; (2) avoidance of the use of ODA for military purposes or for the aggravation of international conflicts; (3) focusing on trends in military expenditure by recipient countries, their development and their manufacture of weapons of mass destruction and missiles, and their import and export of arms; (4) full attention to efforts for promoting democratization, and introduction of a market-oriented economy, and the situation regarding the securing of basic human rights and freedoms in the recipient country.

Other priorities relating to aid include approach to global problems, basic human needs\*, human resources development and research and other cooperation\* for improvement and dissemination of technologies, infrastructure improvement, and structural adjustment\*.

As part of its policy of strengthening Japan's international contribution, the Japanese government has set medium-term targets for expanding ODA on five occasions since 1978.

Rooted in the principles of the ODA Charter, the fifth set of medium-term targets formulated in June 1993 consisted of the four following main targets: (1) grant aid and technical cooperation should be expanded and the grant portion should be increased in order to improve the quality of ODA; (2) the ratio of ODA to GNP should be significantly improved; (3) links with private aid activities of NGOs and other organizations should be strengthened; (4) the aid implementation system should be improved and consolidated.

One concrete objective was to increase the aggregate volume of ODA disbursed over the five-year period between 1993 and 1997 from 70 to 75 billion dollars.

JICA draws up its project plans in accordance with the ideals and principles of the Charter, priority concerns, and the purpose of the fifth medium-term targets. As well as strengthening its approach to conservation of the environment, population problems and other global issues, JICA intends to embark positively on various new topics such as providing support for democratization and the introduction of a market economy in order to respond to the requirements of new recipient countries in regions such as Eastern Europe and Central Asia, the Caucasus (Armenia, Georgia and Azerbaijan), the eastern Baltic (Estonia, Latvia and Lithuania), and Indochina (Vietnam, Cambodia and Laos).

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### **New trends in aid and the position of JICA.**

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#### **People-centered development aid**

With the end of the Cold War in the early 1990s, the world began to embark upon establishing a new order. As far as development aid is concerned, an approach based on "people-centered development" became prevalent.

The "Human Development Report" first published by the United Nations Development Programme (UNDP) in 1990 states that the ultimate purpose of development is to enable every individual to lead a prosperous and happy life. This reflects the fact that, although postwar development aid has been highly effective on the purely economic level, problems such as poverty affecting people left behind in the development process and environmental pollution have still not been solved.

There has been much discussion in recent years in line with an approach which strives to place people at the center of development. This emphasis has been evident at UN conferences such as 1) the United Nations Conference on the Environment and Development of 1992 2) the International Conference on Population and Development of 1994 3) the World Summit for Social Development of March 1995 4) the United Nations Fourth World Conference on Women of September 1995 5) the FAO Rome Conference on Food Security of November 1996.

In the Declaration and Action Program adopted at the World Summit for Social Development, it was confirmed that, when promoting people-centered development with the emphasis on human happiness, national governments tackling social development should value human rights and basic freedoms, should set store by democratic systems, should ensure that development is executed in a transparent and responsible manner, and that raising people's abilities was the most productive form of investment as far as development is concerned.

At the same summit the 20:20 Agreement was passed, requiring the advanced countries to allocate 20 percent of their ODA and developing countries 20 percent of their national budgets to basic social programs. Other matters such as improvements in the overall basic environment (politics, economics, society, culture and law), alleviation of poverty, expansion of employment, equality between men and women, promotion of education and health, and expansion of aid to Africa and LLDC\* ("least developed countries") were also discussed at this conference. It was also decided that 1996 would be known as the "World Poverty Eradication Year" and that the ten years between 1996 and 2005 would be referred to as the "Decade of Poverty Eradication."

#### **New development strategies**

In May 1996 the High Level Meeting of the



Development Assistance Committee (DAC) of the Organization of Economic Cooperation and Development (OECD) adopted a new development strategy known as "Shaping the 21st Century: the Contribution of Development Cooperation" (the so-called "DAC New Development Strategy"\*) , the aim of which was to clarify once again the effectiveness and need for aid.

On the basis of the approach underlying the "New Global Partnership" which assumes that developing countries need to take the initiative in tackling development and that it is the responsibility of donor countries to provide them with support in this connection, seven tangible development targets have been set for realization by no later than 2015 in connection with poverty, education, gender, health and medical care, and the environment. These targets are pervaded by the ideal of "people-centered development."

The 22nd "G7 Summit" was held in the French city of Lyon in June 1996. In addition to the economic and political matters discussed as a matter of course on such occasions, discussion was directed to a whole range of global issues. In the economic communique entitled "Implementing a New Global

Partnership for Development: an Ambition for the 21st Century," support for the new development strategy was confirmed.

As one of the leading ODA donor nations, Japan is being called upon to provide support for development in line with the new development strategy. In this context, as one of the core agencies for the implementation of technical cooperation, JICA intends to provide "aid with a face" through a web of personal relationships and to become engaged in projects in line with the new development strategy. To this end, the "DAC New Development Strategy" Aid Study Group was established in November 1996 and is involved in collecting basic information needed for development in developing countries and in studying the forms which aid needs to take in line with specific problems and nations.

The awareness that raising people's abilities is the most productive form of investment in development is becoming more and more generally accepted. The new development strategy is thus having the effect of deepening awareness of the importance of the projects which JICA is tackling aimed at human resources development.

Table 1-3: ODA of DAC countries in 1995 and 1996 (net disbursement)\*3

1995						1996							
Position	Country	Total (\$m)	Share (%)	Growth rate from the previous year	% of GNP	Position (for % of GNP)	Position	Country	Total (\$m)	Share (%)	Growth rate from the previous year	% of GNP	Position (for % of GNP)
1	Japan	14,489	24.6	9.4	0.28	15	1	Japan	9,439	17.1	-34.9	0.20	19
2	France	8,443	14.3	-0.3	0.55	5	2	USA	9,058	16.4	23.0	0.12	21
3	Germany	7,524	12.8	10.4	0.31	13	3	Germany	7,515	13.6	-0.1	0.32	10
4	USA	7,367	12.5	-25.8	0.10	21	4	France	7,430	13.5	-12.0	0.48	5
5	Netherlands	3,226	5.5	28.2	0.81	3	5	Netherlands	3,303	6.0	2.4	0.83	3
6	UK	3,157	5.4	-1.3	0.28	15	6	UK	3,185	5.8	0.9	0.27	15
7	Canada	2,067	3.5	-8.1	0.38	6	7	Italy	2,397	4.3	47.7	0.20	19
8	Sweden	1,704	2.9	-6.3	0.77	4	8	Sweden	1,968	3.6	15.5	0.82	4
9	Denmark	1,623	2.8	12.2	0.96	1	9	Canada	1,782	3.2	-13.8	0.31	11
9	Italy	1,623	2.8	-40.0	0.15	20	10	Denmark	1,773	3.2	9.2	1.04	1
11	Spain	1,348	2.3	3.3	0.24	18	11	Norway	1,311	2.4	5.4	0.85	2
12	Norway	1,244	2.1	9.4	0.87	2	12	Spain	1,258	2.3	-6.7	0.22	16
13	Australia	1,194	2.0	9.4	0.36	8	13	Australia	1,093	2.0	-8.5	0.29	13
14	Switzerland	1,084	1.8	10.4	0.34	10	14	Switzerland	1,021	1.9	-5.8	0.34	8
15	Belgium	1,034	1.8	42.4	0.38	6	15	Belgium	937	1.7	-9.4	0.35	7
16	Austria	767	1.3	17.1	0.33	11	16	Austria	640	1.2	-16.6	0.28	14
17	Finland	388	0.7	33.8	0.32	12	17	Finland	409	0.7	5.4	0.34	8
18	Portugal	271	0.5	-12.0	0.27	17	18	Portugal	211	0.4	-14.3	0.21	17
19	Ireland	153	0.3	40.4	0.29	14	19	Ireland	177	0.3	15.7	0.30	12
20	New Zealand	123	0.2	11.8	0.23	19	20	New Zealand	122	0.2	-0.8	0.21	17
21	Luxembourg	65	0.1	10.2	0.36	8	21	Luxembourg	77	0.1	18.5	0.41	6
DAC total		58,894	100.0	-0.4	0.27		DAC total		55,114	100.0	-6.4	0.25	

\* This table does not include aid to Central and Eastern Europe.

\* The DAC total does not necessarily tally with the total of individual countries owing to the rounding off of figures.

\* 1996 figures are provisional.

\*3 All figures indicated in dollars in this report are in US dollars.

Table 1-4: Japan's ODA in 1996

Type of aid		Aid given		In dollars (\$m)		In Yen (¥100m)		Constituent ratios (%)	
				Amount	Change over previous year (%)	Amount	Change over previous year (%)	ODA Total	Bilateral
ODA	Bilateral ODA	Grants	Grant aid (excluding Central and Eastern Europe and graduate nations)	2,395.51	-19.4	2,606.79	-6.8	24.9	28.7
				2,311.88	-19.6	2,515.79	-7.0	24.5	28.2
		Technical cooperation (excluding Central and Eastern Europe and graduate nations)		3,180.92	-8.1	3,461.48	6.3	33.1	38.1
				3,125.84	-8.7	3,401.54	5.7	33.1	38.1
		Bilateral Total (excluding Central and Eastern Europe and graduate nations)		5,576.43	-13.3	6,068.27	0.3	58.0	66.7
	ODA Total			5,437.72	-13.7	5,917.33	-0.1	57.6	66.3
		Government loans, etc. (excluding Central and Eastern Europe and graduate nations)		2,779.84	-32.6	3,025.02	-22.0	28.9	33.3
				2,769.46	-32.8	3,013.73	-22.2	29.3	33.7
		Bilateral Total (excluding Central and Eastern Europe and graduate nations)		8,356.27	-20.8	9,093.29	-8.4	87.0	100.0
				8,207.19	-21.2	8,931.06	-8.9	86.9	100.0
ODA	Subscriptions & contributions (inc. EBRD) to international organizations (exc. EBRD)			1,251.83	-70.0	1,362.24	-65.3	13.0	
				1,232.04	-69.7	1,340.71	-65.0	13.1	
	ODA Total (including Central and Eastern Europe and graduate nations and EBRD)			9,608.10	-34.8	10,455.53	-24.5	100.0	
				9,439.23	-34.9	10,271.77	-24.6	100.0	
	ODA Total (excluding Central and Eastern Europe and graduate nations)								
GNP (provisional) (\$bn; ¥bn)				4,647.78	-10.2	505,771.00	3.9		
% of GNP		(including Central and Eastern Europe and graduate nations and EBRD)		0.21		0.21			
		(excluding Central and Eastern Europe and graduate nations)		0.20		0.20			

\* DAC exchange rate for 1996: 1 dollar = 108.82 yen (weakening 14.75 yen from 1995)

\* Because of the rounding off of figures, the subtotals for each of the categories may not tally with the total.

\* EBRD: European Bank for Reconstruction and Development. Assists the countries of the former Soviet Union and Central and Eastern Europe to effect the transfer to a market economy.

\* Aid graduate countries (1996): Bahamas, Brunei, Kuwait, Qatar, Singapore, United Arab Emirates

### Japan's ODA: achievements and tasks

The total value of ODA provided by the 21 DAC member nations in 1996 amounted to 55.114 billion dollars (provisional value calculated in US dollars). The total amount of ODA provided by Japan was 1027.177 billion yen (9.43923 billion dollars). This figure represents 17.1 percent of the total DAC figure and means that Japan is the main donor country within DAC. In comparison with the previous year's figure of 1363.03 billion yen (14.489 billion dollars), this represented a decrease of 24.6 percent calculated in yen (34.9 percent in dollars). The proportion of GNP occupied by ODA was 0.2 percent (see Tables 1-3 and 1-4).

The amount of ODA provided by Japan including aid provided to Central and Eastern Europe (Poland, Hungary, Czech Republic, Slovakia, Bulgaria and Romania) was 1045.553 billion yen (9.681 billion

dollars).

The grant element and the grant ratio are considered to be among the main indices of the quality of aid. The figures for Japan remain low among the DAC nations as a whole and improvements are required. JICA will need to make further improvements in its technical cooperation in order to raise the quality of Japan's ODA.

1997 is the final year of the Fifth Medium Term Targets. However, the gradual decrease in the growth rate of the ODA budget over the seven years since 1991 has meant that total ODA for the four years to 1996 amounted to only 49.251 billion dollars, with the result that achievement of the target value of between 70 and 75 billion dollars seems increasingly unlikely.

The situation regarding ODA in Japan is becoming more and more difficult. Central government ministries and agencies are being

merged or abolished, special governmental corporations are being subjected to renewed scrutiny, and efforts are being made to cut back on government spending, all as parts of the ongoing process of administrative and fiscal reform. A debate is under way concerning a review of the very nature of ODA and postponement of the formulation of medium-term ODA targets. The Japanese government is also currently examining ways in which ODA might be reformed.

Under these conditions, JICA is more than ever aware of its responsibility as an agency for the implementation of aid to respond to the expectations of the Japanese people and to provide aid more efficiently and effectively than ever before.

## An overview of JICA projects in FY 1996

### Statistics on Japan's ODA and JICA's activities

Japan's ODA in 1996 totaled \$9.681 billion (including Central and Eastern Europe and the European Bank for Reconstruction and Development), of which technical cooperation accounted for \$3.18092 billion (33.1% of Japan's total ODA) and JICA's activities in this area amounted to \$1.648 billion (51.8% of Japan's total technical cooperation). Compared with the previous year, these figures represent an 8.1% decrease in technical cooperation as a whole and a decrease of 9.0% for JICA projects. A breakdown of technical cooperation expenditure is shown in Table 1-5.

JICA's initial budget for FY1996 was 186.4 billion yen, a 3.7% increase on the previous year, of which grants accounted for 172 billion yen, investments for 3.7 billion yen, and funds in trust for 10.7 billion yen. Programs expedited by JICA accounted for 162.2 billion yen (62.4%) of the total Ministry of Foreign Affairs grant aid budget of 260.1 billion yen. JICA budgets since 1974 are shown in Figure 1-2.

### Proportions of activities per region

Looking at project activities per region in FY1996, the proportions of the total value of technical cooperation provided by JICA were as follows: Asia 41.9%, Middle East 9.4%, Africa 14.4%, Latin America 21.0%, Oceania 3.1%, and Europe 4.0%. Figure 1-4 shows proportions by region and how they have changed since last year.

### Proportions of activities per sector

Looking at project activities per sector in FY1996, the proportions of the total amount of technical cooperation provided by JICA were as follows: planning and administration 10.2%, public works and utilities 20.8%, agriculture, forestry and fisheries 23.3%, mining and industry 10.9%, energy 3.3%, commerce and tourism 1.6%, human resources development 12.1%, health and medical care 10.1%, and social welfare 0.7%.

As to JICA's proportion of grant aid, the figures were as follows: health and medical care 13.7%, education and research 11.6%, improvements in welfare, living conditions and the environment 20.3%, agriculture, forestry and fisheries 29.6%, and transport and communications 23.6%. Proportions per sector and comparisons with the previous year can be seen in Figure 1-5.

Table 1-5: Japan's ODA and JICA programs

(\$ Million)

Item	Calendar Year	1995	1996	Growth rate over previous year (%)
Official Development Assistance		14,728	9,608	-34.8
Technical cooperation costs (proportion of ODA)		3,462 (23.5%)	3,181 (33.1%)	-8.1
JICA portion (proportion of technical cooperation costs)		1,810 (52.3%)	1,648 (51.8%)	-9.0
Training participants (JICA figures)		431 (260)	398 (243)	-7.7 (-6.5)
Experts, members of study missions (JICA figures)		932 (820)	887 (781)	-4.8 (-4.8)
Volunteers (JICA figures)		158.3 (157.9)	137.37 (137.36)	-13.3 (-13.0)
Foreign Students		507	414	-18.4
Provision of equipment and materials, research cooperation, etc. (JICA figures)		1,433 (572)	1,345 (448)	-6.1 (-14.7)

Figure 1-2: Changes in the JICA budget

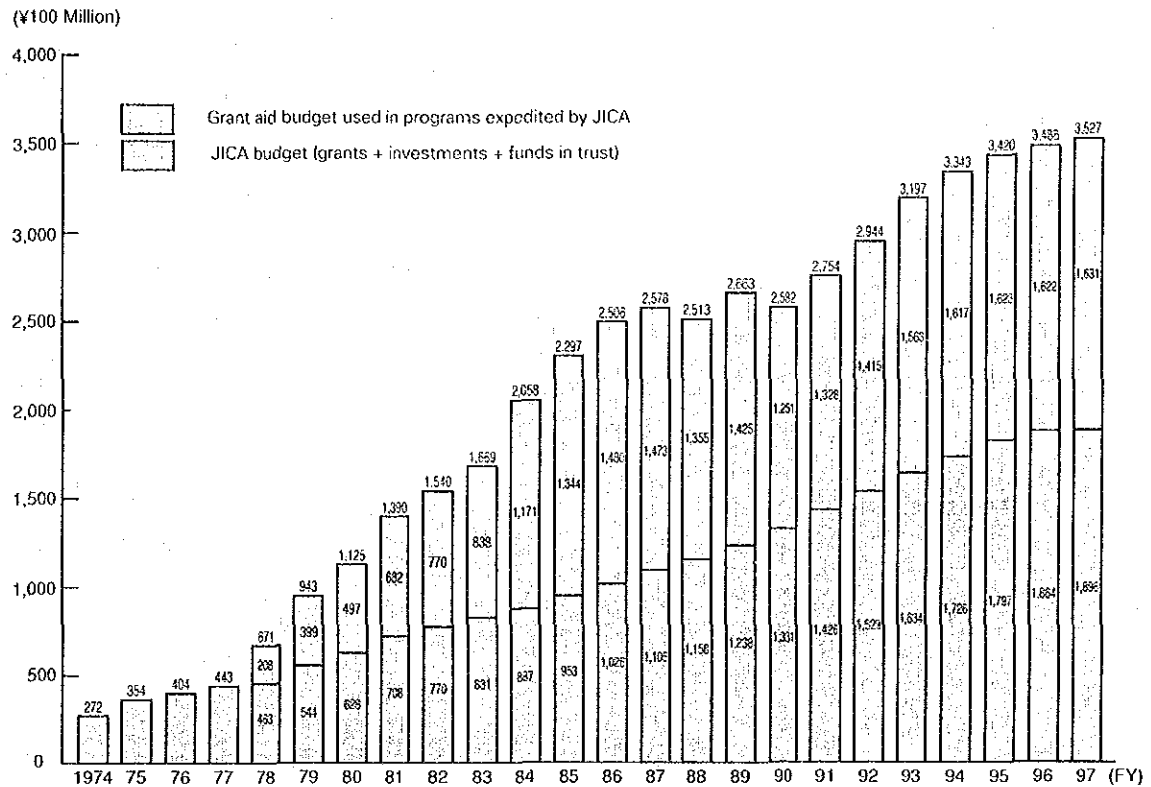


Figure 1-3: Changes in number of persons per type of cooperation

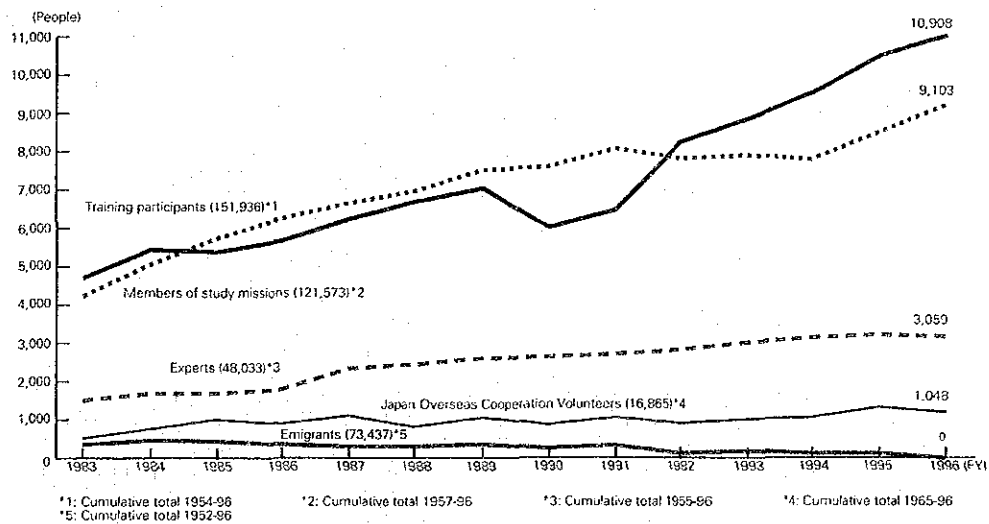


Figure 1-4: Share of expenditure per region

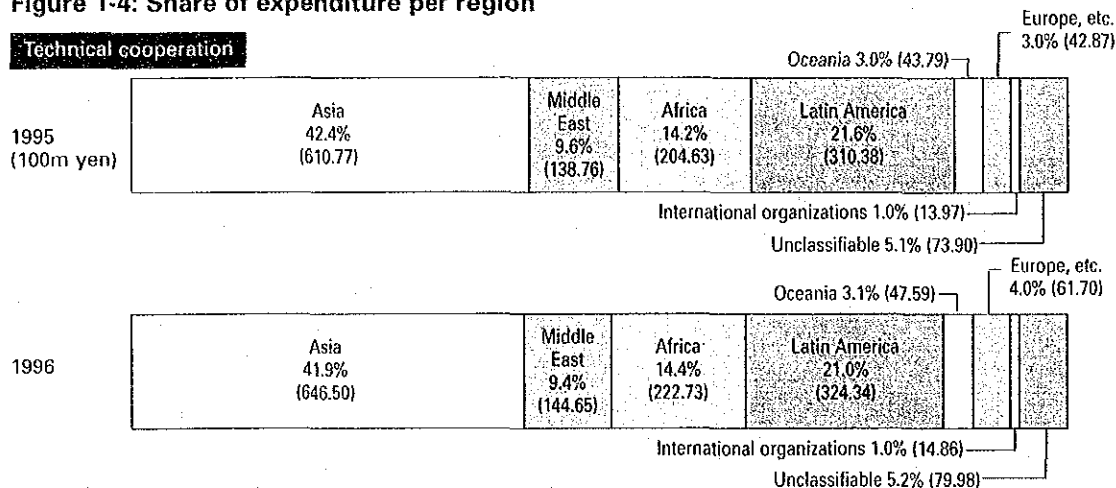
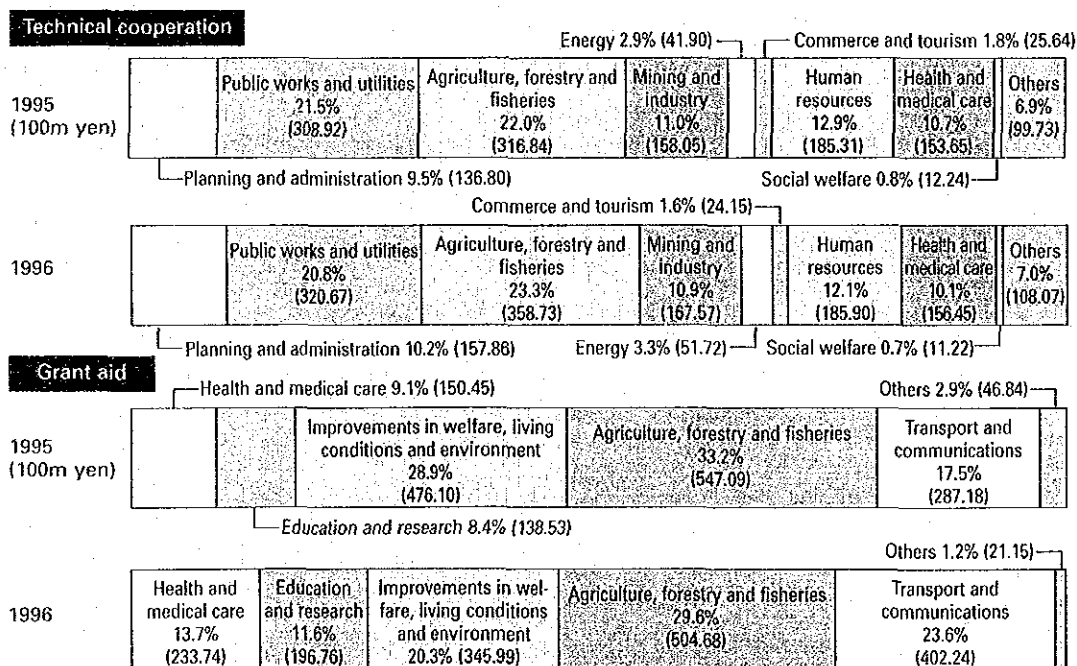


Figure 1-5: Share of expenditure per sector



\* Results based on Cabinet decisions concerning JICA shares (general project grant aid and grant aid for fisheries and increased food production) for fiscal 1995 and 1996.

\* JICA charged with basic design studies and expediting the execution of grant aid within these results.

### Personnel numbers per type of cooperation

Examining JICA's activities in FY1996 in terms of the numbers of people involved, there were 10,908 participants in training programs, while 3,059 experts, 9,103 members of study missions and

1,048 Japan Overseas Cooperation Volunteers were sent overseas. Figure 1-3 shows the numbers of people involved per type of cooperation since 1983.

## **Chapter 2**

# **New trends in the work of JICA**

### **Creating partnerships for sustainable development**

## **Basic philosophy underlying JICA projects**

JICA is involved in providing technical cooperation to developing countries and in work ancillary to grant aid. With the aims of contributing to economic and social development and of raising standards of living in developing countries, JICA aims to support self-reliant, sustainable development in these countries.

Among the principal objects of JICA activities are, first, the development of human resources through the training of people able to stimulate the economies and societies of developing countries and to raise the standards of living in these countries, second, nation-building through the fostering of human resources and, third, the creation of economic and social infrastructure.

Although economic development in developing countries may be proceeding apace, it will prove difficult to maintain economic growth if problems of domestic poverty, economic discrepancies between different regions, destruction of the environment and other manifestations of inequality and imbalance remain unresolved.

The central agents in the development of developing countries are the government and the people of these countries, while the direction and content of development are dependent upon the determination and autonomous efforts of those directly concerned. JICA acts as a partner to these countries, helping them to help themselves in their efforts to achieve sustainable development. The aim of JICA projects is thus to assist in enhancing the potential of society and of individuals in developing countries, thereby to contribute to the realization of development which enables people to lead fulfilled and contented lives.

Let us now examine the basic principles underlying JICA projects aimed at developing human resources and consolidating economic and social infrastructure.

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### **Support for self-help efforts**

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The first principle is that of helping developing countries which receive aid to help themselves.

As was mentioned in Chapter 1, there is a strong international awareness today of the need to respect the self-help efforts of developing nations and of the importance of instilling a sense of ownership in these nations. This reflects the realization that donor-led assistance especially in Africa by Europe and the United States over the last thirty years has often fallen short of initial expectations.

A method which involves deputizing for bureaucrats and administrators in developing countries is now considered to reinforce the dependency of developing countries on aid and to impede efforts in the direction of self-reliance.

At the end of the Second World War, Japan had the experience of undergoing economic development while receiving aid from other countries. On the basis of this experience, Japan has always considered it important for the people of developing countries to do as much as possible to help themselves.

Experts dispatched by JICA do not perform their duties after assuming specific posts in developing countries. Rather, they serve as advisers who offer guidance on an essentially equal footing to their counterparts\* who are responsible for implementing a project on the recipient side. This approach is

essential in order to show respect for the autonomy of the recipient side and to encourage efforts toward self-reliance.

As a precondition for the supply of aid, JICA requires that a developing country contribute to whatever extent it can, for instance by allocating counterparts and by taking budgetary measures to procure and manage the equipment and materials needed for a given project. The point of this is to encourage the recipient side to support itself in connection with personnel placement and financial measures relating to the operational and managerial sides of a project, thereby to ensure that the developing country is able to continue the development project on its own once aid has come to an end.

At the same time, JICA provides the minimum level of support considered to be necessary and appropriate when the limits of self-reliance have been exceeded owing to an inadequate fiscal base.

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### **Contributions to human resources development**

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The second principle is that of support for human resources development.

Japanese technical cooperation centers on the transfer of technology\* through the medium of people, in this case between Japanese experts and technical and administrative staff in the recipient country. This is a highly effective form of "aid with a face". With this kind of technical cooperation, JICA does not view people as mere economic resources to be given training and educational opportunities. Rather, efforts are made to deepen mutual understanding by establishing opportunities for real personal interaction with the people of developing countries and to provide technology, information and know-how matched to local conditions.

Technology transfer here refers not only to the provision of guidance and advice on technical development, training and the dissemination of technology, but also to the establishment of institutions ancillary to technology, policy formulation, the construction of economic management and control systems and the creation of other such organizations and systems at the national and sectoral levels.

Cooperation in the field of human resources development is all about using the transfer of technology in this broad sense as the means for training people who will be playing key roles in the future development of the partner country and for effecting infrastructural improvements through the building of institutions. JICA's mission statement of "human development, national development and bringing people together" sums up the essence of technical cooperation.

Long-term results are more important than short-term results if technology and institutions based on the needs of the recipient country are going to take root in that country. In this sense, and as is clear in light of Japan's own experience, human resources development must inevitably be conceived as part of a long-term project.

Technical cooperation for developing countries should not refer exclusively to the transfer of "hard" technology such as the design of irrigation channels, roads and ports. It needs to include also the transfer of "soft" technology such as administrative and operational methods for facilities and equipment, maintenance systems, and management methods.

Other important matters which should be dealt with in connection, for example, with a general field such as agriculture include the formulation of agricultural policy and of plans for the promotion of agricultural development, as well as the organization of agricultural cooperatives and other such bodies. Technical cooperation has always included the transfer not only of "hard" technology but also of "soft" technology in the form of the systems needed to allow "hard" technology to take root. The importance of "intellectual assistance," referring to assistance with financial policy and the formulation of development plans is increasingly being stressed in recent years.

Former communist countries such as those of Indochina, Central Asia and Central and Eastern Europe are striving to make the transition from planned economies to market economies and to democratize their societies. For such countries the main priorities include the establishment of laws and systems and improvements in administrative systems to serve as the basis for development in all sectors. Developing countries looking to achieve structural adjustment\* through economic liberalization must strive to promote policies aimed at achieving sound fiscal management and the privatization of state enterprises.



Thailand, Malaysia and other ASEAN nations have achieved high growth by increasing their exports of industrial products and encouraging foreign investment in plant and equipment. These nations and an increasing number of other countries need to gain greater proficiency in the practical aspects of trade and to tackle questions such as improving their product standards and measurement criteria, establishing industrial ownership rights\* and intellectual ownership rights\*, and enforcing policies to encourage competition.

JICA is expanding its cooperation with human resources development through various type of "soft" intellectual support aimed at meeting the needs of these countries.

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### Useful aid

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The third principle is that of aid which people consider to be useful.

The prominent theory of development during the 1950s and 60s was the so-called "trickle-down" theory\* which assumed that economic development in a country would trickle down to the grass roots.

In the 1970s, however, the limitations of this theory began to emerge and it began to lose ground to the "basic human needs" (BHN)\* approach, which was advocated as a way of directly addressing the needs of the poor. JICA is actively involved in BHN fields in forms such as the dispatch of Japan Overseas Cooperation Volunteers and other volunteers who work side by side with people in local communities, the provision of technical cooperation for the promotion of village development, and studies aimed at improving water supply, medical care and health.

In fields such as poverty alleviation, public hygiene, family planning and child and maternal health, JICA is working on technical cooperation projects rooted in local communities and aimed directly at the members of these communities. To ensure that the results of these projects are of real benefit to local people, there is a need for detailed studies on the conditions affecting local communities, for instruction and dissemination of knowledge and technology aimed at stimulating participation by local communities, and for guidance to be provided to the staff of local government agencies active on the project site.

It is also important that the results of these activities are felt as widely as possible over the area

covered by a project. To make sure this happens, it is essential that activities do not center exclusively on the project being supported by JICA; as well as gaining cooperation from local non-governmental organizations (NGO)\* with plentiful experience at the grass-roots level, support must be given to the activities of these organizations with their close links to local communities.

By giving more consideration to social factors and women in development (WID)\*, strengthening collaboration with NGO activities, formulating development plans involving the local residents and communities which are the beneficiaries of development, and getting local residents and communities to participate in the implementation of projects, JICA intends to expand participatory development on the basis of an awareness of the importance of this type of development as a means for increasing the potential of local communities.

## **Approaches for enhancing the results of cooperation**

Based on the above basic ideals, JICA is emphasizing the following four approaches in order to respond sensitively to the diverse and complex needs of developing countries and to enhance the effects of cooperation.

### **Region-specific and country-specific approach**

The first priority is to strengthen region-specific and country-specific approaches.

The natural, social, cultural, political and economic conditions of the more than 150 countries which receive aid from JICA vary greatly, and the development needs of these countries have grown very broad and diverse. JICA is thus strengthening its region-specific 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. (For further details, see p. 20, "Country-specific approach.")

### **Intersectoral approach to issues involving the environment, population, women in development (WID), and education**

The second approach is an intersectoral one transcending specific fields.

In order to respond to diverse country-specific aid requirements and to deal with problems, such as the environment, AIDS, WID\* and education, which require an approach transcending national boundaries, it is important to overstep the frameworks of individual sectors and forms of aid and to tackle the problems flexibly and dynamically. As well as close links maintained between the individual cooperation schemes, this type of cooperation involves assisting with the formulation of integrated regional development plans incorporating several projects. Program-type cooperation is the way in which technical and

financial cooperation is integrated into the projects from the planning stage. (For further details, see p. 23, "Cross-sectoral approach to issues involving the environment, population, women in development, and education".)

### **Strengthening project planning, management, operation and evaluation functions**

The third approach involves management and evaluation of projects through the use of the "Project Cycle Management"\* (PCM) method, whereby aid projects are managed on the basis of an integrated planning, implementation and evaluation process.

JICA plans and manages aid projects effectively and efficiently by logically analyzing (incorporating verifiable indicators) the targets, results, activities and inputs as well as the external conditions which might influence these factors.

In addition, greater emphasis is being placed on an approach whereby the results of a project are assessed by comparison with initial plans and analysis of aid outputs, and lessons and recommendations obtained from the outputs of this assessment are then applied in the planning and implementation of new projects. (For further details, see p. 28, "Strengthening project planning, management, operation and evaluation functions".)

### **Aid open to the general public**

The fourth approach involves the promotion of aid open to participation by the general public. International cooperation is considered to be one of the most important ways for Japan to make a contribution to the international community; the funds required for this are obtained from the Japanese taxpayer. Measures must therefore be taken to ensure that the Japanese people approve of and are able to participate in projects. Practically speaking, this means encouraging the public to take part in projects through volunteer activities and the Youth Invitation Program. One recent development has been the formation of tie-ups between JICA and local government or non-governmental organizations (NGO)\*. A system for the registration

of experts available for dispatch overseas in response to requests from developing countries has also been instituted. In addition, all of JICA's activities are supported by the human resources, technology and expertise of the private sector, especially public utility corporations, private companies and consultants.

As the process of internationalization gathers momentum, the demand for access to information is growing stronger. As well as making information on developing countries in the JICA library available to the public, JICA has opened its own web site on the Internet which can be accessed freely from anywhere in the world. (For further details, see p. 31, "Aid open to the Japanese public.")

To increase the limited aid resources available within Japan, it is essential to ensure that the Japanese public appreciates JICA's activities and is able to participate in them. Striving to expand aid resources is an approach which involves establishing cooperative relationships and tie-ups with aid and support organizations in Japan, with aid agencies in other advanced countries, and with international development agencies.

Along with the increase in developmental needs in developing countries and the emergence of problems of global significance, it is more than ever necessary today to take stock of the topics which can best be tackled through cooperation between different countries and organizations and to ensure that aid is not unnecessarily duplicated. JICA thus exchanges information with other aid organizations and cooperates with them on specific topics.

Cooperative relationships with NGOs and local government are also being strengthened. Support for cooperation between developing countries ("South-South cooperation"), which involves new donor nations such as Singapore and Thailand providing development assistance to other developing countries, is being expanded. (For further details, see p. 35, "Collaboration for making effective use of aid resources".)

## Country-specific approaches

### Country-specific approaches

In 1996, JICA implemented cooperation projects in 151 countries and four regions.

In addition to the natural, historical, social and cultural diversity of these countries, political and economic systems vary significantly from one country to another. At the same time, the recent transformation of political and economic conditions inside and outside developing countries has brought about the sophistication and diversification of development needs. This trend includes a shift from BHN\* and needs relating to the upgrading of economic and social infrastructure\* to the direction of needs relating to democratization, structural adjustment\* and transition to a market economy. It also encompasses new needs relating to the promotion of exports, the introduction of high technology into industry, eradication of poverty, and *conservation of the environment*.

JICA strives systematically and effectively to link its various cooperation schemes in a way matched to the different stages and needs of development in each developing country. JICA's assistance is thus tailored to meet the needs of each recipient.

To facilitate its country-specific approach, JICA sets up country-specific aid study committees which carry out detailed studies on socioeconomic development conditions and policy-related issues in each country, ascertain related problems requiring solution, identify important sectors and regions deserving aid priority, and compile aid implementation guidelines proposing effective and efficient cooperation details and schemes.

### Country-specific aid study committees

As part of its country-specific approach, JICA set up its first country-specific aid study committee in FY1986, in order to study the situation in the Philippines.

With the participation of many researchers and experienced professionals, these committees conduct analyses and field studies on major recipient countries and regions, the aim being to ensure that future assistance can be provided more efficiently and effectively than before.

Research on any given country or region lasts between six months and a year and covers social, economic and political trends, the current standing of national development programs and priority sectors, analysis of aid trends, and the future direction of Japanese aid. Recommendations are then drafted based on exchanges of opinion with the recipient government and research institutions and on comments made at open panel discussions in Japan.

Each year three or four countries or regions are selected from among priority recipients, and in particular from among the major developing countries and regions. This research serves as important reference when a "High Level Mission for Economic and Technical Cooperation" is dispatched to the relevant country to engage in discussions on official government policy.

### Aid guidelines and building a system of support

Based on the results of such research and discussions of official government policy, JICA then conducts an analysis of the development programs and policies of each country and produces

**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 studies

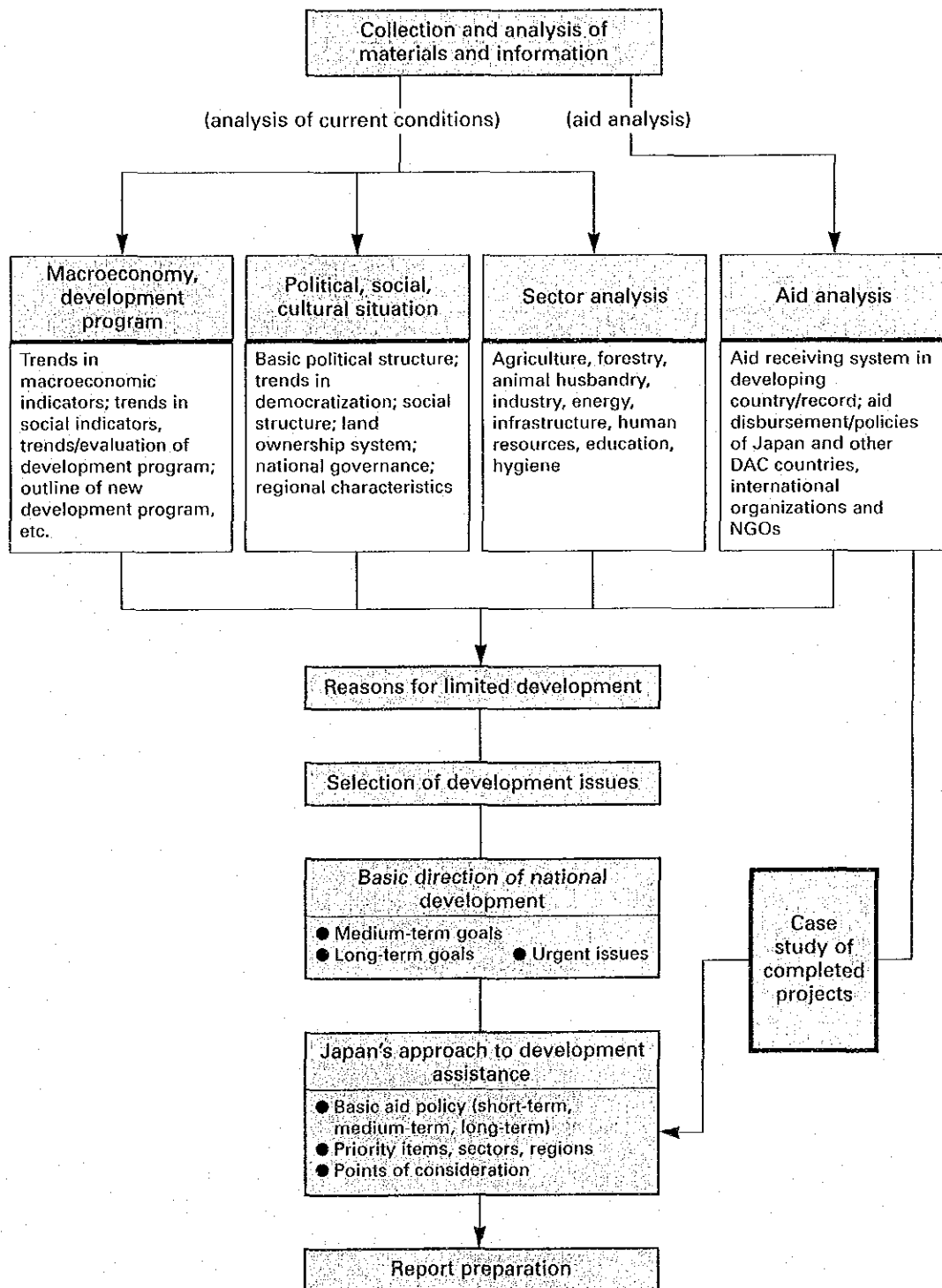


Table 2-2. Country-specific aid studies

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

guidelines for the implementation of country-specific assistance.

These guidelines, produced for 63 countries primarily where JICA has overseas offices, are based on analyses of economic and social conditions, medium-term national development programs, and policies and sectoral objectives and issues. They outline the direction for the implementation by JICA of its aid projects.

As an implementing agency, JICA is responsible for ensuring that projects are executed efficiently and effectively. This requires that JICA identify, formulate and select the best projects based on the implementation guidelines for each country, systematically execute these projects, then 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 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 take charge of relevant planning and coordination. A further division was added in 1991. Similar three-division structures were set up thereafter in the Training

Affairs Department, the Experts Assignment Department, the Secretariat of the Japan Overseas Cooperation Volunteers, the Project Formulation Study Department, and the Grant Aid Project Management Department.

Since FY1990, JICA has been compiling "country-specific cooperation information files" containing information on the political and economic conditions and development programs of aid recipient countries as well as on the aid trends of other donor nations and international organizations in respect of recipient countries. As of FY1996, files were being kept on 115 countries.

# **Cross-sectoral approaches to issues involving the environment, population, women in development and education**

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## **The importance of inter-sectoral approaches**

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Much thought has been given in recent years to the question of how development aid should be provided to developing countries so as to ensure that limited funds and human resources are used effectively and that aid finds its way to those who stand in the greatest need of development.

When dealing with topics connected with the environment, population, WID\*, education and poverty which cannot be tackled through application of the conventional vertical and sectoral approach, the importance of an intersectoral approach is increasingly being recognized. In May 1996, the Development Assistance Committee (DAC)\* of the Organization for Economic Cooperation and Development announced its new development strategy\* in the document "Shaping the 21st Century: The Contribution of Development Cooperation." This strategy may be regarded as a manifestation of the intersectoral approach.

In order to strengthen its response to intersectoral issues, JICA gave priority to the following matters in FY 1996:

- (1) Environmental sector: Expansion of environmental cooperation, greater concern with environmental soundness, basic research on environmental cooperation;
- (2) WID sector: Closer attention to WID, strengthening of links with the United States and the Canadian International Development Agency (CIDA) in the WID sector, organization of WID meetings;
- (3) Population and HIV/AIDS sectors: Expansion of population and HIV/AIDS-related projects and promotion of the Global Issues Initiative (GI)\*;
- (4) Educational sector: Basic research and seminars on tackling basic education issues;
- (5) Poverty sector: Embarking on a new type of project intended to alleviate poverty and aimed

directly at poorer social classes. The first such project is a poverty alleviation and village development planning project being implemented in Sulawesi, Indonesia.

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## **Cooperation in the environmental sector**

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### **Expansion of environmental cooperation**

In line with the pledge made by Japan at the United Nations Conference on Environment and Development (UNCED) in June 1992, JICA has continued to expand its environmental cooperation in the course of FY1996.

The main fields of technical cooperation relating to the environment in which JICA has been involved between FY1992 and FY1996 have been anti-pollution measures, forestry and the housing environment. Activities in these fields account each for about one fifth of JICA's total technical cooperation on the environment (see Table 2-3). As regards measures to combat pollution, there has been a decrease in work on atmospheric and water pollution, although other issues such as complex pollution are on the increase. Forest conservation and afforestation are constant priorities. As to housing conditions, cooperation bearing on service water and underground drinking water is increasing.

A feature of developments in recent years has been the increase in "marginal" environmental issues such as biodiversity\* and natural resources, reflecting the increasing scope of technical cooperation in the environmental sector.

To further enhance environmental cooperation, Japan must do more than merely 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. Such study teams in the environmental sector were dispatched seven times in FY1994, ten times in FY1995, and twelve times in FY1996.

### Greater concern for the environment

Following the revision of the environmental guidelines by the Overseas Economic Cooperation Fund (OECF) in August 1995, JICA that same year began studying the effects this revision was likely to have on development study projects closely connected to OECF yen loans. Studies were continued the following year on areas where there was room for improvement in connection with development study projects.

JICA has striven in the past to take note of environmental considerations by encouraging environmental specialist\* to participate in development studies. To ensure that higher standards of environmental consideration are observed in development studies in the future, there is a need for more detailed environmental studies, including consideration of the social consequences of moving local residents, in the master plan and in

feasibility studies.

More specifically, discussions must be held with OECF with a view to clarifying environmental survey topics, environmental standards, conservation of the natural environment, re-location of local residents, approaches to cost and profitability, operational guidelines and manuals.

A thorough approach to environmental issues is dependent upon an awareness of this question from the stage at which projects are being identified and formulated. As part of its environmental education program in FY1996, JICA has been providing training for its staff in the form of two introductory courses and two practical courses.

### Basic research on environmental cooperation

Wide-ranging environmental problems extending over national borders such as desertification, the decrease in biodiversity, acid rain, and pollution of the oceans have become focuses of international attention in recent years. International cooperation is increasingly being called upon to assist in their solution.

Under these conditions, JICA conducted wide-area aid studies in connection with measures to combat desertification in 1994 and preservation of biodiversity in 1995. In 1996, the urban

Table 2-3: Sectoral results of technical cooperation in connection with the environment (FY1992-96)

	Sector	FY1992	(%)	FY1993	(%)	FY1994	(%)
Pollution measures	Pollution (atmospheric)	1,167,971	6.7	1,041,386	4.9	1,101,743	5.0
	Pollution (water)	1,727,579	9.9	654,597	3.1	705,811	3.2
	Pollution (others)	589,444	3.4	1,795,632	8.4	1,088,211	5.0
	Energy conservation and alternative energy	943,337	5.4	1,201,470	5.6	608,887	2.8
	Subtotal	4,428,331	25.4	4,693,085	21.9	3,504,652	16.0
Housing environment	Waste disposal	803,492	4.8	883,348	4.1	1,304,639	6.0
	Service water and underground drinking water	1,065,431	6.1	2,820,462	13.2	3,813,700	17.4
	Sewerage	585,017	3.4	978,456	4.6	601,893	2.8
	Subtotal	2,480,940	14.3	4,682,266	21.9	5,720,232	26.2
Forestry	Conservation of forestry and afforestation	3,141,863	18.0	3,992,719	18.6	4,451,523	20.4
Disaster prevention	Disaster prevention (earthquakes, flood control, etc.)	4,339,770	24.9	3,286,685	15.4	2,959,254	13.5
Others	Biodiversity	525,248	3.0	855,296	4.0	873,036	4.0
	Natural resources (agriculture, fisheries, etc.)	1,560,632	9.0	1,129,833	5.3	1,308,737	6.0
	Environmental administration and management	215,188	1.2	648,070	3.0	692,755	3.2
	Environmental education	22,112	0.1	88,729	0.4	33,008	0.2
	Others	693,729	4.0	2,034,594	9.5	2,330,489	10.7
	Subtotal	3,016,909	17.3	4,756,519	22.2	5,238,025	23.9
	Total	17,407,813	100.0	21,411,274	100.0	21,873,686	100.0



environment was the topic of study by a research committee chaired by Kunitoshi Sakurai of the Environmental Research Institute.

In addition to this basic research, JICA was active as a member of the administrative committee for the Workshop for Raising the Capacity for Environmental Response, organized by the DAC's Development and Environment Working Group and held in Rome in December 1996. Indonesian counterparts\* of JICA international cooperation experts have introduced at the Workshop environmental cooperation at the Indonesian Environmental Management Center, thereby giving JICA the opportunity to cooperate on basic research.

Recent examples of basic research have included tackling environmental problems along the Mekong River, which winds its way through several countries.

The countries in the Mekong River basin have for a long time been affected by flooding, intrusion of salt water, deterioration of the forest and lake environment, and water pollution. There is considerable concern for the future in connection with the effects that rapid socioeconomic developments might have on the natural and social environment.

In the "Research on the Present State and Future Prospects of the Mekong River Commission" conducted by JICA in May 1995 and the "Strategies

for Development of the Greater Mekong Area" formulated by a task force from the Ministry of Foreign Affairs in July 1996, sustainable development\* with the emphasis on conservation of the environment was proposed as a basic ideal for cooperation.

Since February 1997, JICA has been studying ways in which the future development of this region might be harmonized with environmental conservation. With the aim of proposing future directions for cooperation, the Mekong River Development and Environmental Study Team, led by Hiroshi Hori, head of the Japanese Committee of the International Water Resources Society, has been working on this topic.

## WID Cooperation

### Highlighting concern for WID

Following announcement by Japan of its WID initiative at the Fourth World Conference on Women held in Beijing in September 1995, JICA became involved in three priority fields in this area, namely female education, reproductive health\*, and promotion of micro enterprises (i.e. support in forms such as investment in such companies, which are often run by women).

In FY1996, JICA sent WID experts to participate in study teams and WID projects, and educational and training courses designed specifically for women were newly established to contribute to raising the standards of training projects.

As well as deepening employees' understanding of effective WID within projects, staff training four times a year was provided in poverty and WID training program. Since 1994 more than 340 people have attended these courses. A seminar on poverty and WID was held in December 1996 for 67 managerial employees.

### Cooperation with the United States and Canada on WID

Agreement between Japan and the United States was reached in FY1995 concerning aid cooperation in the WID area, specifically in connection with the expansion of elementary education for women in Guatemala. A full-scale tie-up with the United States Agency for International Development (USAID) for this purpose was realized in FY1996.

(Unit: 1,000 yen)

FY1995	(%)	FY1996	(%)
495,006	2.2	683,762	2.7
468,308	2.1	1,886,144	7.4
1,916,602	8.6	168,395	0.7
1,215,630	5.5	1,740,031	6.9
4,095,546	18.4	4,478,296	17.7
616,688	2.8	1,064,428	4.2
3,580,914	16.0	4,136,143	16.3
524,143	2.4	1,215,264	4.8
4,701,745	21.1	6,415,853	25.3
4,462,413	20.0	4,924,721	19.4
2,712,329	12.2	3,378,556	13.3
957,553	4.3	1,271,833	5.0
1,569,563	7.0	1,105,585	4.4
395,692	1.8	201,473	0.8
19,228	0.1	74,657	0.3
3,379,016	15.2	3,484,365	13.8
6,321,052	28.4	6,137,913	24.3
22,293,08	100.0	25,335,321	100.0

JICA dispatched two long-term experts in the fields of educational cooperation and methods to the Guatemalan Ministry of Education. Together with experts from USAID, these JICA experts worked on developing educational methods intended to raise school attendance among girls. In linkage with this technical cooperation, a basic design study team\* was sent to Guatemala to plan the building of primary schools within the area covered by this technical cooperation project, while another study team was sent to look into the possibilities of dispatching the Japan Overseas Cooperation Volunteers.

Since the beginning of FY1996, Cambodia has been positioned as the country to receive WID aid jointly from Japan and the United States in succession to Guatemala. Support for WID activities taking maximum advantage of both countries' existing schemes is currently being provided.

JICA sent long-term experts to the Cambodian Women's Agency specifically to raise the abilities of this agency -- a priority issue in Cambodian WID -- and to reinforce the activities of the WID Center which Japan provides with grass-roots grant aid\*. Possibilities for cooperation between Japan and the United States on maternal and infant health and female education are now being studied.

JICA has also become involved in Phase 2 of the Women's Support Project being implemented in southern Sulawesi in Indonesia on which Canada's CIDA has been working since January 1997. Long-term experts have been sent to strengthen the South Sulawesi provincial government's WID management team.

### **Organization of WID meetings**

In accordance with the Initiative on WID proposed by Japan at the Fourth World Conference on Women in Beijing in September 1995, there is international demand for Japan to make a greater contribution to WID and measures to alleviate poverty.

In order to expand and strengthen efforts being made in these areas, in July 1996 JICA formed a WID Discussion Group consisting of eight members with expertise in these fields including Professor Hiroko Hara of Ochanomizu Women's University. This discussion group meets four times a year to engage in a frank exchange of opinions on WID and poverty issues.

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## **Cooperation in the fields of population and HIV/AIDS**

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### **Expanding projects related to population and HIV/AIDS**

In the fields of population and HIV/AIDS, both direct and indirect aid are being increased. Cooperation likely to contribute directly to the solution of these problems is being provided in forms such as measures to prevent the occurrence of AIDS, promotion of education in connection with population, family planning and maternal and infant health care. At the same time, cooperation indirectly related to population and AIDS problems is also being provided in such forms as primary health care\*, measures for preventing infection, elementary education, and women's education.

### **Cooperation with the United States in the fields of population and HIV/AIDS**

As part of the Global Issues Initiative (GII), during the first year, FY1994, JICA sent study teams to the Philippines, Indonesia and Egypt, while an overseas project formulation study was carried out that same year in Kenya. In FY1995, study teams were sent to the Philippines, Indonesia (Phase II), Ghana, Bangladesh, India and Pakistan, and in FY1996 to Tanzania, Senegal and Mexico. Over three years, project formulation study teams were thus sent to all 12 GI priority countries.

The *Project for Prevention and Control of AIDS in the Philippines* begun in July 1996 have involved cooperation with USAID's AIDS examination and education program. Educational activities are being conducted through NGOs receiving equipment and funds for AIDS examinations in the provinces.

JICA also took part over the short term in work on the formulation of new strategic objectives for USAID's AIDS projects.

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## **Educational cooperation**

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### **Implementation of educational assistance**

JICA's efforts in the field of education have in the past focused on technical cooperation for vocational

schools, universities and research facilities. In line with the proposals made by the sector-specific Study Group on Development Assistance for Education and Development in January 1994, in recent years there has been increased cooperation in basic educational fields within the educational sector itself.

Project formulation study teams in the educational sector focusing on basic education are gradually being dispatched in greater numbers. Four were sent in FY1994 to Indonesia, Cambodia, Oceania and Zambia; three were sent in FY1995 to Guatemala, Kenya and Mozambique; and five were sent in FY1996 to Laos, Ethiopia, Uganda, South Africa and Tanzania.

### **Basic research on educational cooperation**

On the basis of the proposals made by the sector-specific aid study group, in July 1995 JICA organized a task force for expanding educational assistance consisting of a study committee made up principally of staff members from related project divisions within the Planning Department. This task force submitted a report entitled "Proposals for Increasing Educational Assistance."

In FY1996, the task force produced a report entitled "Basic Research on Educational Assistance," which threw light on methods of assistance directly linked to implementation of basic educational projects, including school mapping, remote education, and the development of textbooks. Other basic research projects with the emphasis on basic education were *Basic Research on the Sub-Saharan Africa Region*, *Basic Research on Development Study Methods in Educational Fields*, and *Basic Research on Issues Involving Construction of Elementary Educational Facilities*.

### **Organization of international seminars**

An international seminar entitled "Basic Educational Development and Assistance in Sub-Saharan Africa" was held on March 7, 1997 at the International Conference Hall of the Institute of International Cooperation. Organized by JICA with support from the Ministry of Foreign Affairs and the Ministry of Education, the seminar was attended by more than 170 persons involved in aid activities.

Discussions involved experts on educational

development in Africa from international agencies such as the World Bank, UNESCO and the African Educational Development Organization as well as from aid agencies. Their aim was to throw light on how Japan could implement basic educational assistance as effectively and efficiently as possible in the future. The discussions revolved around the present state of basic education in Sub-Saharan Africa along with development issues. Consideration was also given to the roles that African governments and aid agencies should play and how cooperation and collaboration between governments and agencies might best be realized.

## 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 implementation agency. In 1994, JICA introduced Project Cycle Management\* (PCM) as a standardized method for managing JICA projects through the planning, implementation and evaluation stages, and has since made efforts to improve this 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 and implementation. In introducing this method, JICA is aiming at more efficient and effective implementation of development assistance. Features of PCM include:

- (1) Consistency throughout the project cycle;
- (2) Logicity that clearly spells out the "cause and effect" of problems and the "means and ends" to

their resolution;

(3) A participatory approach which engages the project's direct beneficiaries and affected groups from the drafting stage and fully reflects their situations and needs in the plans.

In FY1996, following on from the previous year, further efforts were made to use more extensively the PCM method through introduction of the Project Design Matrix (PDM). Applying to all new and ongoing cases of project-type technical cooperation, PDMs summarize in a single table the goals, results, activities and inputs together with the indices and external conditions defining them.

The production of PDMs has now started in connection with training programs and development studies in addition to project-type technical cooperation, with a view to clarifying the status and objectives of specific projects. Introduction of this system is being encouraged in connection not only with PCM methods at the project formulation stage but also with monitoring and assessment of projects under way at the time.

To ascertain problems involved in monitoring the introduction of PCM methods, JICA has set up its own Committee to Promote Introduction of PCM Methods. It has also allocated PCM specialists to the various project departments in an attempt further to promote the introduction of these methods.

Figure 2-2: Project Design Matrix (PDM) and the chain of cause and effect

Project summary	Indicator	Means of acquiring indicators	External conditions
Primary goals ← (Results) (Aims) ← (Causes) (Means)	←	←	Conditions for sustaining effects of development
Project goals ← (Results) (Aims) ← (Causes) (Means)	←	←	External conditions for achieving primary goals
Outputs ← (Results) (Aims) ← (Causes) (Means)	←	←	External conditions for achieving project goals
Inputs ← (Results) (Aims) ← (Causes) (Means)	←	←	External conditions for achieving outputs
			Preconditions for beginning inputs

## Expansion and strengthening of evaluation functions

The strengthening of evaluation functions has become a particularly important issue in the context of project management. JICA evaluates projects systematically during project implementation, at completion and after a designated period 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 have been achieved, and what results have been obtained from projects whose targets have been realized.

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, to make them more efficient, or to extend the term of cooperation. For completed projects, "aftercare" is carried out in the form of additional support, such as equipment repairs and spare parts provision. These and other steps are taken to ensure that the results achieved in the course of cooperation on a project can be sustained and to encourage self-reliant development.

Lessons and recommendations acquired from the results of evaluation are fed back to support the formulation, appraisal and planning of new projects and to make improvements in projects currently being implemented, thereby enhancing the capacity to put aid into practice.

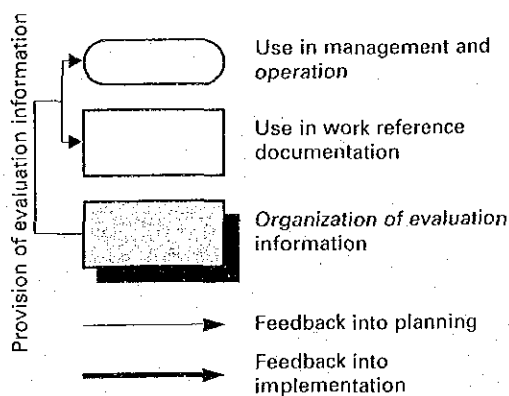
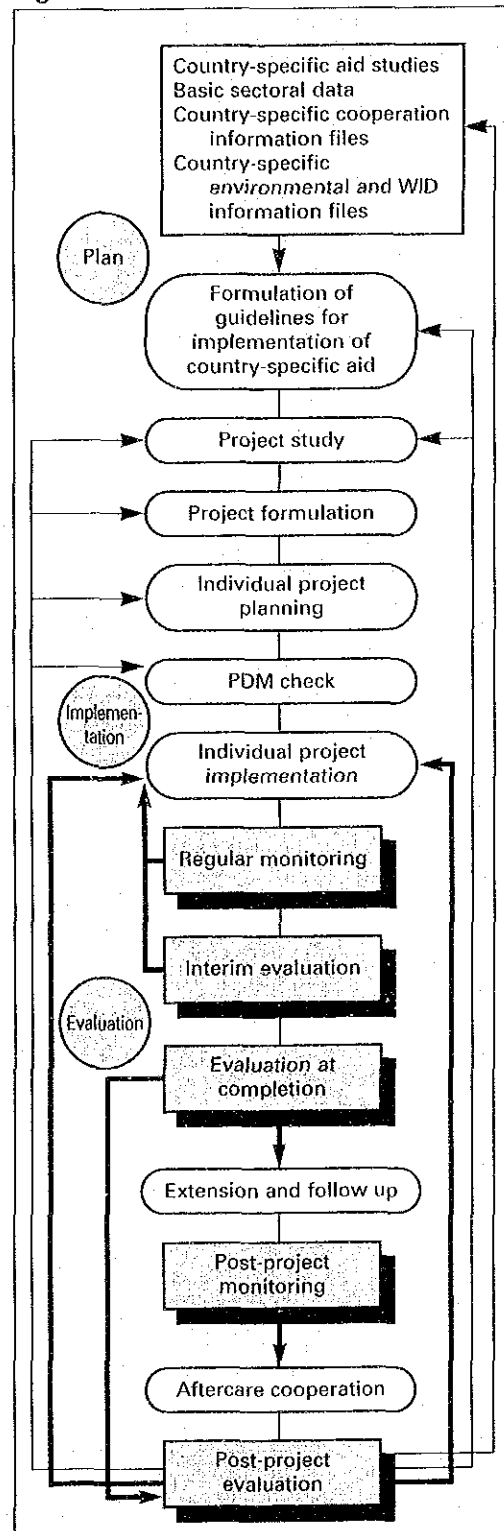


Figure 2-3: Outline of PCM



JICA bases its evaluations on 1) the extent to which the objectives of a project have been achieved, 2) impacts and effects, 3) the efficiency with which a project has been implemented, 4) the rationale of the plan, and 5) sustainability. These five items are used extensively by DAC\* members and international aid agencies. Examining a project comprehensively from five different angles permits a more balanced evaluation.

Because of the wide variety of JICA's project schemes, appropriate project management is needed at each stage. The concept of the project cycle in the PCM method, which has been incorporated into project planning, management and operation, becomes complete only when there is proper feedback of evaluation information.

JICA therefore plans to improve its evaluation activities, promote the organization, provision and use of evaluation information, and ensure that the project cycle functions adequately in order to strengthen project planning, management and operation.

JICA has been releasing an annual report on project evaluations since FY1995 in response to requests for the further disclosure of information on development assistance as well as in an attempt to answer questions from the Japanese public concerning whether development assistance is really of use and whether the lessons gained from the evaluation of cooperation projects are really being learned. These annual reports reflect JICA's belief that the agency should strive to generate information.

## Aid open to the Japanese public

JICA has come to realize acutely that the understanding, support and active participation of the Japanese public are indispensable if it is to realize its projects effectively. In recent years efforts have therefore been made to expand participatory projects and to strengthen the disclosure and dissemination of information.

### Promotion of aid open to public participation

Public interest in aid has grown in recent years and ever greater numbers of private individuals are taking part in international cooperation projects. Through its cooperation with human resources development, JICA is playing an extremely important role in promoting aid that is open to public participation.

### Volunteer projects

JICA conducts projects of the Japan Overseas Cooperation Volunteers and other volunteer projects open to participation by anyone who wishes to play a part in international cooperation.

Japan Overseas Cooperation Volunteers was set up in 1965. Its purpose is to give young people who wish to work toward economic and social development in collaboration with the people of a developing country requesting assistance the opportunity to engage in voluntary activities overseas.

As of the end of March 1997, 2,303 volunteers had been sent to work in 56 countries. The total number of volunteers sent overseas since the agency was formed was 16,600. With cooperation from local governments, explanatory sessions are held at more than 200 locations nationwide twice a year, in spring and autumn, to recruit volunteers. More than 30,000 people take part in these sessions every year.

In addition to the Japan Overseas Cooperation Volunteers, volunteer activities are organized by the Senior Overseas Volunteers, the Japan Overseas Development Youth Volunteers, and the Senior Cooperation Experts on Overseas Japanese Community. As of the end of March 1997, 233 volunteers sent by these three programs were working overseas, and a total of about 700 volunteers had been sent from them.\*<sup>1</sup> (For further

details see Part 3, Chapter 2, Project Implementation, "Japan Overseas Cooperation Volunteers".)

### Youth invitation programs

JICA also runs youth invitation programs which involve the provision of training in Japan for young people from developing countries who are likely to play key roles in building their countries and the planning of exchanges between young people from the developing world and Japan.

In FY1996, 1,555 young people from 73 countries and regions were invited to Japan. Throughout the country, from Hokkaido in the north to Okinawa in the south, various training programs, joint seminars and exchange meetings were held with the participation of local young people.

JICA also plays host to around 7,000 technical training participants every year. With the cooperation of related agencies in the regions, training with the emphasis on the distinctive features of each region is provided. Various exchange events are held in the intervals between training with the participation of regional groups and residents. (For further details, see Part 3, Chapter 2, Project Implementation, "Acceptance of Technical Training Participants, and the Youth Invitation Program".)

### Links with local governments and NGOs

Local governments and NGOs\* are important agents of development in developing countries.

JICA is strengthening its links with local governments and NGOs involved in development aid. Participation of local governments in JICA projects makes it possible for the experience and expertise possessed by individual regions to be used positively in development aid.

Examples include health and hygiene-related projects involving Saitama and Okinawa prefectures as well as projects related to health and hygiene and measures to combat poverty using links with NGOs such as the Asian Medical Doctors Association (AMDA) based in Okayama Prefecture and the Karaimo Exchange Foundation based in Kagoshima Prefecture.

In order to promote and strengthen links with local governments, NGOs and other related regional

\*<sup>1</sup> Inquiries concerning volunteer dispatch projects are dealt with by the Secretariat of the Japan Overseas Cooperation Volunteers (Tel: +81-3-5352-5311) or by JICA domestic facilities.

bodies, since FY1996 JICA has allocated "International Cooperation Promoters" for the first time to six local governments which have no representation from JICA's domestic facilities in an attempt to strengthen relations with regional communities.

### Registration of experts

JICA operates a scheme under which people aged between 30 and 60 who wish to take part in international cooperation projects in developing countries as technical cooperation experts are recruited and registered.

About two thousand people are currently registered under this scheme. Anyone interested applies through the prescribed forms and is registered after the application forms have been processed.<sup>42</sup>

### Links with the private sector

The private sector has a large part to play in JICA projects involving the provision of technical training in Japan. Cooperation from public utility companies and other companies in the private sector is being received with about 40 per cent of all technical training courses.

Thus far, 1,072 companies have given authorization for their employees to take leave from work in order to participate in activities abroad of the Japan Overseas Cooperation Volunteers. At present, 63 companies and conglomerates have instituted leave participation schemes and are contributing significantly to increasing opportunities for ordinary people to take part in JICA's volunteer dispatch projects.

As far as relations with private companies are concerned, about 40 per cent of technical cooperation experts dispatched by JICA are from the private sector. They include experts dispatched to provide technical guidance to government agencies and public corporations in developing countries in fields such as shipbuilding and steel manufacture, and experts dispatched on the basis of private sector projects who conduct vocational training in response to the internationalization of Japanese companies.

The Federation of Economic Organizations (Keidanren) is providing suggestions and cooperation in connection with ODA from the standpoint of the private sector. From FY1997, JICA is going to be collaborating with Keidanren on a project involving the dispatch of experts from

private companies with plentiful overseas experience as advisers in areas such as the promotion of exports and investment and the fostering of industry. (For further details see Part 3, Chapter 2, Implementation of Projects, "Dispatch of Technical Cooperation Experts".)

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### Publication of information and strengthening of PR

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JICA has set up a web site on the Internet.<sup>43</sup> Merely by connecting to the Internet, anyone can gain access to an outline of JICA's organizational structure and summaries of its projects as well as statistical information on ODA implemented by JICA, periodicals such as annual reports and PR magazines, information on developing countries (database consisting of papers and magazine articles on international cooperation and development aid, information on living conditions in about 110 developing countries, etc.), reports of aid study groups, and guides to the work being performed by JICA.

There is also a library information database consisting of about 120,000 volumes including materials on development aid and developing countries in the possession of the library of JICA's Institute for International Cooperation. More and more people are accessing this library from abroad: about 8,000 people in both Japan and overseas are accessing the database every day. This gives some indication of the interest being shown in JICA projects from both home and abroad.

Books and other reference materials in the JICA library are available for viewing by the general public.<sup>44</sup>

In order to raise the interest of the Japanese public in development aid, JICA presents an International Cooperation Campaign around International Cooperation Day, which falls on October 6 every year. Symposiums, lectures and other activities are held at the JICA International Center and at branch offices throughout Japan. In FY1996, more than 830,000 people took part in these events held at 68 locations nationwide.

In the field of support for development education, FY1997 marked the first year in which the essay prize competition previously open to contributions from junior and senior high school pupils was expanded to include submissions from university

<sup>42</sup> Inquiries concerning the system for the registration of experts should be directed to the Recruitment Promotion Bureau at the JICA Institute for International Cooperation (Tel: +81-3-3269-3201).

<sup>43</sup> JICA's web site is located at <http://www.jica.go.jp>

<sup>44</sup> Inquiries concerning written materials owned by JICA should be directed to the Library of the JICA Institute for International Cooperation (Tel: +81-3-3269-2301).



students. There are also plans to create videos for supporting development education from FY1997 onward.

JICA publishes a monthly magazine entitled *Kokusai Kyoryoku* (International Cooperation) and the bimonthly *JICA Satellite* (both in Japanese), the bimonthly *JICA Newsletter* (in English), and the semimonthly *JOCV News* (in Japanese) to present the most recent information on JICA activities and developing countries. To raise the transparency of its activities, JICA publishes the names of companies receiving orders for grant aid projects, project evaluation reports, information on the dispatch of study teams, and project information in its public relations magazines and other magazines.\*5

In line with the stipulations contained in "Disclosure by Special Government Corporations," which was approved by the government in December 1995, all items determined by the Cabinet such as balance sheets, profit and loss statements, outlines of project plans and reports on activities conducted during the previous year are published in the official government gazette (Kanpo).

### **Raising the quality of aid to yet higher levels**

In November 1996, JICA published a set of guidelines for raising the standards of projects entitled "Better Aid Management Toward the Year 2000," the specific aim of which was to bring to light the issues the organization needs to tackle with sights set on the year 2000.

These guidelines suggest how JICA should respond to the changes in conditions at home and abroad affecting JICA activities and to issues such as the emergence of new countries requiring aid and the question of aid on a global scale.

The role and function of JICA in the year 2000 is as a "partner in sustainable development." The document goes on to say that JICA, "as a key agent in the implementation of aid, will support human resources development and nation-building through such development along with the construction of infrastructure in the form of economic and social institutions, such support being intended to contribute to the development of economies and societies in developing regions and to lead to autonomous and sustainable development in

developing countries."

To enable realization of the above role and function, the guidelines itemize the following two principal topics and six further intermediate topics which need to be tackled:

1. Improvements in the quality of aid and the establishment of a dynamic system for implementing projects

- (1) Strengthening and expanding regional and country-specific approaches;
- (2) Raising the quality of aid management;
- (3) Developing and storing knowledge and expertise;
- (4) Establishing a project implementation system capable of accurate response to aid needs.

2. Expanding aid resources and widening the scope of aid

- (1) Expanding aid resources;
- (2) Promoting understanding of aid among the Japanese people and expanding aid in which the public can participate.

As an agency active in the name of the Japanese people on the front line of Japan's international contributory effort, JICA considers it its duty to tackle these principal and intermediate topics in order to execute its activities more efficiently and effectively and to raise qualitative levels by ensuring the transparency of its aid projects.

\*5 Inquiries concerning events, public relations magazines, essay prizes and assistance with development education should be directed to the Public Relations Division in JICA's General Affairs Department (Tel: +81-3-5362-5058), to the nearest JICA International Center, or to a domestic branch office.

On the front line of regional international cooperation

## An International Center gets off to a start with a full measure of local enthusiasm and experience

The Hokkaido International Center (Obihiro)

It was in April 1996 that the Hokkaido International Center in Obihiro opened as a regional base for international cooperation in the provinces on a forest site overlooking the Tokachi Plain. The winter was as severe as ever that year, and there was even a large snowfall during the public holidays at the beginning of May. This unseasonal snowfall damaged the new leaves which had at last begun to appear on the trees and caught by surprise the technical training participants who had come from tropical and subtropical countries.

However, the activities of the Obihiro Center thereafter totally dispelled any doubts about whether a center located in the cold deep north would be able to function adequately as a base for technical training participants from developing countries to live in and study.

All those concerned with this project involving a regional city of less than 180,000 inhabitants held extensive discussions with members of the local community concerning the content of the courses to be prepared for students in whose hands the future of the developing world lies who have come to study Japanese technology and culture, and concerning what might be done to ensure that the students do not find their health impaired by the cold winters. Many new training courses were instituted with the help of the local community, and the center, which is able to accommodate fifty people, bustles with activity throughout the year.

Local people from both the public and private sectors are taking part in a variety of efforts intended to make the students'

stays worthwhile, for example as lecturers in charge of training courses, as guides to local factories, as teachers of the Japanese language and flower arrangement, as hosts for students staying in local homes, and even as weekend skiing instructors.

At the end of their training periods, students are thus able to return to their countries not only having acquired knowledge and technology in Hokkaido but also after having experienced at first hand the behavioral patterns which enabled the Japanese people to open up and develop Hokkaido and to engage in real communication with the local people.

At the end of January 1997, when staff at the Center were busy with preparations for the intake of the following year's batch of training program participants, a JICA staff member received a letter from a trainee from Myanmar named Sao Thida Moe. This student had been enrolled in the course on experimental scientific education at elementary schools which had been taking place at the Obihiro Children's Community Center. She had caused considerable consternation when, oblivious of her surroundings, she had burst out in a flood of tears on the morning of her departure from the Center. The letter went as follows:

"I hope you are well. I am very confident of being able to use the experimental methods I learned in Japan in Myanmar. Our government minister and bureau chief are most grateful to you for



Moe (second from right) visiting a local primary school.

having helped me. I have been given an opportunity to present a report at a teachers' conference on the scientific experimentation methods I learned in Japan. Please express my gratitude to JICA and to all those who were kind enough to help me. I shall send you some photographs and a videotape of the conference later.

I have also been commissioned by the government to prepare a report on reform of the science curriculum so that I can share the knowledge and experience that I gained in Japan with my colleagues in the teaching profession. I intend to do everything I can, incorporating my own ideas. I shall never forget you all.

With love,

Moe

The technology and goodwill of the people of Obihiro are now beginning to take root through the efforts of Moe in Myanmar. Everyone one in Japan involved with the students' experience a moment of quiet satisfaction as they read this letter.

# Collaboration for making effective use of aid resources

## Collaboration with other aid agencies and international organizations

### The need for collaboration

Cooperation and collaboration between bilateral aid agencies and international organizations is becoming increasingly common as a means of avoiding duplication of aid and ensuring that aid is implemented with maximum effectiveness.

Cooperation between aid agencies is growing in importance to enable maximum use to be made of finite aid resources as the number of regions requiring aid increases and development issues grow ever more diverse in scope. Owing to the complexity and wide-ranging applicability of issues of a global nature such as the environment and poverty, these issues must be tackled through cooperation between developing countries, donor nations and international agencies.

Aid agencies each have their own specialized fields, areas and aid implementation methods, reflecting their aid policies and their past records in the provision of aid. Collaboration between aid agencies is dependent upon the provision of mutually supplementary aid which takes maximum advantage of these specialized fields. The intentions and policies of the developing countries which are on the receiving end of aid are of course also important.

### Collaboration at present

Collaboration can take various forms. For instance, different aid agencies might work together on formulating and implementing a project, or one aid agency might cooperate on a project being implemented by another agency.

JICA regularly consults other aid agencies in order to devise wider-ranging and more methodical methods of collaboration.

Since 1996 JICA has been holding discussions with specific recipient countries in order to promote projects to be carried out in conjunction with the United Nations Development Programme (UNDP).

Following discussions with India and Pakistan in 1996, the framework for an action program was created for realizing collaboration on individual projects.

Regular discussions have been held with the World Bank since 1990 and the Asian Development Bank since 1996. In the discussions held with the World Bank in 1996, information and opinions were exchanged concerning the possibilities for collaboration in Africa in the fields of health care and medicine, water supply, the environment, education, and alleviation of poverty. Discussions with the Asian Development Bank centered on forms of collaboration and actual projects on which collaboration might be feasible.

The Canadian International Development Agency (CIDA) and JICA have a long-term cooperative relationship which includes exchange among staff members. CIDA has sent its experts to take part in projects in which JICA is involved such as third-country training\* involving the development of technology appropriate for the Philippines and in-country training\* in connection with technology for raising agricultural productivity for women in Kenyan farming villages. Conversely, JICA has sent its own experts to take part in CIDA projects such as one in Indonesia intended to stimulate women's participation in development. Collaboration is thus occurring in various forms. In Vietnam and Zimbabwe, JICA and CIDA are involved together in the performance of project formulation studies in connection with the environment.

Moving on now to the relationship between Japan and the United States, cooperation on projects in such fields as democratization, population, HIV/AIDS, WID\*, and the environment is occurring in line with the "Common Agenda for Cooperation in a Global Perspective"\* formulated in July 1993.

In Indonesia, JICA is providing project-type technical cooperation aimed at maintaining biodiversity\*, while the United States Agency for International Development (USAID) has set up a fund for providing support for NGOs\* and research bodies. In the Philippines, JICA is involved in project-type technical cooperation for combating

HIV/AIDS and is striving to distribute HIV/AIDS examination kits to the regions through NGOs supported by USAID.

JICA has been working together with the British aid agency, the Overseas Development Administration (ODA)<sup>†</sup>, principally in Africa on educational and water supply projects. JICA is also exchanging information and opinions with the German technical cooperation agency GTZ, with priority nations specified for collaboration. Work is also being carried out with agencies based in Australia and France.

Collaboration is also occurring with another Japanese aid agency, the Overseas Economic Cooperation Fund (OECF), which provides yen loans. In the past yen loans were ordinarily provided on the basis of JICA development studies, but tie-ups are now occurring between grant aid projects and yen loan projects and between technical cooperation projects and yen loan projects.

Take, for instance, the case of project-type technical cooperation, in which experts dispatched by JICA provide technical guidance in projects implemented with yen loans. The wide-ranging collaboration occurring in this area includes the provision of training for the implementation of yen loan projects, as, for example, in the project involving modernization of the education and training system for railway employees in Indonesia. Another example is collaboration in the project to support Indonesian university instructors coming to Japan for study purposes with financing provided by yen loans. This project is intended to contribute to the education of university instructors and forms part of Indonesia's plans for developing its system of higher education.

To ensure that collaboration is thoroughly effective, cooperation is carried out at the project formulation stage and joint evaluations are carried out after completion.

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### **Promotion of support for cooperation between developing countries (South-South cooperation)**

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South-South cooperation\* refers to cooperation with economic and social development extended by one developing country to another. The typical

pattern is for a relatively advanced developing country or a semi-developed country to extend cooperation to a less industrialized developing country.

The importance of South-South cooperation has been discussed at the United Nations and in various other international forums. JICA, for its part, is providing support for developing countries making the transition to donor status, and is actively encouraging South-South cooperation in recognition of the value of using the experience and expertise of one developing country to facilitate the development of a less industrialized developing country.

### **Effects of South-South cooperation**

South-South cooperation produces the following effects:

1. Support for regional cooperation among developing countries.

As the global economy becomes increasingly interdependent, it has become advantageous to reduce economic disparities, to encourage investment and trade, and to relate to other regions as a single, economically coherent entity.

The Southern African Development Community (SADC)\*, the Mercado Comun del Sur (MERCOSUR)\* and other such organizations are products of this trend toward the formation of unified regional economic blocs. Support for South-South cooperation is effective in supporting this kind of regional cooperation among developing countries.

2. Offsetting shortages of assistance funds.

If promising new sources of aid funding such as the countries of East Asia and ASEAN actively increase their donor activities, this becomes an effective means of compensating for inadequate funds for global aid due to an increased demand for and flagging supply of such resources.

3. Effective transfer of technology.

It may sometimes be more appropriate to transfer the technology and experience 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.

4. Effective use of aid resources.

It is often less expensive and sometimes just as or even more effective to send experts from other

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<sup>†</sup> In May 1997 the name of the Overseas Development Administration (ODA) was changed to the Department for International Development (DfID).

developing countries and to offer training at facilities in developing countries than to provide such cooperation on the Japanese side. South-South cooperation is an effective form of aid also from the standpoint of effective use of limited aid resources.

### **JICA's support for South-South cooperation**

In addition to third-country training and tripartite cooperation\*, JICA provides support for South-South cooperation through the medium of third-country experts, a new form of cooperation introduced in FY1994. The content of each type of cooperation is explained below.

#### **1. Third-country training**

Third-country training is one of JICA's training programs. It is expanding year by year and is aimed at transferring technology and experience in forms appropriate to local conditions and at encouraging technical cooperation between developing countries themselves.

#### **2. Third-country experts**

This new form of technical cooperation for which funding has been provided since FY1994 involves the use of personnel from developing countries as experts.

The primary 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 experts from third countries. The second objective is to support South-South cooperation and, by extension, the transition of fast-developing economies into donor nations.

Between FY1994 and FY1996, 32 third-country experts were sent to countries in Asia, Africa and Latin America.

#### **3. Tripartite cooperation**

Tripartite cooperation involves the joint implementation of cooperation projects in developing countries by Japan and other donor nations and aid agencies.

Projects currently in progress include the *Rural Development and Resettlement Project* in Cambodia. The aim of this project 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 cooperative activities in four sectors, namely agriculture, raising standards of living, education, and public health. JICA's technical cooperation experts are responsible for overall coordination of the project.

### **Support for new donor nations**

Japan supports the transition from recipient status to donor status of the more advanced developing countries in East Asia, ASEAN, and Latin America. This is a form of technical cooperation whereby developing countries which have received aid from Japan provide their own cooperation as new donor nations to other developing countries.

In the case of South Korea, for instance, JICA has played host at its headquarters to personnel from the Korean International Cooperation Agency (KOICA) who are being given on-the-job training with the implementation of technical cooperation projects. In addition, JICA and KOICA frequently exchange opinions and information on the implementation of aid whenever the opportunity arises.

Japan is also concluding partnership program agreements with new donors. Agreements to date have included the Japan-Singapore Partnership Program (JSPP) and the Japan-Thailand Partnership Program (JTPP).

Under these programs, Japan and its partner country jointly conduct training and send experts. Where necessary, technical experience in the implementation of assistance by JICA is transferred to the aid agency in Singapore or Thailand.

### **APEC: Partners for Progress**

Japan proposed the Partners for Progress (PFP)\* concept at a ministerial meeting of APEC held in Jakarta in November 1994. The idea behind PFP is advocacy of active promotion of development cooperation along with the liberalization and promotion of trade and investment within the APEC region as two wheels on the same axle.

PFP is a mechanism aimed at more effective promotion of economic and technical cooperation within APEC, based on the principles of mutual support and autonomy. By combining the aspects of support for South-South cooperation and coordination and collaboration between industrialized countries, PFP moves a step further on from the conventional notion of cooperation as a

one-way flow from advanced countries to developing countries and assumes that cooperation should be implemented on the basis of an equal partnership.

Employing the third-country training program, in FY1996 JICA began providing cooperation in the three fields of standards and conformity assessment, industrial ownership rights\*, and competition policy.