

2008

Annual Evaluation Report

JICA

Inclusive and Dynamic Development

Japan International Cooperation Agency

EV

JR

09-02





PREFACE

In October 2008, JICA (Japan International Cooperation Agency) and the Overseas Economic Cooperation Operations of JBIC (Japan Bank for International Cooperation) were merged. The New JICA now operates as an integrated aid organization to manage all three schemes of assistance - technical cooperation, concessionary loans (Japanese ODA Loans) and about 60% of grant aid.

We are also embracing a new vision, “Inclusive and Dynamic Development”. To make this vision a reality, we have adopted the following four missions: (1) addressing the global agenda, including climate change, water security and food supplies, infectious diseases, and economic crises; (2) reducing poverty through equitable growth; (3) improving governance of developing country; and (4) achieving human security.

JICA conducts its project evaluation based on two objectives, continuous improvement (understanding the projects’ results objectively and using them to make future projects more effective and efficient), and accountability to the general public.

This “Annual Evaluation Report 2008” is the first evaluation report published after the merger. We, both JICA and former JBIC, have prepared this report before the merger, bearing consistency and togetherness in mind, and made it as compact and readable as possible.

Following this merger, JICA aims to continuously improve and enhance its evaluation system, to achieve a more results-oriented evaluation. This process also includes developing an evaluation system on a program level where several projects of different assistance forms (Technical Cooperation, ODA Loan, and Grant Aid) are combined, applying a rating scale on evaluation results, and raising objectiveness by enhancing external evaluations.

I would be very pleased if this report serves to promote a deeper understanding of JICA’s operations.

In closing, I would like to express my sincere gratitude to the Advisory Committee of Evaluation and all who have contributed towards the work of this report.

March 2009
Sadako Ogata, President
Japan International Cooperation Agency

A handwritten signature in black ink, appearing to read "Sadako Ogata". The signature is fluid and cursive, written in a professional style.

Countries Targeted for Evaluation Study

For outlines of the evaluation results for the projects listed below, refer to pages 46-.

..... Terminal Evaluation of Technical Cooperation (2007)*
* For the Terminal Evaluation of Technical Cooperation, projects which conducted the Secondary Evaluation in FY2008 are listed.
 Ex-post Evaluation for an ODA Loan Project (2007)

Europe

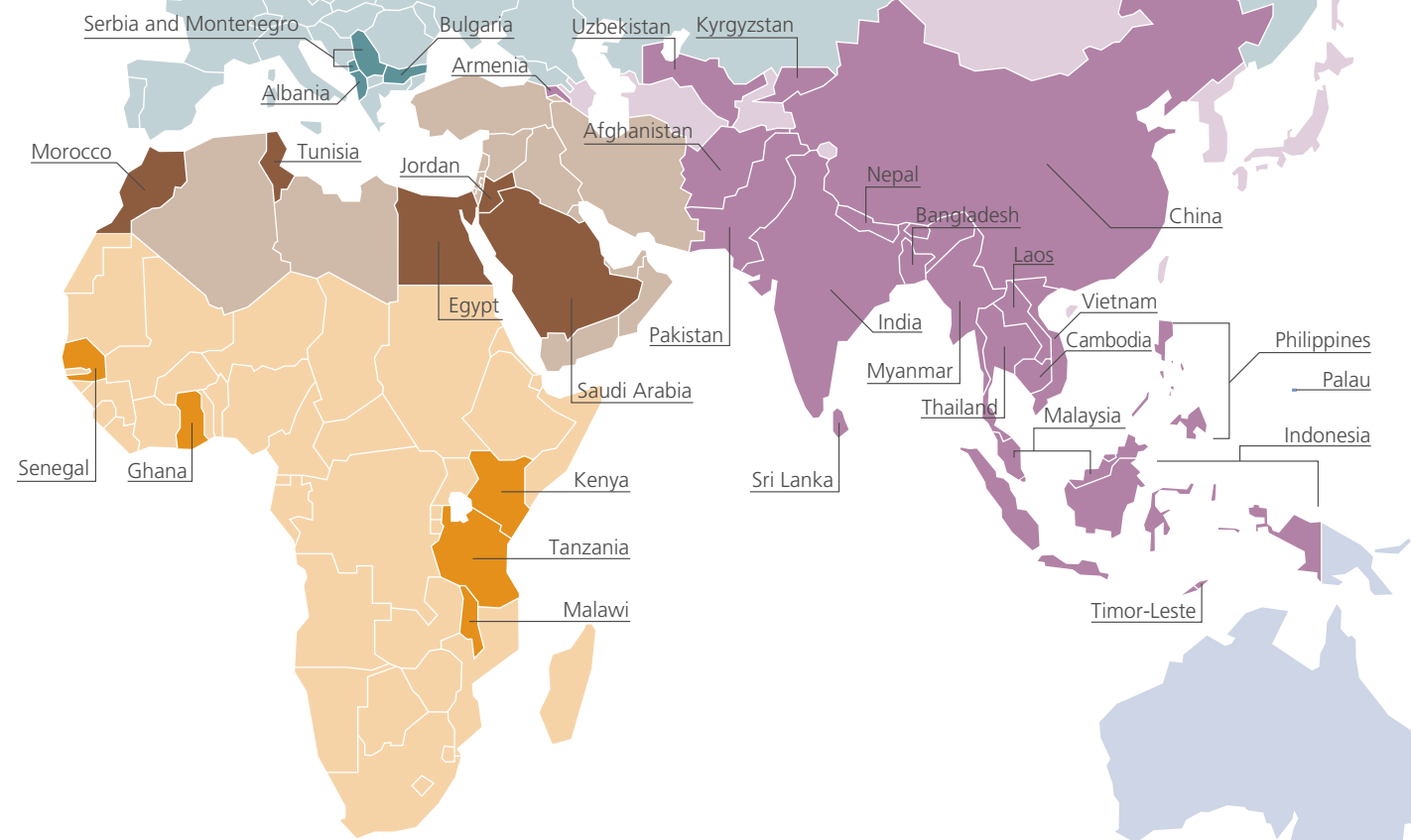
2 projects 1 project P.92

- Albania 1 (projects)
- Serbia and Montenegro 1
- Bulgaria 1

Asia

29 projects 32 projects P.46

- Afghanistan 1 (projects)
- Armenia 1
- India 3
- Uzbekistan 1
- Cambodia 4
- Kyrgyzstan 1
- Sri Lanka 2
- Thailand 2 3
- China 1 5
- Nepal 1 (projects)
- Pakistan 2 1
- Bangladesh 1
- Timor-Leste 1
- Philippines 2 7
- Vietnam 3 6
- Malaysia 1
- Myanmar 1
- Laos 3



Africa

7 projects P.85

- Ghana 1 (projects)
- Kenya 3
- Senegal 1
- Tanzania 1 (projects)
- Malawi 1

Middle East

2 projects 4 projects P.81

- Egypt 1 (projects)
- Saudi Arabia 1
- Tunisia 2
- Morocco 1 (projects)
- Jordan 1

Latin America

9 projects 2 projects P.88

- Argentina 1 (projects)
- Ecuador 2
- Chile 1
- Nicaragua 1
- Panama 1
- Brazil 1 (projects)
- Peru 1
- Bolivia 1
- Mexico 2

Oceania

1 project 1 project P.91

- Palau 1 (projects)
- Fiji 1 (projects)





I N D E X

Introduction

Preface	1
The Birth of New JICA	7
World Situation and Role of Japan's ODA	9

Part 1. Project Evaluation in JICA

Chapter 1	
What is JICA's Evaluation System?	13
Chapter 2	
Efforts to Improve its Evaluation	23
Chapter 3	
Topics	32

Part 2. Project-level Evaluation

Chapter 1	
External Evaluation by the Third Party	41
Chapter 2	
Terminal Evaluation of Technical Cooperation and Ex-post Evaluation of ODA Loans	
Asia	46
Middle East	81
Africa	85
Latin America	88
Oceania	91
Europe	92

Part 3. Program-level Evaluation

Chapter 1	
Program Evaluation	95
Chapter 2	
Thematic Evaluation	99


Reference

List of Evaluations and Glossary	
List of Evaluations on Individual Projects in FY2007 ...	109
List of External Evaluators	115
List of Major Companies that Contracted for Japanese ODA Loan projects	120
Glossary	123




List of ODA Projects published

Terminal Evaluation of Technical Cooperation (2007)


Ex-post Evaluation for an ODA Loan Project (2007)


Asia

● Afghanistan

Strengthening of the Teacher Education Program  P.46


● India

Calcutta Transport Infrastructure Development Project  P.49

Eastern Karnataka Afforestation Project  P.50

Tamil Nadu Afforestation Project  P.51


● Indonesia


Kupang and Bitung Port Development Project  P.52

Bili-Bili Irrigation Project  P.53


Rural Areas Infrastructure Development Project (3)  P.54


● Sri Lanka


Kukule Ganga Hydroelectric Power Project  P.55

Small and Micro Industries Leader and Entrepreneur Promotion Project (1) (2)  P.56


● Thailand

MRTA Initial System Project (Blue Line) (1) – (5)  P.57

OCMLT Traffic Planning and Management Sector Loan  P.58


Regional Development Program (2)  P.59


● China

Jiangxi Jiujiang Thermal Power Plant Project (1) (2)  P.60

Hunan Yuanshui River Basin Hydropower Development Project  P.61

Liangping-Changshou Highway Construction Project  P.62


Hainan East Expressway Expansion Project
Hainan Development Project (Highway) (1) (2)  P.63

Harbin Electric Network Construction Project  P.64


● Pakistan

Rural Roads Construction Project  P.65

● Bangladesh

Paksey Bridge Construction Project (1) (2)  P.66

● Philippines

Agno and Allied Rivers Urgent Rehabilitation Project  P.67


Local Government Units Support Credit Program  P.68

Pinatubo Hazard Urgent Mitigation Project  P.69


Metro Manila Interchange Construction Project (4)  P.70

Industrial and Support Services Expansion Program (2)  P.71

Environmental Infrastructure Support Credit Program (2)  P.72


Special Economic Zones Environment Management Project  P.73


● Vietnam

Strengthening of the Food Industries Research Institute  P.47


Phu My Thermal Power Plant Project (1) - (4)  P.74

Pha Lai Thermal Power Plant Project (1) - (4)  P.75


National Highway No.1 Bridge Rehabilitation Project (I) (II)  P.76

National Highway No.5 Improvement Project (1) - (3)  P.77


Hanoi - Ho Chi Minh City Railway Bridge Rehabilitation Project (1) - (3)  P.78

Third, Forth and Fifth Poverty Reduction Support Credit  P.79

● Malaysia



Hospital Universiti Kebangsaan Malaysia (HUKM)  P.80

● Laos

Project for Strengthening Medical Logistics  P.48

Middle East


● Tunisia

- Irrigation Perimeters Improvement Project in Oasis in South Tunisia  P.81
- Treated Sewage Irrigation Project  P.82

● Morocco


- Expressway Construction Project  P.83
- Casablanca South Ring Road Construction Project

● Jordan

- Second Human Resources Development Sector Investment Project  P.84

Africa


● Ghana

- Project for the Promotion of Farmers' Participation in Irrigation Management  P.85

● Kenya

- Strengthening of Wildlife Conservation Education  P.86

● Malawi


- Strengthening of Mathematics and Science in Secondary Education through In-service Training in Malawi (SMASSE INSET Malawi)  P.87

Latin America


● Brazil

- Jaiba Irrigation Project II  P.89

● Peru


- Rural Highway Rehabilitation and Improvement Project (2)  P.90

● Mexico

- Coastal Wetland Conservation in the Yucatan Peninsula  P.88


Oceania

● Fiji

- Nadi-Lautoka Regional Water Supply Project  P.91

Europe

● Albania

- Power Transmission and Distribution Project  P.93

● Bulgaria

- Project on Development of Business Management Skills Training Center for Small and Medium sized Enterprises Managers in Bulgaria  P.92

The Birth of New JICA

In October 2008, JICA (Japan International Cooperation Agency) made a new start as an integrated aid organization as it merged with the Overseas Economic Cooperation Operations of JBIC (Japan Bank for International Cooperation). In addition, Grant Aid performed by Ministry of Foreign Affairs (MOFA) was partly shifted to this newly merged organization.

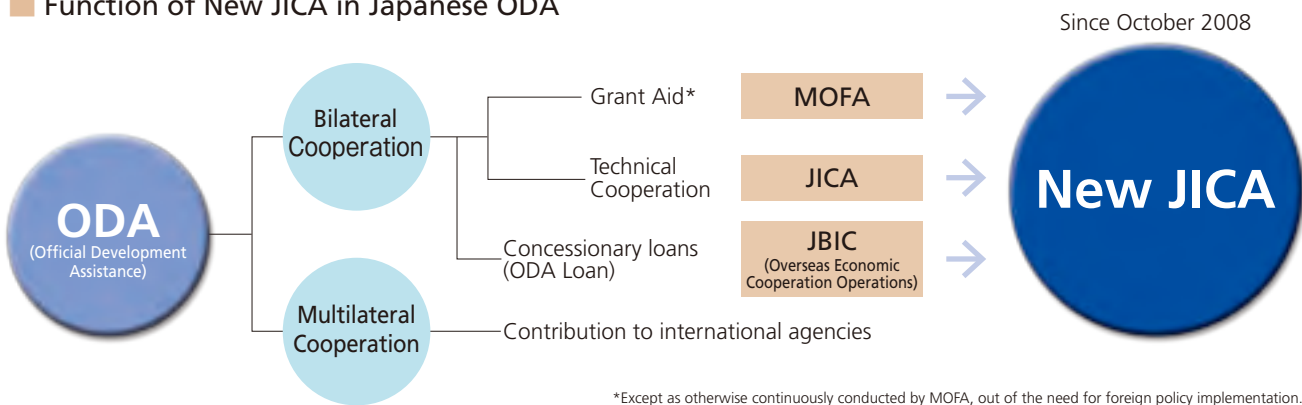
Background and Summary of New JICA

As the global issues such as poverty reduction and global warming become more obvious, the United States and European countries have expanded their Official Development Assistance (ODA) and at the same time, there is the rise in emerging aid countries such as China. On the other hand, in recent years, Japanese ODA has shrunk in size due to the hard financial situation in Japan. In response to this world trend and the undergoing administrative reform in Japan, the Japanese government initiated a reform in ODA. As part of this reform to reinforce the ODA implementation system, separate agencies for ODA implementation were integrated as the "New JICA".

New JICA operates, in an integrated manner, the three assistance schemes ("Technical Cooperation", "Japanese ODA Loan", and "Grant Aid") that had been operated by different agencies. New JICA now has annually 1 trillion yen worth of assistance projects and a network covering around 100 countries. As one of the world's leading comprehensive ODA agency, it aims to provide high quality international cooperation to better meet the needs of the developing countries.

4 schemes of ODA	
Technical Cooperation It dispatches Japanese experts to the developing countries to provide technical training, and receives people from the developing countries to Japan to offer training on special knowledge and technique.	Japanese ODA Loan It offers funds in yen value to developing countries to help them to build a foundation for their economic and social development and stability. The interest rate is set low and repayment term long, so that the payment does not burden the recipient country.
Grant Aid It provides the funds necessary for the development of certain areas, such as education, health, transportation. Repayment is unnecessary.	Multilateral Assistance It is the assistance through international organizations such as the United Nations. Contribution from the Japanese government is pooled in the international organization as a source of funds to support more developing countries.

Function of New JICA in Japanese ODA



*Except as otherwise continuously conducted by MOFA, out of the need for foreign policy implementation.

Expectation from the merger - "3S"

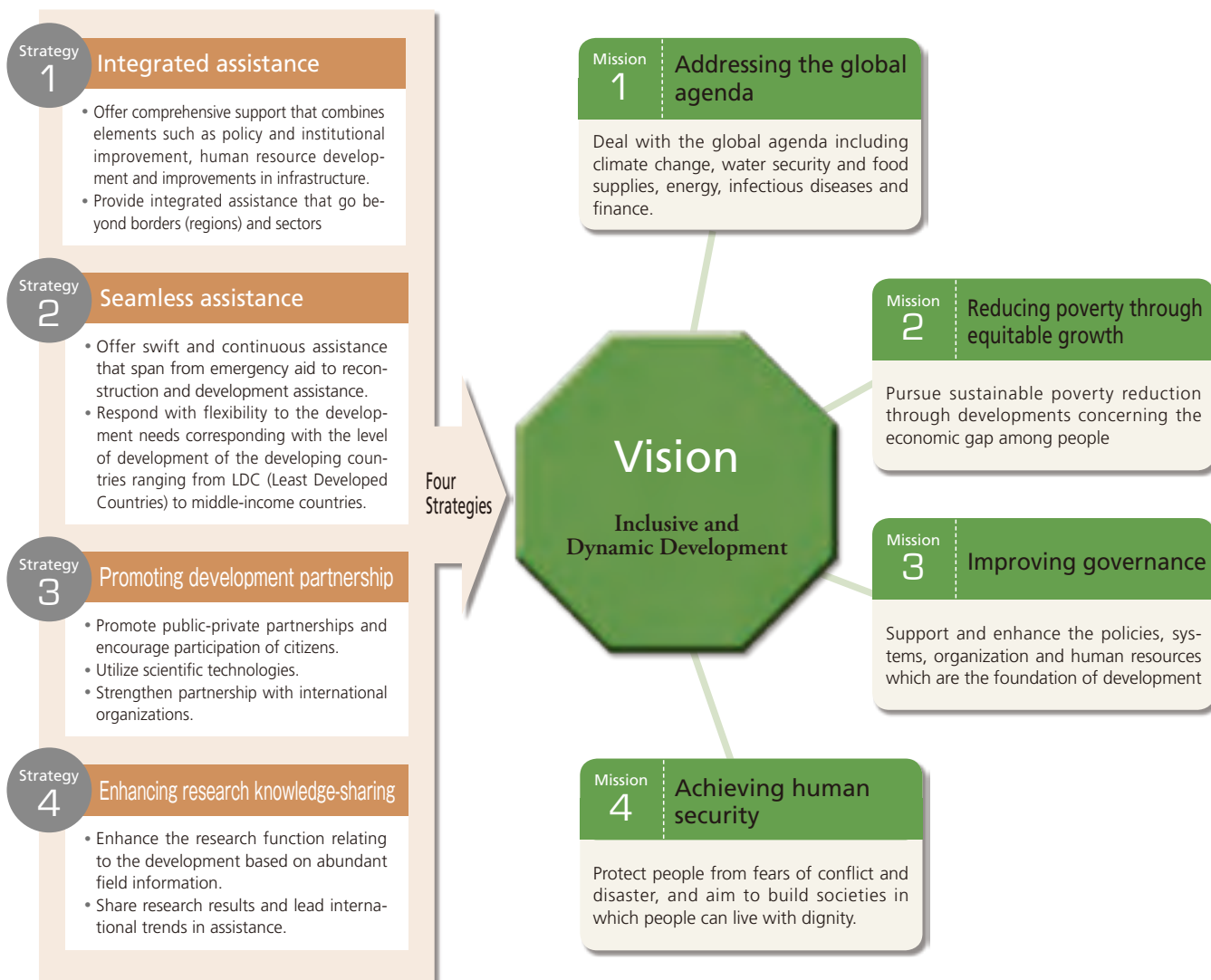
It is expected that the birth of New JICA with the three assistance modalities will make dynamic improvements in ODA operation. The 3S; "Speed-up", "Scale-up" and "Spread-out" will generate synergy to realize international cooperation of better quality.

"3S"	
Speed-up	Provide assistance quickly by strategic program planning.
Scale-up	Produce larger and better results by combining aid modalities.
Spread-out	Diffuse and expand in extensive and comprehensive manner cooperation outcomes to people responding to their needs.

Mission, Strategy and Evaluation in New JICA

New JICA announced its new vision, "Inclusive and Dynamic Development". To make this vision a reality, JICA has adopted the "four missions" to be achieved through "four strategies" as listed below.

JICA's cooperation project is administered to fulfill the vision and missions. The evaluation of New JICA contributes to fulfill the vision and missions.



*LDC: Least Developed Countries

Column

Evaluation of Independent Administrative Agencies

While JICA's individual cooperation projects are evaluated with the system mentioned in this report, its operations management as an organization is evaluated by an evaluation system applied to "Independent Administrative Agencies (IAAs)" following its corporate status.

The Minister for Foreign Affairs, the competent minister, prescribes 3 to 5 years "Mid-term Objectives" as JICA's operations management goal. Based on this, JICA draws up "mid-term plan" and "one-year plan" in conducting its planned operations. And its operational results are evaluated every fiscal year and at the termination of mid-term objectives, by third party agencies, such as Evaluation Committee for IAAs in MOFA and Committee for the Evaluation of Policies and IAA in Ministry of Internal Affairs and Communications (MIC).

World Situation and Role of Japan's ODA

A large proportion of the world's populations today are still living under harsh environments such as poverty, hunger and disaster. To solve this urgent problem, enhanced international programs under the United Nations have been offered, and Japan should likewise increase its contribution and improve its quality of assistance.

Current Situation and Issues in Developing Countries

More than 80% of world's populations live in the developing countries. They do not have basic necessities such as water, foods and clothes nor receive sufficient medication or education. On top of these physical constraints, there exist social and political problems, such as conflicts between tribes and re-

ligions, oppression of human rights and democracy, and gender issues. Moreover, many are faced with global issues such as environmental problems, climate changes and HIV/AIDS, to which developed countries are exposed as well.

	Ratio of people who have access to safe drinking water	Number of children who die below 5 years old (per 1,000 people)	Ratio of adult literacy	Ratio of children who receive a education (within the age group)	Ratio of people with lifespan beyond 64 years old (Left: Male, Right: Female)
Least Developed Countries	59%	153	53.4%	27%	44.3% 49.9%
Developing Countries	79%	83	77.1%	53%	62.6% 70.3%
Japan	100%	4	99% and above	100%	86.1% 93.1%

Source: UNDP

Millennium Development Goals (MDGs)

Based on the United Nation's Millennium Declaration adopted in September 2000, Millennium Development Goals (MDGs) were set as goals to solve global issues, namely human development and poverty eradication. Comprised of 8 goals which are listed below, MDGs have 18 targets and 49 indicators with clear numerical target respectively. With an achievement deadline of 2015, each government, aid organization, and NGO are working together to reach these targets.

JICA supports the efforts of developing countries to achieve their goals. For example, through Technical Cooperation focused on Capacity Development (to enhance developing countries' capacity to manage their own development issues), JICA aims to assist in human development, organization enhancement and system creation. At the same time, through financial cooperation (ODA Loan, Grant Aid), JICA also provides infrastructure development which contributes to the poverty reduction. Through these assistances, JICA aims to contribute actively to the achievement of MDGs.

Millennium Development Goals and major targets

Eradicate extreme poverty and hunger	Halve, between 1990 to 2015, the proportion of people whose income is less than one dollar a day.
Achieve universal primary education	Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
Promote gender equality and empower women	Eliminate gender disparity in primary and secondary education preferably by 2005, and in all levels by 2015
Reduce child mortality	Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate
Improve maternal health	Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio
Combat HIV/AIDS, malaria, and other diseases	Have halted by 2015 and begun to reverse the spread of HIV/AIDS
Ensure environmental sustainability	Halve, by 2015, the proportion of people without sustainable access to safe drinking water
Develop a global partnership for development	Develop an open, rule-based, predictable, non-discriminatory trading and financial system

Japan's ODA and its role

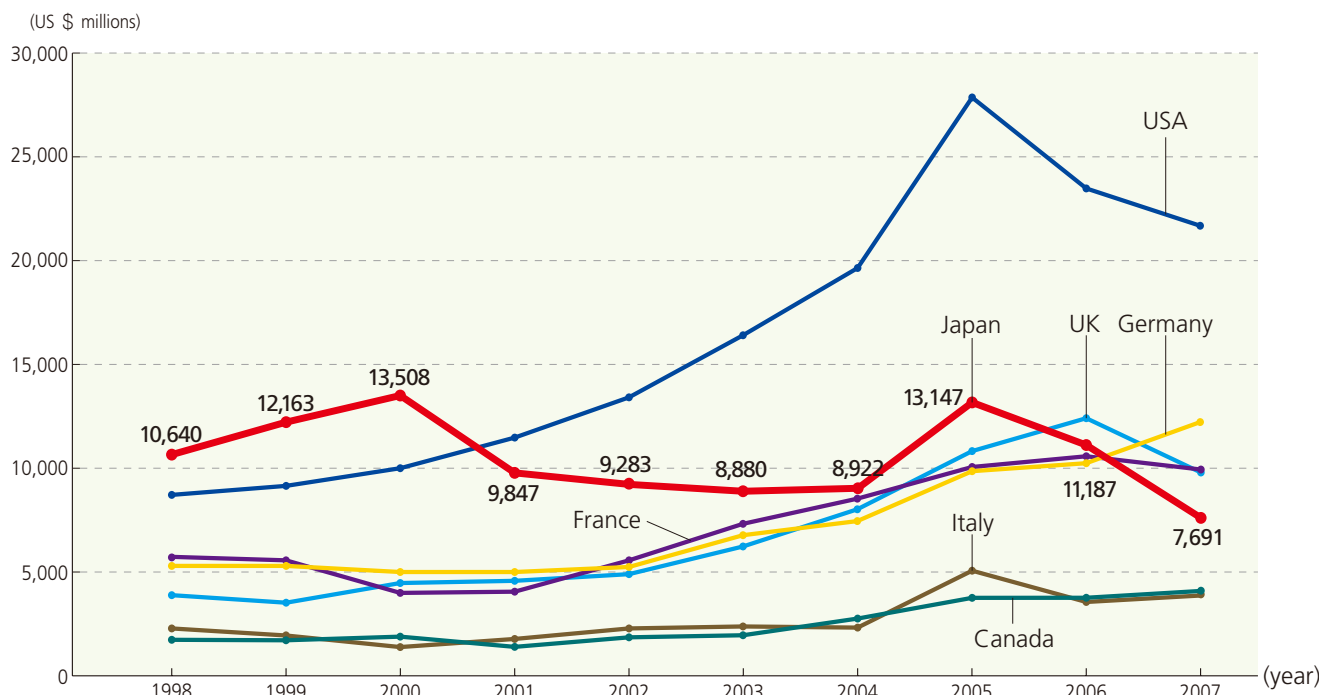
Reflecting the tough economic and financial situation, Japan's ODA budget has been declining from its fiscal year 1997 peak. For a decade, between 1991 and 2000, Japan took the first place in the world for its ODA contribution. In 2001, however, it dropped to rank number two and from then onwards, it slid further to third ranking in 2006 and fifth in 2007. In terms of the ODA ratio to GNI (Gross National Income), it has been around 0.25%, and ranking wise GNI has been ranked 20th among 22 other nations (DAC members) for the last few years. The result in 2007 was 0.17% (ODA/GNI) and ranked 20th.

In the world, however, there are still plenty of people suffering the effects of poverty. At the same time, global problems remain unresolved, including environmental issues, climate change, health and medical concerns. In light of this, Japan

has to contribute even more to help achieve MDGs. To realize the sustainable economic growth, Japan's ODA is characterized as "aid for self-help effort", which aims to assist people in developing countries by developing themselves through their own efforts. At the same time, Japan has an important responsibility to build stronger relationships with developing countries to benefit the public in future as it relies heavily on imports from these countries for its energy and food supply as well as its export of production sales to these markets.

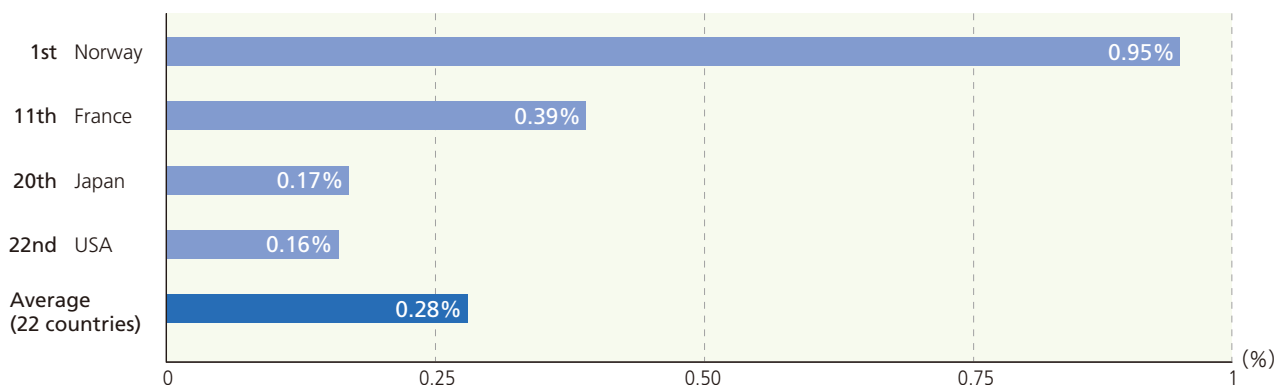
From now on, not only is it required to maintain the quantity of ODA projects, quality of Japan's assistance should also be more effective and efficient.

■ Year-on year ODA disbursement by major contributing countries (Net ODA)



Source: OECD-DAC
 Note 1: Exclude ODA to Eastern Europe and countries graduated from ODA Note 2: Data for 2007 is provisional

■ ODA as percentage of GNI



Source: OECD-DAC
 Note: All data are provisional

Column

Japan's ODA: Strategic and Intensive assistance

Although Japan's ODA is operated under a tight budget, Japan has been providing assistance in recent important issues, such as aid to African nations and the global environment in a strategic and intensive manner.

● Aid to Africa

Recent assistance to the African continent has been increasing. ODA from member countries of OECD-DAC (Organization for Economic Cooperation and Development, Development Assistance Committee) has increased rapidly and the ratio of their aid to Africa in gross ODA has gone up. At the same time, overseas investments in African natural resource development have grown, due to the Continent's ample resources such as oil and minerals. In 2006, the sub-Saharan Africa region has achieved 5.5% economic development. On the other hand, 40% of the sub-African populations still live on less than a dollar per day. This figure is very low compared with the target of MDGs in 2015. Other than the eradication of poverty, there are many more issues, such as curbing the spread of HIV.

Japan has provided intensive assistance to Africa in-

cluding "Tokyo International Conference on African Development (TICAD)", which was established by Japanese initiative in 1993. Japan's ODA to Africa identifies "poverty reduction through economic growth" as a focal point, and it focuses on independent and sustainable development and their ownership of development.

In recent years, Japan has been providing support in the form of "public and private cooperation", to further utilize African capabilities for their own growth. It especially focuses on providing cooperation using its development experiences in Asia and expanding partnership with private corporations, to provide aid that "accelerates growth" in the areas key to economic growth, such as installing infrastructure and promoting trade and investment.

● Counter measure to the Climate Change

The emission of Greenhouse Gases (GHGs) has been increasing rapidly in developing countries along with their economic growth. It is said that without handling the reduction of GHGs in the developing countries, it would be difficult to control the anticipated damage by climate changes. Therefore, "sustainable development" is encouraged, in which emissions are controlled whilst economic activities are conducted, and the natural environment is protected through the efficient use of resources.

In this aspect, Japan has been leading the interna-

tional community in creating a common systematic framework. It has advocated the creation of "Cool Earth Partnership" which supports developing countries in their effort to reduce GHGs and economic development. At the same time, in its individual cooperation projects conducted within developing countries, it offers strategic assistance on climate change both with respect to mitigation "Support in the reduction of GHGs" and adaptation "Support to adapt the impact", by applying its own experiences during its rapid economic growth.



After roads are paved, traffic access has improved (Mozambique)



Developing the technology to conserve the forest genes in order to protect natural forests and expand the forest areas (China)

Part 1

Project Evaluation in JICA

Chapter 1. What is JICA's Evaluation System?

Chapter 2. Efforts to Improve its Evaluation

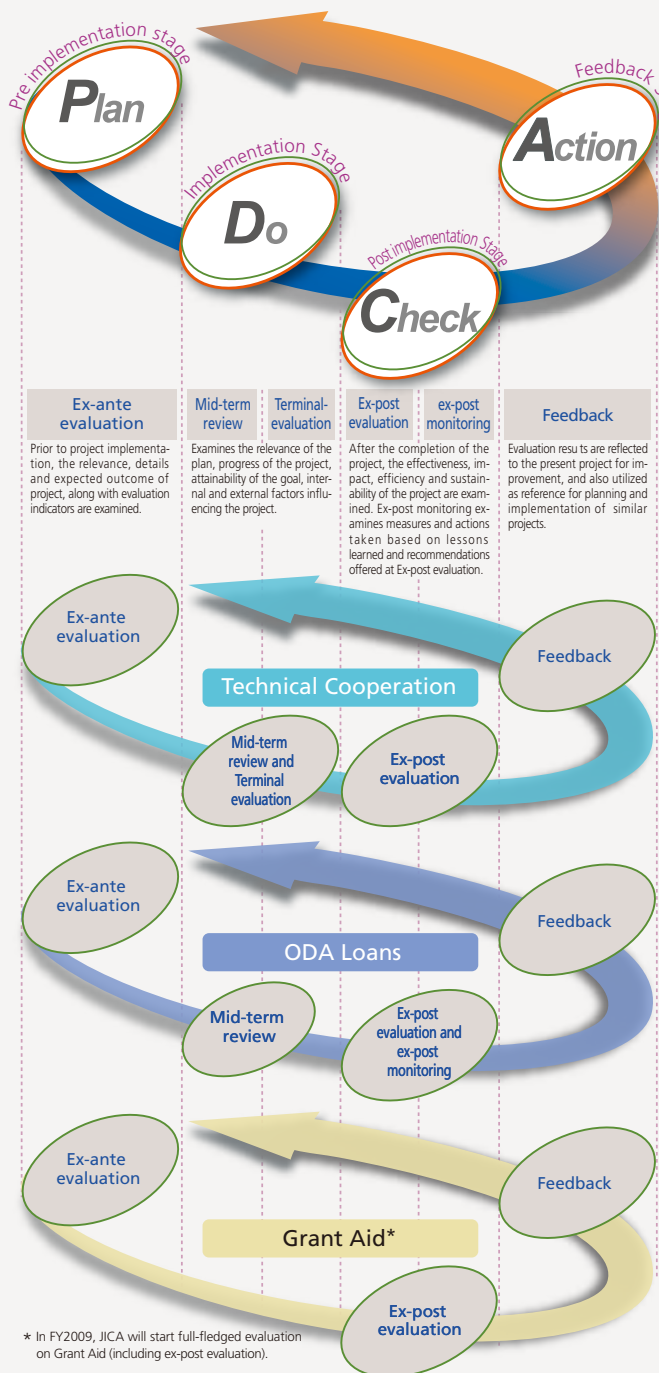
Chapter 3. Topics

The Evaluation System in JICA

In an effort to improve its projects and ensure accountability to the Japanese tax payers, JICA has introduced an evaluation system that will apply to each and every project, based on a PDCA (Plan, Do, Check and Action) cycle.

1 Consistent throughout the project by reflecting project's PDCA cycle

The PDCA cycle is a management cycle that promotes the continuous improvement of project activities. It has four steps; Plan, Do, Check and Action. For all projects, regardless of the schemes of the assistance, JICA's evaluation is conducted based on the PDCA cycle. Considering the characteristics of the scheme of assistance, such as the assistance period and timeframe for expected results, JICA conducts the evaluation within a consistent framework at each stage of the project (planning, implementation, post-implementation and feedback). By conducting the evaluation at each stage of the PDCA cycle, it aims to improve the development impact from the project. Evaluation details at each stage shall be introduced from page 15 onwards.



2 Coherent methodologies and criteria for all three schemes of assistance (Technical Cooperation / ODA Loans / Grant Aid)

JICA has developed an evaluation system that provides cross-sectional methodologies and criteria applicable to all schemes of assistance. As JICA extends its coverage to Grant Aid and starts the evaluation, including ex-post evaluation of Grant Aid in 2009, it will continue to focus on establishing a consistent evaluation system applicable to all three assistance schemes.

JICA aims to conduct the evaluation and utilize the results based on a consistent philosophy and a standard evaluation framework, while it takes into consideration the characteristics of each assistance scheme. Specifically, an evaluation framework that reflects:

- 1) Project-level evaluation based on the PDCA cycle,
- 2) Evaluation applying the DAC criteria for evaluating development assistance introduced by OECD-DAC and internationally-accepted as ODA evaluation method, and
- 3) Publication of evaluation results based on a standard rating system. (See page 28)

Evaluation perspective applying the five DAC criteria

Relevance

Does the goal of the aid activity meet the needs of beneficiaries? Are the activities and outputs of the project consistent with the overall goal and the attainment of its objectives? Is the aid activity consistent with the recipient country's policy and donor assistance policy?

Effectiveness

Examines the degree to which the project attains its objectives.

Efficiency

Measures the outputs in relation to the inputs to determine whether the aid uses least costly resources possible to achieve the desired results.

Impact

Examines positive and negative changes in long-term, extensive effects and attainment of overall goal as a result of the development intervention.

Sustainability

Measures whether the activities and effects of the project likely to be maintained after the termination of the project.

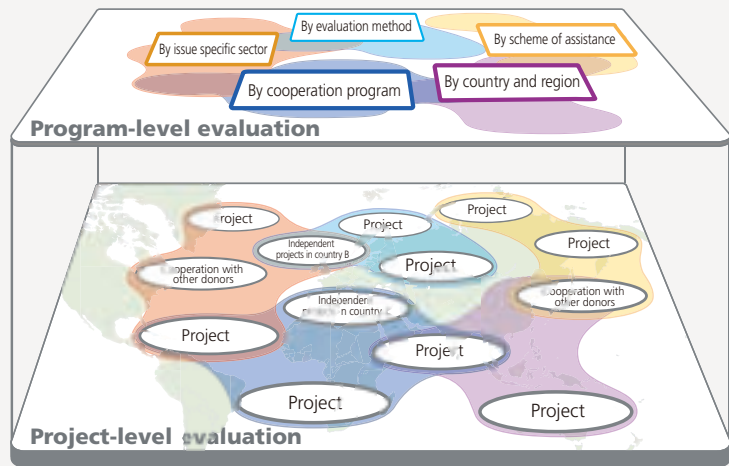
* In FY2009, JICA will start full-fledged evaluation on Grant Aid (including ex-post evaluation).

Evaluation system in JICA has 5 features shown on the right.

- 1 Consistent throughout the project by reflecting project's PDCA cycle
- 2 Coherent methodologies and criteria for all three schemes of assistance (Technical Cooperation / ODA Loans / Grant Aid)
- 3 Cross-sectional and comprehensive evaluation offered at program-level evaluation
- 4 Ensure objectivity and transparency
- 5 Emphasize utilization of evaluation results

3 Cross-sectional and comprehensive evaluation offered at program-level evaluation

A program-level evaluation focuses on a specific theme and development goal cross-sectionally, in order to evaluate and analyze JICA's cooperation comprehensively. This approach creates common lessons learned and recommendations to be shared across projects. "Thematic Evaluation" has been conducted based on development issues, region, country, assistance methodology and evaluation methodology. JICA will also review an evaluation method for "cooperation programs", which is a strategic framework to support developing countries achieve specific mid to long term development goals.



4 Ensure objectivity and transparency

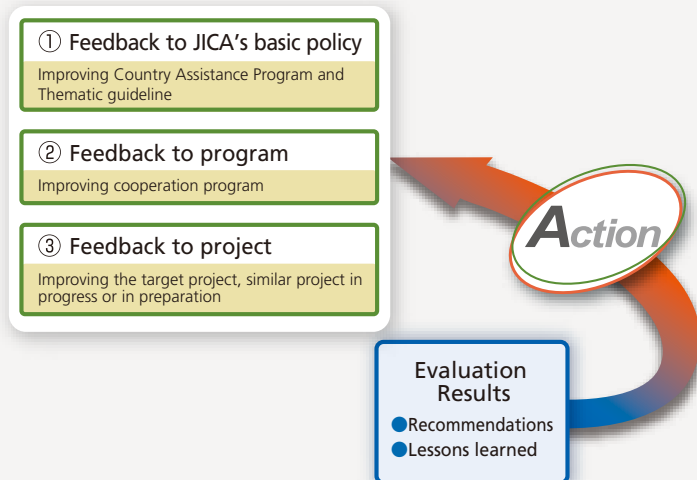
JICA aims to ensure objectivity and transparency in its evaluation. External evaluations are already conducted at ex-post evaluation stages where objectivity is required for all three schemes of assistance. JICA will further advance efforts toward better objectivity and increased transparency in the process of evaluation.

JICA has established an Advisory Committee on Evaluation, consisting of third party experts in order to improve the quality of evaluation and objectivity of evaluation results. The Advisory Committee also provides advice on evaluation policy and implementation, as well as on the evaluation structure and overall system. This ensures that the viewpoints of the external experts are reflected in the project evaluation. (See page 23)

5 Emphasize utilization of evaluation results

JICA's project evaluation not only offer evaluation results but also strengthen feedback system. The results from each evaluation stage are reflected to the "Action" phase within the PDCA cycle. This feedback is utilized as recommendations for improvement of the present project and/or lessons learned for similar projects that are in operation or in preparation. JICA intends to further reflect feedback to its cooperation program and JICA's basic structure of cooperation policy such as Country Assistance Program and Thematic Guideline.

At the same time, JICA makes efforts to reflect evaluation results to the project, program and precedent policy such as development policy of the recipient government, through offering the feedback of evaluation results to the recipient government or conducting joint evaluation.



All evaluation results are published at JICA's website.
<http://www.jica.go.jp/english/operations/evaluation/>

Pre implementation stage (Ex-ante Evaluation)

In order to determine the necessity of the project as well as to set targets for outcome, JICA conducts ex-ante evaluation and publishes the results in "Ex-ante Evaluation Report".

Evaluation at pre implementation stage

JICA conducts "Ex-ante Evaluation" prior to project implementation, in which it examines the relevance and effectiveness of the project as well as the content of project.

Using Evaluation Results

The results from Ex-ante Evaluation will be reflected to the decision-making for project implementation and project contents. Once the project starts running, subsequent evaluations are conducted using the evaluation design and indicators set at the time of the Ex-ante Evaluation.

Ex-ante Evaluation


Targeting all projects, "Ex-ante Evaluation" aims to confirm the relevance of projects and draw up the evaluation plan used after project commencement. These evaluation results are published on JICA website as soon as project is adopted.

■ Comparison of evaluation at pre implementation stage

	Technical Cooperation	ODA Loans	Grant Aid*1
Evaluation Scheme	Ex-ante Evaluation		
Timing	Prior to project implementation		
Target	All projects*2	All projects	Based on Policy Evaluation Act, project with size of 1 billion yen and over.
Evaluator	Internal evaluation	Internal Evaluation	Internal Evaluation
Evaluation Method and Viewpoint	Based on the five DAC evaluation criteria, examine necessity and relevance of projects as well as the basic cooperation plan drawn up earlier.	Using the five DAC evaluation criteria check necessity, relevance, purpose, content, impact and risk in order to examine appropriateness of project plan comprehensively.	Based on the five DAC evaluation criteria, check necessity and expected impact as well as examine basic project plan drawn up earlier.
Number of Evaluation performed in 2007	83 projects	58 projects	18 projects (by MOFA)

*1. Projects conducted by MOFA as of FY2007

*2. Brief evaluation is applied to projects smaller than JPY200M.

Technical Cooperation	Example of Ex-ante Evaluation-1
 Project for Capacity Enhancement of Chittagong Water Supply and Sewage Authority	
Bangladesh	

» Situation at the target area (Project background)

In the target area of Chittagong city, less than 50% of its population has access to water supply. Therefore, the city is currently undergoing the expansion and improvement of a water filtration plant. However, due to low quality of water supply materials and

inadequate construction work on water pipe connections, water leakage and water theft has resulted in a 33% increase in Unaccounted for water (UFW) in 2007. While the water filtration project is expected to increase water supply, it is necessary to solve the water leakage and theft problems, in order to materialize an independent and sustainable water service management.

» Results from the Ex-ante Evaluation: Necessity and relevance of JICA's assistance

- Consistency with recipient's country policy and Japan's policy
- Safe water supply and water hygiene are listed in Bangladesh's mid

to long-term strategic plan for its Poverty Reduction Strategy Paper (PRSP).

JICA Country Assistance Program places importance on technical cooperation to improve administrative handling skills. At the same time, it aims to develop a program of collaboration with urban infrastructure development projects by capital cooperation (Japanese ODA Loan), which would promote more effective assistance.

Therefore, the implementation of this project is highly relevant.

» Objectives of project

● Overall Goal

To reduce UFW in Chittagong City

● Project Purpose (Outcome)

To reinforce the skill of Chittagong Water Supply and Sewage Authority in order to reduce UFW


» Content of project

● Activities to improve the planning skills to reduce UFW

- ① Organize management team
- ② Review current UFW reduction plan
- ③ Draw up annual UFW reduction action plan and a monitoring system
- ④ Draw up long term UFW reduction plan

● Activities to improve technical skill and management capacity

- ① Organize UFW action team
- ② Detach water pipes of pilot area from remaining areas (so that project impact can be more evident.)
- ③ Analyze current UFW
- ④ Create UFW work plan for pilot project area
- ⑤ Conduct OJT for CWASA staff on topics including leakage detecting technique and water pipe repair
- ⑥ Create manual for water pipe connection and maintenance

ODA Loans	Example of Ex-ante Evaluation-2
	Panama City and Panama Bay Sanitation Project
	Panama

» Objectives of project

To improve citizens' lifestyle and the hygienic environment in Panama's metropolitan area and contribute toward the improvement of its tourism image, the project aims to improve water quality in Panama City's rivers and Panama Bay through constructing and repairing the wastewater treatment, filtering and collection systems.

» Content of project

To construct and repair of wastewater treatment, intercepting and collection systems in the Panama metropolitan area. Major project contents are shown below.

- 1 Construction of wastewater treatment system: treatment capacity of 190,000m³/day
- 2 Construction of intercepting sewer: gravity system
- 3 Construction and repair of collection system: total extension 90km
- 4 Consulting service: bidding assistance, construction management and enhancing organization

» Relevance and necessity of project

● Current situation and issues at target region and sector

In the Panama metropolitan area, sewerage and sewage plants are not adequately developed, and untreated water flows into Panama Bay at 330,000m³/day (2005). This has resulted in poor water quality, unpleasant odors, and a ban on the consumption of fish and shellfish, adversely impacting citizens' lifestyle and the tourism industry.

● Consistency with Panama's policy

Implementation of the purification project has been adopted by the current administration's National Developmental Plan. At the same time, the purification issue has also received assistance from other donors.

● Consistency with Japanese policy

The "Guidelines for Overseas Economic Cooperation Operations" focuses on assistance toward environmental improvement and pollution-prevention, as air and water pollution are worsening due to industrial activities and the urban lifestyle. It also focuses on providing assistance to projects aimed at environmental protection in Latin America.

Therefore, JICA's assistance to this project is judged highly necessary and relevant.

» Project impact and evaluation indicators

The following impacts are set as project goals

■ Targets for evaluation indicators

	Target
Population Treated (persons)	748,171
Amount of water treated (m ³ /day)	190,080
Rate of facility utilization (%)	100
BOD/SS(mg/L)	180/180 (entrance) 35/35 (exit)
Water quality improvement at discharge (colon bacillus) (MPN/mL3)	3,000



Sewage pipe in Panama Metropolitan area

Implementation stage (Mid-term review and Terminal Evaluation)

During the project implementation period, JICA performs a mid-term review and terminal evaluation in order to assess relevance of the project plan, attainability of goals and effectiveness, and to examine internal and external factors affecting the projects.

Evaluation at implementation stage

JICA conducts "Mid-term Review" and "Terminal Evaluation" for on-going projects. These are intended to examine the relevance, progress, attainability of goals and the internal and external factors.

Using Evaluation Results

The results from these will be utilized in revising the project plan and project management system, and decision-making on the termination or continuation of projects. Lessons learned from the evaluation will be utilized for the improvements of similar projects in the future.

The following are evaluations for on-going projects.

Mid-term Review

Typically conducted on relatively long-term projects after a lapse of time from the project launch, the purpose is to examine the relevance and to analyze attainability of its goals in terms of effectiveness and efficiency, as well as analyze the support factors and project obstacles and their respective trends. The results from this evaluation would be applied to project plan revisions.

Terminal Evaluation

This is usually conducted about six months prior to project termination. The purpose is to examine the attainability of project outcome, efficiency and sustainability, so that JICA can draw up the project plan of the remaining period with the recipient's government and decide the prospects of terminating the project and/or necessary follow-ups in the future. This is the evaluation scheme unique to Technical Cooperation projects where effectiveness is examined during the implementation phase.

■ Comparison of evaluations at the implementation phase

Evaluation Scheme	Technical Cooperation		ODA Loans	Grant Aid*1
	Mid-term Review	Terminal Evaluation	Mid-term Review	
Timing	At mid-point of project	6 months prior to project termination	5 years after signing of loan agreement	-
Target	Technical Cooperation Project with term longer than 3 years	All projects	Projects that need to be checked at the mid point, that contain negative outcome factors or with less desirable progress.	-
Evaluator	Internal Evaluation (conducted jointly with recipient's government)		External Evaluation	-
Viewpoints and methods	Based on the five DAC evaluation criteria, evaluate the project impact. If necessary, results are used to revise original plan or improve management system.	Based on the five DAC evaluation criteria, evaluate the project impact comprehensively. Results will help to determine the termination of project and the necessity of follow-up.	Among the five DAC evaluation criteria, relevance, efficiency and effectiveness are examined. If necessary, results are used to revise original plan or improve management system.	-
Number of evaluation performed in FY2007	38	73	4	-

*1. Projects conducted by MOFA as of FY2007

ODA Loans	Example of Mid-term Review
 Small Scale Irrigation Project (4) Indonesia	

» Objectives of project

This project aims to increase food production, mainly rice, and eventually contribute towards poverty reduction in the region by constructing and repairing irrigation systems, as well as assisting in enhancing the irrigation management system in 8 states of eastern Indonesia.

» Reason why it was selected as a review target

To review correlations with the activities by Ministry of Public Works (which conducts training and promotion activities for enhancing water management capacity), local governments, NGOs, as well as the activities and funds from other donors.

» The results from Mid-term Review

● Re-examine "Relevance"

National Policy Level: The relevance of this project remains the same from the ex-ante evaluation stage; therefore it can be judged that its relevance level has been highly consistent.

Country Assistance Program Level: As this project contributes to

the economic development and poverty reduction in eastern Indonesia as well as improves its food self-sufficiency ratio, it can be considered highly relevant at the Assistance Program level.

● **Attainability of the goal for "Effectiveness" and issues arising Ponre-Ponre Irrigation:** Although the project progress showed slight delay, individual indicators showed steady growth. While the delay in organizing the Water Users Association provided the hint of its originating problem, the hurdle could have been overcome by greater investment by the Indonesian government in organizing and enhancing the capacity of the Water Users Association. Through special investigation and promotion activity to organize the Water Users Association, the impact on irrigated areas was analyzed. It showed that the target area for irrigation had been shrunk from 4314ha (at ex-ante evaluation) to 3749ha. Therefore, the acreage for rice planting in rainy season had likewise shrunk.

● Factors impacting its "Effectiveness"

Cooperation with NGO and local universities etc: Cooperation with NGO is found at the establishment of Water Users Association.

Cooperation with other donors: Cooperation with Japanese Grant Aid or other aid organizations was not established. Aside from Japanese organizations, the ADB (Asian Development Bank) offers a "Participatory Project in Irrigation Sector" which aims to enhance capacities of government officials in the irrigation sector. A potential organic cooperation between these two projects should be explored, although the scopes of each project may not overlap.

Technical Cooperation	Example of Terminal Evaluation
 Project for Strengthening Cluster-based Teacher Training and School Management Vietnam	

» Project Background

- In its "Socio-Economic Development Strategy", the Vietnamese government places education improvement as one of the most significant policies and it aims to achieve a 99% rate of school enrollment and promote comprehensive education.
- As a concrete measure, it has adopted a scheme to offer children-centered class curriculum rather than the traditional memorization-and-lecture-centered style. Therefore it is necessary to improve the classes to adjust to the newly introduced curriculum.

» Objectives of the project

● Overall Goal

A developed model through technical cooperation will be applied to other provinces as the national model.

● Project Purpose (Outcome)

An effective model to apply the new curriculum will be developed in the pilot province.

» Project Summary

- To develop new teaching method that corresponds with new curriculum as well as to offer teachers' training to promote this new method effectively
- Offer school managerial staff training targeting Principal and Assistant Principal to enhance school management capacity

- To enhance capabilities of education administrative officials at state and county levels through monitoring and evaluation on the newly developed training model

» The results from Terminal Evaluation

● Relevance

As this project covers the important item mentioned in "Educational Development Strategic Plan", the relevance of this project is high. At the same time, it is clear that this project meets the needs of the target group.

● Effectiveness

As a comprehensive training model has been successfully developed at state, county and school levels, a certain impact has been produced. On the other hand, the effectiveness is restricted at present as the mechanism to spread the model is not yet established.

● Efficiency

It was discovered at the monitoring stages, that the small amount of financial assistance provided to each school (which had been intended as school support activity), did not contribute directly to improving education quality. Subsequently, after the school support activities were revised to provide assistance for technical staff assembly at the pilot school, this project's efficiency has dramatically improved in achieving project performance goals.

● Sustainability

It has been recognized that activities and strategies are in place to materialize the overall goal, like a voluntary plan for teachers' training in the pilot state, and the issue of official documentation by the Ministry of Education to allow teachers' discretion during the class. On the other hand, sustainability in terms of financing is feared as the budget to support human resources to spread the model developed in this project is not secured.

Post implementation stage (Ex-post Evaluation and Ex-post Monitoring)

JICA performs Ex-post Evaluation and Ex-post Monitoring in order to evaluate terminated projects comprehensively and monitor if effectiveness and impact continue to materialize after the project termination.

Evaluation at post implementation stage

JICA performs "Ex-post Evaluation" and "Ex-post Monitoring" after project termination. Comparing with other evaluation schemes, evaluations at post implementation stage place more importance on the aspect of accountability, therefore "External Evaluation" is encouraged.

Using Evaluation Results

The lessons learned and recommendations gathered from these evaluations will be applied towards improving the target project, as well as to the planning and implementation of similar projects in the future.

The following are types of evaluations.

Ex-post Evaluation

Typically conducted 2 to 4 years after project termination, all three assistance schemes are subject to ex-post evaluation. Aiming for a comprehensive evaluation after the completion of each project, JICA conducts evaluation using DAC's five evaluation criteria. One characteristic of this evaluation is the application of a standardized Rating system*1 for all three schemes in order for the published results to be easily understood. As all three schemes currently use different methods for the ex-post evaluation, developing an integrated rating methodology is an issue for the future.

Ex-post Monitoring

This is usually conducted 7 years after project completion of Japanese ODA Loan projects where there were concerns in project impact and its sustainability, as the results from ex-post evaluation. Ex-post monitoring re-examines the effectiveness, impact, and sustainability as well as monitors the progress from recommendations drawn from the ex-post evaluation phase. Through these, it aims to extract lessons learned and recommendations necessary for the project impact to be sustained and improved as a whole.

Comparison of evaluations at the post implementation stage

	Technical Cooperation	ODA Loans		Grant Aid
Evaluation Scheme	Ex-post Evaluation	Ex-post Evaluation	Ex-post Monitoring	Ex-post Evaluation*2
Timing	3 years after project termination	2 years after project completion	7 years after project completion	4 years after project completion
Target	Projects with input of JPY200M and more	All projects	Projects with concerns on effectiveness and sustainability	General Grant Aid projects and all Fisheries Grant Aid projects
Evaluator	External Evaluation			Mainly Internal Evaluation (External Evaluation on some projects)
Viewpoints and methods	Based on the five DAC evaluation criteria, evaluate the ripple effects and sustainability of project impact. From 2008, rating system is introduced on a trial basis.	Based on the five DAC evaluation criteria, evaluate comprehensively and apply 4 level ratings on results.	Among the five DAC evaluation criteria, effectiveness and sustainability are examined to improve project.	On top of the five DAC evaluation criteria, publication impact is added. 12 level ratings are applied to the results.
Number of evaluation performed in FY2007	27	40	12	115 (by MOFA)

*1. See pages 41~ for outline and method for rating system

*2. Implemented by MOFA as of FY2007. From FY2009, JICA is intended to implement Grant Aid.

Technical Cooperation	Example of Ex-post Evaluation
 Regional Development Policy Assistance Project Indonesia	

» Project background

Due to the shift in the governance system from centralized to decentralized government at the end of the 1990s, there was a need to improve the capacity of the local government to whom the power was transferred from central government. Of crucial importance was the need to boost local government's capacity to draw up, implement and manage the policies, programs and projects based on the local characteristics.

» Objectives of the project

● Overall Goal

To improve local administrative capabilities in central government (BANGDA) and target state government.

● Project Purpose (Outcome)

To improve management skill in regional development within both BANGDA (Department of Home Affairs, Regional Development Bureau) and target state government, in order to promote local autonomy.

» Project Content

Through implementation of this project, a regional development

plan based on a democratic and regional initiative was adopted. At the same time, human resources in the area of regional development were nurtured at the local government level. Meanwhile, the development of regional cooperation at state, city and prefecture levels was promoted and extended to appropriate stakeholders of regional development, such as universities, NGOs and private sectors.

» The results from Ex-post Evaluation

● Impact

- The project contributed to the elaboration of master plan in the three target states (North Sumatra, South Sulawesi and West Kalimantan). At the same time, a textbook compilation of success cases is used as a reference manual to promote best practice projects in local government.
- Through the promotion of organic farming, sericulture and the tourism of farming village, the project produced significant impact on the vitalization of the regional economy.

● Sustainability

Through the training offered by this project, improvements were seen in the level of technical skills of local government staff, and the capability of the regional development management agency. On funding issues, the Department of Home Affairs and local governments have allocated budgets for the management of local governance and implementation of the master plan, thereby securing the project's sustainability.

ODA Loans	Example of Ex-post Monitoring
 Railway Passenger Transport Improvement Project Uzbekistan	

» Objectives and outline of project

After the collapse of the Soviet Union in 1991, the railways in Central Asia were divided along the border and the National Uzbekistan Railway (UTY) was founded. As UTY did not have a repair workshop within its country, it had to send passenger carriages to neighboring countries, such as Russia for repair work. Due to lack of foreign currency, it could not afford the necessary repairs required. To deal with this issue, this project was tasked to build a carriage repair facility in its capital city, Tashkent.

» Reason why it became a target for Ex-post Monitoring

● Effectiveness at the time of Ex-post Evaluation

Not only did the new repair facility fail to meet the goals in terms of repair performance levels, it was also pointed out that future repair demand and usage was uncertain.

● Sustainability at the time of Ex-post Evaluation

It was mentioned that the financial management system of the repair workshop was not well organized.

● Recommendation at the time of Ex-post Evaluation

The urgent establishment of an accounting system at the repair workshop was recommended.

» The results from Ex-post Monitoring

● Effectiveness

After the evaluation period, the repair workshop accepted orders in

maintenance and repair work of other kinds of passenger carriages, which was unexpected at the time of appraisal. This resulted in a dramatic increase in repairs income including orders received from neighboring countries. Since 2004, carriage production in this workshop had been considered, and the first trial train will be completed soon. Application of the manufacturing license is currently underway. And manufacturing facility is now under construction with new investment, and it is expected to improve performance once carriage production commences.

● Sustainability

Financial management system of the carriage repair workshop has been vastly improved.

● Recommendation

Carriage manufacturing at the repair workshop should be launched immediately.



Carriage with peeling paint prior to repair work.



Repaired carriage

Program-level Evaluation

JICA conducts comprehensive evaluation and analysis on JICA's cooperation in relation to a specific theme or development goal, and the evaluation results are utilized for future cooperation planning and implementation to be more effective.

JICA's Program-level Evaluation

JICA performs "Program-level Evaluation" to comprehensively evaluate its cooperation in relation to specific themes or development goals. From this evaluation, the common recommendations and lessons learned are extracted by theme or goal and utilized for project implementation and future project planning. Program-level evaluation includes "Cooperation program evaluation" and "Thematic Evaluation".

Using Evaluation Results

Compared with the individual project evaluation, the recommendations and lessons learned from Program-level evaluation tend to be more general and provide more overall viewpoints. Therefore, it is applied to the improvement of extensive projects and/or overall plans and guidelines.

Evaluation on "Cooperation Program"

"Cooperation program" is provided as a strategic framework to assist developing countries achieving their specific mid to long term development goals. The New JICA intends to enhance the evaluation of these programs.

Thematic Evaluation

Thematic evaluation is conducted based on a specific theme, such as region, sector, and assistance methodology, and those of related projects are evaluated with the evaluation standard set for specific theme. Comprehensive analysis and examination of evaluation results make it possible to obtain the recommendations and lessons learned relating to the specific theme. Moreover, JICA conducts the evaluation based on evaluation methodologies in order to develop a new evaluation methodology.

Titles of Evaluation conducted (FY2007)

Technical Cooperation	ODA Loans
<p>Evaluation on Cooperation Program</p> <ul style="list-style-type: none"> ● Arsenic Mitigation Program (Bangladesh) ● Capacity Enhancement Program to Reduce Water Contamination (Mexico) ● Program for HIV Prevention (Kenya) ● Program for Water Resource Sector (Morocco) 	<p>Thematic Evaluation</p> <ul style="list-style-type: none"> ● Participatory Rural Development (Thai / Pakistan) ● Environmental Impact Assessment for the MRTA Initial System Project (Blue Line) (Thailand) ● Evaluation of the Impact Concerning Equalization and Private Sector Activities in the Electricity Sector in Vietnam (Vietnam) ● Impact Evaluation in Education Sector (Jordan) ● Impact Analysis of Small Scale Irrigation Project (Indonesia) ● Evaluation on Operation and Maintenance Management in Waterworks Sector (Indonesia / Philippines) ● Joint Evaluation by 4-donors (FY2007~) (Bangladesh)
<p>Thematic Evaluation</p> <ul style="list-style-type: none"> ● Comprehensive Analysis "International Emergency Assistance Project" (Indonesia / Pakistan) ● Patient Referral System (Vietnam / Bangladesh) ● Community Participation Approach Phase II (Panama / Honduras / Ghana) ● Distance Technical Cooperation (Philippines / Kenya) ● Long-term Technical Cooperation ~Technology and Education Sector~ (Indonesia / Thai / Kenya / Senegal) 	

Technical Cooperation	Example of Evaluation on Cooperation Program
	Program for HIV Prevention *1
	Kenya

for the planning and management of "Program for HIV Prevention in Kenya".

»» Outline of evaluation

It aims to draw the recommendations and lessons learned on the plan and management of "Program for HIV Prevention in Kenya" programmed in June 2006.

This evaluation was also considered as a mid-term evaluation which evaluates the ongoing cooperation program.

»» Evaluation Theme

The purpose of the evaluation was to draw recommendations and lessons learned

■ Projects included in this Cooperation Program

	Project Name (scheme)	Period
1	"The Project for Strengthening People Empowerment against HIV/AIDS in Kenya" (Technical Cooperation project)	July 2006-September 2009
2	"The Project for HIV/AIDS Control" (Grant Aid)	FY2007-FY2010
3	"Aids Control" etc (JOCV)	FY2006-FY2010
4	"Aids Control-Blood Test" (Supply of medical equipments)	FY2005

» The results from Program Evaluation, Recommendations and Lessons learned

The evaluation results confirmed that the program was highly consistent with the policies and strategies of Japan and Kenya, and the program's target sector was placed significant priority for both countries.

A review of the program's strategy compared with Kenya's overall HIV/AIDS control strategy, confirmed that the program outcomes should be classified separately, one is an approach for the service providers, and the other is for the recipient of those services. Therefore, it was recommended that part of the logical structure from Program Outcome to Program Goal is to be revised, in order to enhance the consistency of this program and Kenya's HIV/AIDS control strategy.

At the same time, it was cleared that the volunteer project, one of the major components of the program, need to divide the contributors into two layers (direct and indirect contributors) in order to improve their contribution toward the program goal by meeting the variety of needs at the grassroots level.

ODA Loans | Example of Thematic Evaluation



Evaluation of Impact on Environment by Mass Rapid Transit (MRT) System Project in Bangkok*2

Thailand

» Evaluation Theme

To introduce Environmental Accounting (EA) to infrastructure projects.

» Outline of evaluation

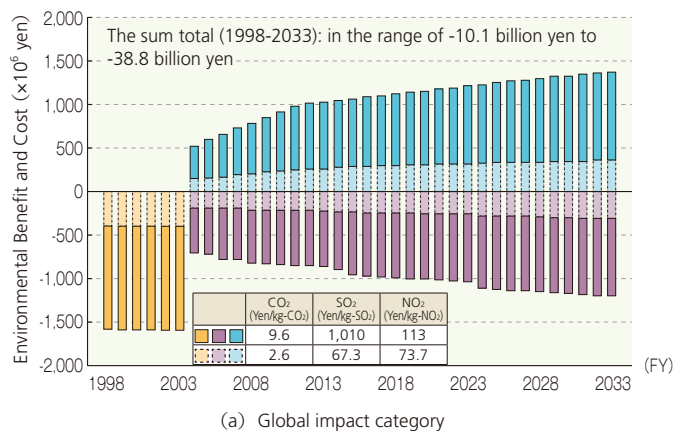
It aims to evaluate the environmental impact of Bangkok's traffic issue at project's various stages including the implementation stage, by using quantitative analysis, such as EA. At the same time, through this evaluation, it aims to present the new analytical framework for the relationship between traffic issues in metropolitan areas and the environmental impact, and subsequently make recommendations on a new evaluation method for environmental impact of large-scale infrastructure projects.

» The results from evaluation

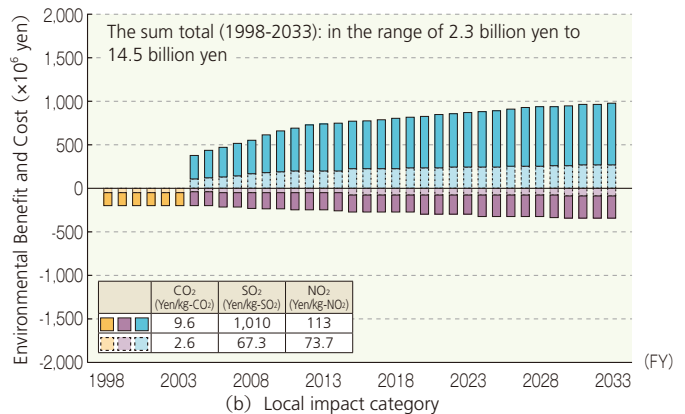
- The quantitative method of measuring environmental burden/benefit from infrastructure projects was suggested. As the result of this evaluation method, it was found that the environmental cost for which infrastructure projects take responsibility depended on the scope of the category of environmental impact (global or local).
- Considering the purpose of ODA project, it is considered appropriate to use global category on environmental impact for the evaluation of constructing and maintenance of infrastructure. However, it is mentioned how the period of EA evaluation should be determined. As the infrastructure is usually used for a long-term and almost never destroyed, it is necessary to consider the uncertainty of long term burden/benefit of the environmental impact in order to introduce EA based on LCA*3 to infrastructure, in addition to the regular evaluation method.
- A cost unit for emission amount of Greenhouse Gas (GHG) in the calculation of environment cost and burden/benefit in this evaluation uses the figures based on Japanese Input Output analysis. Therefore, when introducing EA to the infrastructure projects in the developing countries, it will be an important study issue to

determine the cost unit based on the Input Output analysis in the implementation country.

■ Shift of estimated environmental benefit and burden from Mass Rapid Transit (MRT) System Project in Bangkok



(a) Global impact category



(b) Local impact category

Note: Unit for damage cost does not have an integrated number. Graph shows minimum and maximum.

*1. 2. For details, please refer to page 95, 109

*3. Life Cycle Assessment. Mainly used to evaluate environmental burden/benefit comprehensively at the life cycle (produce, use, demolish) of manufacturing products.